

**MEMORANDUM OF UNDERSTANDING
FOR INITIAL PUBLIC ISSUE**

OF

TAC INFOSEC LIMITED

DATED JANUARY 15, 2024

AMONGST

TAC INFOSEC LIMITED

(Issuer Company)

AND

**BEELINE CAPITAL ADVISORS PRIVATE
LIMITED**

(Book Running Lead Manager and Underwriter)



MEMORANDUM OF UNDERSTANDING BETWEEN BEELINE CAPITAL ADVISORS PRIVATE LIMITED, BOOK RUNNING LEAD MANAGER TO THE ISSUE AND TAC INFOSEC LIMITED, THE ISSUER COMPANY

This Memorandum of Understanding made at Ahmedabad on this date January 15, 2024 by and between:

1. **TAC INFOSEC LIMITED**, a company incorporated under the Companies Act, 2013 and having its registered office at 8th Floor, Plot No. C-203, Industrial Focal Point, Phase 8B, Balongi, Rupnagar, S.A.S.Nagar, Mohali – 160055, Punjab, India. (hereinafter referred to as **"TAC Infosec"** or **"The Issuer Company"**), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns;

AND

2. **BEELINE CAPITAL ADVISORS PRIVATE LIMITED**, having its registered office at B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India (hereinafter referred to as **"Book Running Lead Manager"** or **"BCAPL"**) which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns.

WHEREAS:

1. The Issuer is taking steps for the issue upto 2829600 Equity Shares having face value of Rs.10/- (Rupees Ten Each) at an cash at a price of Rs. [●]/- per Equity Share (Including a premium of Rs. [●]/- Per Equity Share) to the public (the said issue of specified securities hereinafter referred to as **"the issue"**); The Issue comprises of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] /- per Equity Shares (including premium of Rs. [●] /- per Equity Share) aggregating to Rs. [●] lakhs (**"Issue"**) of the Issue of which [●] Equity Shares of Rs. 10/- each at a price of Rs. [●]/- per Equity Shares (including premium of Rs. [●]/- per Equity Share) aggregating to Rs. [●] lakhs will be reserved for subscription by Market Maker (**"Market Maker Reservation Portion"**). The Issue less the Market Maker Reservation Portion i.e. issue of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] /- per Equity Shares (including premium of Rs. [●]/- per Equity Share) aggregating to Rs. [●] lakhs is hereinafter referred to as the **"Net Issue"**. The Issue and the Net Issue will constitute 27.00% and [●]%, respectively of the post issue paid up equity share capital of the Issuer Company.
2. The Issue shall be conducted through Book Building pursuant to Regulation 229 and 253 of the SEBI (ICDR) Regulations, 2018, pursuant to which the Equity Shares are to be offered at



the Issue Price of Rs. [●]/- per Equity Share (including premium of Rs. [●]/- per Equity Share).

3. The Board of Directors of the Company, pursuant to a resolution dated January 12, 2024 has authorized the Issue. Further, the shareholders of the Company pursuant to a special resolution in accordance with Section 62(1)(c) of the Companies Act, have approved the Fresh Issue at the extraordinary general meeting of the shareholders of the Company held on January 13, 2024.
4. The Issuer has approached the Book Running Lead Manager to manage the issue and the Book Running Lead Manager have accepted the engagement *inter-alia*, subject to the Issuer entering into an agreement for the purpose being these presents;
5. The agreed fees and expenses payable to the Book Running Lead Manager for managing the Issue are set forth in the Mandate/Engagement Letter.
6. Pursuant to Regulation 244 (5) of the SEBI (ICDR) Regulations, 2018 the Book Running Lead Manager is required to enter into this Offer Agreement with the Company.

NOW, THEREFORE, the Issuer and the Book Running Lead Manager do hereby agree as follows:

Beeline Capital Advisors Private Limited will be acting as the Book Running Lead Manager to the issue.

1. The Issuer hereby represents that:-
 - (a) It has complied with or agrees to comply with all the statutory formalities under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Companies Act 2013, as applicable and other conditions, instructions and advices issued by Securities and Exchange Board of India (hereinafter referred to as "the Board") and other relevant statutes relating to an issue.
 - (b) All statements made in the Draft Red Herring Prospectus or the Red Herring Prospectus and the Prospectus shall be complete in all respects and shall be true and correct.
2. The Issuer in respect of the following matters hereby covenants that:-
 - (a) All necessary information shall be made available to the Book Running Lead Manager and that under no circumstances; it shall neither give nor withhold any information which is likely to mislead the investors.



- (b) To furnish all documents to enable the Book Running Lead Manager(s) to corroborate the information given in the draft red herring prospectus/red herring prospectus/prospectus have been provided/will be provided.
 - (c) To extend necessary facilities to Book Running Lead Manager to interact on any matter relevant to the issue with the solicitors or legal advisors, auditors, consultants, advisors to the issue, public financial institutions, scheduled commercial banks or any other organization and any other intermediary associated with the issue.
 - (d) To provide details and particulars of statutory compliances which have to be fulfilled before the issue.
 - (e) Tac Infosec will arrange for letter of comfort from statutory auditors of the company.
3. The Issuer shall ensure that all advertisements released in connection with the issue conform to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the instructions given by the Book Running Lead Manager from time to time and that it shall not make any misleading or incorrect statement in any public communication or publicity material including corporate product and issue advertisements of the Issuer. The interviews by its promoters, directors, duly authorized employees or representatives of the Issuer, documentaries about the Issuer or its promoters, periodical reports and press releases issued by the Issuer or research report made by the Issuer, any intermediary concerned with the issue or their associates or at any press, brokers' or investors' conferences shall also conform to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
4. The Issuer shall not, without the prior consent of the Book Running Lead Manager, appoint other intermediaries (except Self Certified Syndicate Banks) or other persons associated with the issue such as advertising agencies, printers, etc. for printing the application forms, allotment advices, allotment letters, share certificates or any other instruments, circulars, or advices.
5. The Issuer shall, whenever required and wherever applicable, in consultation with the Book Running Lead Manager, enter into an agreement with the intermediaries associated with the issue, clearly setting forth their mutual rights, responsibilities and obligations. A certified true copy of such agreements shall be furnished to the Book Running Lead Manager.
6. The Issuer shall take such steps as are necessary to ensure completion of allotment and dispatch of letters of allotment/credit to demat accounts/refund/unblocking of funds to the



applicants including non-resident Indians soon after the basis of allotment is approved by Designated Stock Exchange/s but not later than the specified time limit and in the event of failure to do so, pay interest to the applicants as provided under the Companies Act as disclosed in the Red Herring Prospectus/Prospectus.

7. The Issuer shall take steps to pay fees, Underwriting Commission and Brokerage to the underwriters, stock brokers, SCSBs, registered intermediaries, lead manager(s) etc., within the time specified in any agreement with such intermediaries or within a reasonable time.
8. The Issuer undertakes to furnish such information and details regarding the issue as may be required by the Book Running Lead Manager to enable them to file a report with the Board or place it on their websites.
9. The Issuer shall keep the Book Running Lead Manager informed if it encounters any problems due to dislocation of communication system or any other material adverse circumstance which is likely to prevent or which has prevented the Issuer from complying with its obligations, whether statutory or contractual, in respect of the matters pertaining to allotment, dispatch of certificate, demat credit, making refunds/unblocking of funds share/debenture certificates etc.
10. The Issuer shall not resort to any Legal Proceedings in respect of any matter having a bearing on the issue except in consultation with and after receipt of advice from the Book Running Lead Manager.
11. The Issuer shall refund/unblock the moneys raised in the issue of the applicants, if required to do so for any reason such as failing to get listing permission or under any direction or order of the Board. The Issuer shall pay requisite interest amount if so, required under the laws or direction or order of the Board.
12. Rights/ Obligations and certain terms of Book Running Lead Manager and the Issuer Company:

Book Running Lead Manager's Responsibilities:

The Book Running Lead Manager will provide the services described (or such variations as may subsequently be agreed in writing between both the parties) with reasonable skill and care, in accordance with the professional standard expected, and in a timely manner. The nature and content of any advice that is provided will necessarily reflect the specific scope and limitations of the engagement, the amount and accuracy of information provided by the Issuer Company, and the timescale within which the advice is required. The Book Running Lead Manager shall be entitled to rely on such information when performing obligations under the engagement. If general information or advice is provided, the applicability thereof will depend on the particular



circumstances in which it is to be used (of which the either party might not be aware) and should be viewed accordingly. In relation to any particular transaction, specific advice should always be sought and all material information related thereto should be provided.

The Issuer Company's Responsibilities:

In relation to all work for The Issuer Company, it is the responsibility of the Issuer Company's staff to provide with complete, accurate, timely and relevant information and to carry out any other obligations. In addition, the Issuer Company agrees to keep informed of any material developments or proposals relating to the business or operations, which may have a bearing on the engagement.

OTHER RESPONSIBILITIES & TERMS OF AGREEMENT:

Limitation of Liability:

The engagement deliverables will reflect a reasonable interpretation of the relevant statutes in India, there cannot be any guarantee or assurance that the relevant authorities will agree with analysis and conclusions. Therefore, the Book Running Lead Manager shall not be liable in case any penalty is levied on The Issuer Company as a result of reliance of engagement deliverables. The Book Running Lead Manager liability shall be limited solely to direct damages sustained as a result of the gross negligence or willful misconduct of their personnel in the performance of the services. Its total liability shall be limited to the fees actually paid for that part of the services giving rise to the liability. In no event shall The Book Running Lead Manager be liable to the Issuer Company or any third party for further damages or expenses.

Further, the Issuer Company also agrees to hold harmless, its directors and employees free from all actions, claims, proceedings, losses, damages, costs and expenses, whatsoever and however caused, incurred, sustained or arising, which **BCAPL**, its directors and employees may suffer, arising from, or in connection with, the provision of the services. This provision shall survive the termination of the engagement for any reason.

Conflict of Interest:

Subject to confidentiality restrictions set forth herein, the Book Running Lead Manager and its affiliates shall have the right to render similar services to any third parties, even if such parties are in competition with the Issuer Company.

Confidentiality:

The reports, letters, information and advice provided by the Book Running Lead Manager to the Issuer Company during this engagement are given in confidence solely for the purpose of this engagement and are provided on the condition that the Issuer Company undertakes not to disclose



these, or any other confidential information made available to the Issuer Company by the Book Running Lead Manager during the course of work, to any third party (being a party other than those to whom the report, letter, information or advice is addressed) without prior written consent of the Book Running Lead Manager.

Termination/ Breach (its conditions and the consequences):

Services may be terminated by either party due to appropriate reasons, by notice in writing to the regular correspondence address of the other party marked to the appropriate Director or contact person. In the event of termination, fees and expenses incurred to the date of termination shall be payable by the Issuer Company to the Book Running Lead Manager.

Force Majeure:

Neither the Company nor the Book Running Lead Manager shall be liable in any way for failure to perform nor delay in performing, their respective obligations under this engagement, if the failure or delay is due to causes outside the reasonable control of the party which has failed to perform.

Entire Agreement:

This Engagement Letter contains the entire agreement of the parties hereto, is in lieu of all other compensation arrangements, and supersedes all prior understandings between BCAPL and the Issuer Company with regard to the Services. The agreements herein may be changed only by written agreement signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

Governing Law and Jurisdiction:

These terms of business shall be governed by and construed in accordance with the laws of India and any dispute arising out of this engagement or these terms shall be subject to the exclusive jurisdiction of Ahmedabad courts.

In Witness Whereof the parties hereto have set their hands on this January 15, 2024.

<p>For, Beeline Capital Advisors Private Limited</p> <p><i>Nikhil Shah</i></p> <p>Nikhil Shah Director DIN: 02507020</p> 	<p>Witness 1</p> <p>Signature:</p> <p>Name:</p> <p>Address:</p>
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For, Tac Infosec Limited


Mr. Charanjit Singh
Whole-time Director
DIN: 07567588



Witness 2

Signature:

Name:

Address: