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# VIRTUAL GALAXY INFOTECH LIMITED

CIN: U93000MH1997PLC110645

Our Company was originally incorporated under the name "Virtual Galaxy Infotech Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 12, 1997, issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to "Virtual Galaxy Infotech Limited" vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on September 14, 2024. The fresh certificate of incorporation consequent to conversion was issued on September 12, 2024, by Registrar of Companies, Centralised Processing Centre. The Corporate Identification Number of our Company is U93000MH1997PLC110645. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 191 of the Red Herring Prospectus.

Registered Office: 3, Central Excise Colony, Behind Mahatma Eye Bank, Chhatrapati Sq., Ring Road, Nagpur, Maharashtra, India, 440015;  
Tel No: + 91 9226531342 | E-mail: investors@vgipl.in | Website: www.vgippl.com ;  
Contact Person: Ms. Anjali Vinay Padhye Company Secretary and Compliance Officer

## THE PROMOTERS OF OUR COMPANY ARE AVINASH NARAYANRAO SHENDE AND SACHIN PURUSHOTTAM PANDE

"THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON MERGE PLATFORM OF NSE ("NSE MERGE")."

### THE ISSUE

INITIAL PUBLIC OFFER OF 65,70,000\* EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES").

\*Subject to finalisation of basis of allotment.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION - Not Applicable as the entire issue constitutes fresh issue of equity shares.

### PRICE BAND: ₹ 135/- to ₹ 142/- PER EQUITY SHARE

THE FLOOR PRICE IS 13.5 TIMES THE FACE VALUE AND CAP PRICE IS 14.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 1,000 EQUITY SHARES AND IN MULTIPLES OF 1,000 EQUITY SHARES THEREAFTER.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FY 2023-24 AT THE FLOOR PRICE IS 13.66 TIMES AND AT THE CAP PRICE IS 14.37 TIMES.

### ISSUE PROGRAM

**ANCHOR BID OPENS ON THURSDAY, MAY 08, 2025**

**OPENS ON: FRIDAY, MAY 09, 2025**

**CLOSES ON: WEDNESDAY, MAY 14, 2025**

Our Company is a SaaS product focused company engaged in providing Core Banking Software Solution, IT Solutions, ERP Implementation and Customized Software Solutions Development, IT services for the BFSI, ERP, and E-Governance domains. We are primarily involved in the development, customization, installation, and implementation of software applications, along with comprehensive post-implementation support, monitoring, and maintenance services for the delivered solutions. To provide a seamless experience to our clients, we offer a range of essential allied services, ensuring that all software needs are met under one roof. Our wide array of offerings covers the entire lifecycle of services, including consultation, architecture, solution design, implementation, monitoring, and managed services. For more details, please refer chapter titled "Our Business" beginning on page 158 of the Red Herring Prospectus.

### ALLOCATION OF THE ISSUE

QIB PORTION	NOT MORE THAN 50.00% OF THE NET ISSUE
INDIVIDUAL PORTION	NOT LESS THAN 35.00% OF THE NET ISSUE
NON-INSTITUTIONAL PORTION	NOT LESS THAN 15.00% OF THE NET ISSUE
MARKET MAKER PORTION	UPTO 3,36,000 EQUITY SHARES OR 5.11% OF THE ISSUE

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE ISSUE, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

The price band is justified based on the qualitative factors, quantitative factors and KPIs disclosed in the chapter titled "Basis for Issue Price" beginning on page 133 of Red Herring Prospectus.

### RISKS TO INVESTORS

- Risk to Investors: Summary description of key risk factors based on materiality.
- Substantial portion of our revenues has been dependent upon our Core Banking software i.e. E-Banker. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.
- We depend on orders from the banks, government and private sector clients for majority of our revenue, which may expose us to risk. Additionally, the loss of or inability to qualify for such orders may adversely affect our business, financial condition, results of operations and prospects.
- We derive a significant portion of our revenue from customers located in Maharashtra. Any adverse developments in the region could adversely affect our business, results of operations, cash flows and financial condition.
- Our revenues are dependent on clients concentrated in the BFSI segment. An economic slowdown or factors affecting this segment may have an adverse effect on our business, financial condition and results of operations.
- Most projects we operate have been awarded primarily through a competitive bidding process and our financial performance is largely dependent on our successful bidding for new projects. We may not always be able to qualify for, compete and win projects. If we are not able to successfully bid for new projects, it may adversely affect our business operations and financial conditions.
- Details of suitable ratios of the company and its peer group for the latest full financial year.

Particulars	CMP (₹)	Face Value (₹)	EPS (₹)		PE Ratio (times)		NAV per Share (₹)
			Basic	Diluted	Basic	Diluted	
Virtual Galaxy Infotech Limited	[●]	10	9.88	9.88	[●]	[●]	39.82
Peer Group							24.81
Veefin Solutions Limited	330.10	10	2.74	2.51	120.47	131.51	6.95
Network People Services Technologies Limited	2,291.70	10	13.78	13.76	166.30	166.54	62.04
Trust Fintech Limited	78.50	10	7.13	7.13	11.00	11.00	34.58
							25.71

\*\*Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

- Notes:
- The figures for our company are based on Standalone Restated Financial Statements for the year ended March 31, 2024 after considering the bonus issue.
  - The figures for the Peer Group are based on the Standalone Financial Statements filed for the financial year ended March 31, 2024.
  - PE Ratio has been computed based on their respective closing market price on May 02, 2025, as divided by the Basic EPS and Diluted EPS as on March 31, 2024.

(4) CMP is the closing prices or the last traded price of respective scripts as on May 02, 2025.

(5) The peer group companies are not exactly comparable in all aspects of business and services that our Company provides.

3. Weighted average return on net worth for the last 3 FYs, and return on net worth for period ended December 31, 2024:

As per Restated Financial Statements

Particulars	RONW (%)	Weights
March 31, 2024	39.82	3
March 31, 2023	7.29	2
March 31, 2022	5.53	1
Weighted Average	23.26	
For the period ended December 31, 2024*	31.93	

As per Consolidated Restated Financial Statements

Particulars	RONW (%)	Weights
March 31, 2024	39.95	3
March 31, 2023	3.52	2
March 31, 2022	2.00	1

Weighted Average 21.48

The disinvestments were made in Virtual Galaxy Insurance Brokers Private Limited on June 30, 2024 and SIP Fund Private Limited on February 16, 2024.

Note: Return on Net Worth (%) = Profit for the period/ year / Average Net Worth at the end of the period/year.

\*Figures are not annualised

4. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI:

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ ESOS and issuance of bonus shares

Except as mentioned below, there has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares), during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding Bonus Issue of Shares, employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Amount (₹)
May 04, 2024	3,54,254	10/-	146/-	Cash	Preferential Issue	5,17,21,084
May 27, 2024	7,03,383	10/-	146/-	Cash	Preferential Issue	10,26,93,918
June 03, 2024	1,41,308	10/-	146/-	Cash	Preferential Issue	2,06,30,968
<b>Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)</b>						<b>146.00</b>
<b>Weighted average cost of acquisition (WACA) after giving effect of Bonus Issue (₹ per Equity Share)</b>						<b>97.33</b>

- b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)
- There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- offer share capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- c) Since there is an eligible transaction of our Company reported in (a) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations and no transaction to report under (b) therefore, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities or Shareholder(s) having the right to nominate director(s) on the Board are a party to the transaction) not older than three years prior to the date of the Red Herring Prospectus, irrespective of the size of transactions, has not been computed.
- d) Weighted average cost of acquisition, Issue Price
- Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Issue Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (₹ 135.00)	Cap price (₹ 142.00)
Weighted average cost of acquisition of primary issuances as per paragraph (a) above	146.00/-	0.92 times	0.97 times
Weighted average cost of acquisition of primary issuances as per paragraph (a) above after giving effect of Bonus Issue	97.33/-	1.39 times	1.46 times
Weighted average cost of acquisition for secondary transactions as per paragraph (b) above	Nil	NA	NA

### ADDITIONAL INFORMATION FOR INVESTORS:

- Details of proposed /undertaken pre-issue placements from the DRHP filing date - Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.
- Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company by promoter(s) and promoter group(s) from the DRHP filing date - Our promoter(s) and promoter group(s) have not undertaken any transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company from the DRHP filing date.
- Pre Issue Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company:

Sr No	Name Shareholders	Number of Equity
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