

IN THE NATURE OF ABRIDGED PROSPECTUS – MEMORANDUM CONTAINING SALIENT FEATURES OF PROSPECTUS



(Please scan this QR Code to view the Prospectus)

This is an Abridged Prospectus containing salient features of the Prospectus of HP Telecom India Limited January 07, 2025 filed with the Registrar of Companies, Ahmedabad. You are encouraged to read greater details available in the Prospectus, which is available https://www.hvciipl.com/assets/pdfs/prospectus/Prospectus_HP%20Final.pdf and National Stock Exchange of India Limited (www.nseindia.com). Unless otherwise specified all capitalized terms used herein and not specifically defined bear the same meaning as ascribed to them in the Prospectus.

THIS ABRIDGED PROSPECTUS CONSISTS EIGHT (08) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



HP TELECOM INDIA LIMITED

Corporate Identity Number: U51395GJ2011PLC064616

Incorporated on dated March 26, 2011 at Gujarat, Dadra and Nagar Havelli.

Registered Office	Contact Person	Email and Telephone	Website
Plot No – 97, 01 st Floor, Om Square, Near Ishwar Farm, BRTS Canal Road, Bhatar, Althan, Surat 395017, Gujarat, India	Barkha Jain, Company Secretary and Compliance Officer	Tel No.: +91 9825309977 Email: compliancehptl@gmail.com	www.hvciipl.com

OUR PROMOTERS OF THE COMPANY

VIJAY LALSINGH YADAV, SEEMABAHEN VIJAY YADAV AND BHARATLAL LALSINGH SINGH

Details of Offer to Public

Type of Issue	Fresh Issue Size/ Total Issue Size	Issue Under	Share Reservation		
			QIB	NII	RII
Fresh Issue	31,69,200 Equity Shares Aggregating to ₹3,422.74/- lakhs	The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations.	Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹ 2,00,000 and the Application Size does not exceed 15,04,800 Equity Shares subject to adhere under the relevant laws and regulations as applicable.		Such number of equity shares so that the Application value does not exceed ₹2,00,000 and Application size is of at least 1,200 equity shares.

THESE EQUITY SHARES ARE PROPOSED TO BE LISTED ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders: Not Applicable

PRICE, MINIMUM BID LOT & INDICATIVE TIMELINES

Issue Price	₹ 108/- Per Equity Share of Face Value of ₹ 10/- each.	Minimum lot size	1,200 Equity Shares
Issue Opening Date	February 20, 2025 (Thursday)	Initiation of Unblocking of Funds/refunds	On or before February 27, 2025 (Thursday)
Issue Closing Date	February 24, 2025 (Monday)	Credit of Equity Shares to demat accounts of Allotees	On or before February 27, 2025 (Thursday)
Finalization of basis of allotment with the Designated Stock Exchange	February 25, 2025 (Tuesday)	Commencement of Trading of Equity Shares on the Stock Exchanges	On or before February 28, 2025 (Friday)

*For details of Basis of Issue Price, please refer to page 70 of the Prospectus.

Details of WACA of all shares transacted over the trailing eighteen months from the date of Prospectus.

Period	Weighted Average Cost of Acquisition *(in ₹)	Issue Price is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in ₹)
Trailing Eighteen Month from the date of Prospectus	Nil	Nil	Nil

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00/- per equity shares and the issue price is 10.8 times of the face value. The issue price (as determined by our company in consultation with the lead manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 70 of the Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 22 of Prospectus and on page no. 09 of this Abridge Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the Prospectus from the Stock Exchange, Syndicate Members, Registrar to the Issue, Share Transfer Agents, Depository Participants, Stock Brokers, Underwriters, Banker to the Offer, Investors’ Associations or Self Certified Syndicate Banks. If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the Prospectus and/or the General Information Document (GID) from the Lead Manager or download it from the websites of the Stock Exchanges i.e. www.nseindia.com and the Lead Manager i.e. www.ifinservices.in.

PRICE INFORMATION OF LEAD MANAGER - Interactive Financial Services Limited

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
MAIN BOARD IPO								
1.	SRM Contractors Limited*	130.20	210	April 03,2024	215.25	-5.17% (+0.59%)	-15.00% (+7.61%)	+25.86% (+15.05%)
SME IPO								
2.	Crop Life Science Limited (NSE EMERGE)	26.73	52	August 30, 2023	55.95	-20.00% (+0.91%)	-19.23% (+2.80%)	-9.13 % (+14.34%)
3.	Vivaa Tradecom Limited (BSE SME)	7.99	51	October 12, 2023	40.80	-45.49% (-2.26%)	-41.18% (+7.50%)	-39.31% (+12.55%)
4.	Vrundavan Plantation Limited (BSE SME)	15.30	108	November 06, 2023	107.00	-42.59% (+6.68%)	-50.93% (+10.43%)	-51.85% (+13.73%)
5.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49	45	February 23, 2024	47.15	-7.78% (-0.94%)	+4.67% (+1.73)	-10.89% (+11.19%)
6.	Teerth Gopicon Limited (NSE Emerge)	44.39	111	April 16,2024	125.00	+99.41% (+0.24%)	+301.67% (+11.01%)	+368.56% (+13.46%)
7.	DCG Cables and Wires Limited (NSE Emerge)	49.99	100	April 16,2024	90.00	-4.45% (+0.24%)	+48.65% (+11.01%)	+40.05% (+13.46%)
8.	Winy Immigration & Education Services Limited (NSE Emerge)	9.13	140	June 27, 2024	240.00	+107.29% (+3.29%)	+87.14% (+5.71%)	+118.57% (-1.90%)
9.	Kataria Industries Limited (NSE Emerge)	57.57	96	July 24, 2024	182.40	+94.48% (+1.66%)	+126.98% (+1.54%)	+44.11% (-4.35%)
10.	Kizi Apparels Limited (BSE SME)	5.58	21	August 06, 2024	23.15	+95.71% (+4.78%)	+41.95% (+0.24%)	+11.43% (-68.69%)
11.	SPP Polymer Limited (NSE Emerge)	24.49	59	September 17, 2024	63.00	-27.37% (-1.76%)	-36.86% (-2.95%)	NA
12.	Malpani Pipes and Fittings Limited (BSE SME)	25.92	90	February 04,2025	NA	NA	NA	NA

Name of BRLM and contact details (telephone and email id) of BRLM	Interactive Financial Services Limited Tel Number: 079-49088019, (M): +91 98980 55647 Email: mbd@ifinservices.in ; Investor Grievance Email: info@ifinservices.in ; Web Site: www.ifinservices.in ; Contact Person: Pradip Sandhir
Names of Syndicate Members	The Market Maker shall be acting as the Syndicate Member for this Issue.
Names of Market Maker and contact details	Aftertrade Broking Private Limited (formerly known as RCSPL Share Broking Pvt Ltd) Address: 206, Time Square, Besides Pariseema Building, C G Road, Navrangpura, Ahmedabad: 380009 Tel No.: +91 7801918080 Website: www.aftertrade.in , Email: Compliance@aftertrade.in Contact Person: Mr. Tanmay Trivedi SEBI Registration No: INZ000155638
Name of Registrar to the Issue and contact details	Bigshare Services Private Limited SEBI Registration Number: INR000001385 Address: Office No. S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel. Number: 91 22-62638200 Email Id: ipo@bigshareonline.com Investors Grievance Id: investor@bigshareonline.com , Website: www.bigshareonline.com Contact Person: Sagar Pathare
Name of Statutory Auditor	M/s. Aslot and Associates
Name of Peer Review Auditor	M/s. Aslot and Associates
Name of Credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture trustee	Not Applicable
Self-Certified Syndicate Banks	The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at http:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes &intmId=34 , or at such other websites as may be prescribed by SEBI from time to time.
Non-Syndicate Registered Brokers	You can submit Bid cum Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non-Syndicate Broker Centres. For further details, see section titled "Issue Procedure" beginning at page 209 of the Prospectus.
Details regarding website address(es)/link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	The details of the Designated Registrar and Share Transfer Agents Locations and Designated Collecting Depository Participant Locations, along with their names and contact details are available on the websites of the Stock Exchange (www.nseindia.com) and updated from time to time.

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	VijayLalsingh Yadav	Individual	For details refer to "Board of Directors" on page no. 7 of this Abridged Prospectus.
2.	Seemabahen Vijay Yadav	Individual	For details refer to "Board of Directors" on page no. 7 of this Abridged Prospectus.
3.	Bharatlal Lalsingh Singh	Individual	For details refer to "Board of Directors" on page no. 7 of this Abridged Prospectus.

For further details, please refer chapter titled "Our Promoter and Promoter Group" on page no. 123 of the Prospectus.

BUSINESS OVERVIEW AND STRATEGY

Company Overview:

HP Telecom India Limited, originally incorporated as HP Telecom India Private Limited on March 26, 2011, initially focused solely on distributing mobile phones, accessories, and related products. Under the mentorship of its promoters, Mr. Vijay Yadav, Mrs. Seema Yadav, and Bharatlal Lalsingh Singh the company secured exclusive distribution rights for brands such as Sony LED TVs and Mobiles and other mobile brands, for the different Regions of Gujarat during the fiscal year 2014-15. Additionally, in the same financial year, the company expanded its product portfolio to include LCD/LED home theatres, indoor/outdoor air conditioners, and other home appliances. Over subsequent years, the promoters continuously diversified into new product lines in Mobile like Nokia, Micro Max, Intex, Gionee, Karbonn Mobiles to broaden their offerings and geographical reach. In the fiscal year 2015-16, the company further expanded its distribution portfolio by obtaining exclusive rights for Jio products in the West Region Trade Partner for Gujarat.

Product/Service Offering: Our extensive range of product offerings is designed to cater to diverse consumer needs and preferences, encompassing four major categories:

1. Smart Phones
2. Smart Watches
3. Tablets /iPads
4. Other Accessories

Revenue segmentation by product/service offering

The revenue bifurcation of last three years.

(₹ In Lacs)

The proportion of revenue from sale of Apple Inc. products in total revenue from operations, of the Company, were as follows:

Particulars	As at September 30, 2023	As at and for the financial year ended March 31, 2024	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022
Revenue from operations	58123.28	105891.92	63750.83	29204.04
Revenue from sale of Apple Products	50812.92	89759.41	57381.96	23069.62
% of Revenue from sale of Apple Products in Revenue from operations	87.42%	84.77%	90%	79%

Geographies Served: In the State of Gujarat: Rajkot, Gandhidham, Kutch, Bhuj, Ahmedabad, Mehsana, Himmatnagar, Unjha, Patan, Palanpur, Vadodara, Bharuch, Ankleshwar, Godhara, Dhahod, Anand, Nadiyad, Panchmahal,

- Complete State of Madhya Pradesh
- Complete State of Chhattisgarh
- In the state of Uttar Pradesh: Bijnor, Gautam Bhudha Nagar (Noida & Great Noida), Ghaziabad, Meerut, Muzaffanagar, Bagpat, Bulandshahar, Hapur, Agra, Aligarh, Firozabad, Hathras and Mathura.

Revenue segmentation by geographies:

The state-wise bifurcation of revenue from operations, of the Company, were as follows:

(₹ in Lakhs)

Particulars	As at September 30, 2024		As at and for the financial year ended March 31, 2024		As at and for the financial year ended March 31, 2023		As at and for the financial year ended March 31, 2022	
	%	Amount	%	Amount	%	Amount	%	Amount
Revenue from Gujarat	55.42	32211.00	63.60	67344.26	64.72	41255.76	98.58	23330.08
Revenue from Madhya Pradesh	18.69	10862.05	23.33	24700.22	24.38	15544.77	1.03	243.18
Revenue from Chhattisgarh	8.26	4798.83	10.42	11029.24	10.90	6950.30	0.00	0.00
Revenue from Karnataka	3.07	1784.13	0.36	381.78	0.00	0.00	0.23	54.72
Revenue from Maharashtra	0.00	0.00	0.00	0.00	0.00	0.00	0.16	37.42
Revenue from Uttar Pradesh	14.57	8467.26	2.30	2436.42	0.00	0.00	0.00	0.00
Total Revenue from Operations	100	58123.28	100	105891.92	100	63750.83	100	23665.40

Key Performance Indicators:

The financial performance of the company for the last three years as follow:

(₹ in Lacs)

Key Financial Performance	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	58,123.28	105,891.92	63,750.83	29,204.03
Growth in Revenue from Operations ⁽²⁾	-	66.10%	118.29%	23.40%
EBITDA ⁽³⁾	1001.65	1947.33	1,285.32	485.36
EBITDA Margin (%) ⁽⁴⁾	1.72%	1.84%	2.02%	1.66%
PAT	523.87	860.49	635.23	213.12
PAT Margin (%) ⁽⁵⁾	0.90%	0.81%	1.00%	0.73%
Net Worth ⁽⁶⁾	3435.33	2911.47	2,050.97	1,546.16
Return on equity (%) ⁽⁷⁾	15.25%	29.56%	30.97%	13.78%
Return on capital employed (%) ⁽⁸⁾	28.99%	66.62%	62.41%	31.17%
Net Asset Value per equity share ⁽⁹⁾	39.28	33.29	35.18	26.52

Key Financial Performance	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Total Borrowings ⁽¹⁰⁾	10,514.32	10,015.32	5,929.01	2,449.71
Debt-Equity Ratio (times) ⁽¹¹⁾	-	-	-	-
Trade Receivables Turnover Ratio ⁽¹²⁾	15.68	27.40	27.50	15.78
Inventory Turnover Ratio ⁽¹³⁾	6.40	14.76	35.92	26.99
Trade Payables Turnover Ratio ⁽¹⁴⁾	5.00	13.67	113.60	121.27
Trade Receivables days ⁽¹⁵⁾	23	13	13	23
Inventory days ⁽¹⁶⁾	57	25	10	14
Trade Payable days ⁽¹⁷⁾	73	27	5	4
Working Capital Cycle (days) ⁽¹⁸⁾	7	11	19	33
Net fixed asset turnover ratio (times) ⁽¹⁹⁾	342.08	724.57	344.51	128.25
Current Ratio (times) ⁽²⁰⁾	1.10	1.07	1.13	1.31
Working Capital Turnover Ratio ⁽²¹⁾	25.11	76.32	66.54	34.77

Client Profile or Industries Served: Not applicable

Revenue segmentation in terms of top 5/10 clients or Industries: The % of top 10 Buyers and top 10 Suppliers of Our Company are as under

Particulars	Purchase / Sales							
	September 30, 2024	%	2023-24	%	2022-23	%	2021-22	%
Top 10 Buyers	11,513.74	19.82	29,685.19	28.03%	19,024.84	29.84	11,214.95	38.40
Top 10 suppliers	52,878.84	96.14	1,10,732.59	96.16%	56,108.36	88.90	27,059.78	94.34

Intellectual Property, if any: As on date of the Prospectus our company has not get any Intellectual Property Rights.

Market Share:

Not Ascertainable.

Manufacturing plant, if any:

Not Applicable

Employee Strength:

As of September 30, 2024, our workforce comprises a total of 84 employees on contractual basis and 7 employees on permanent status.

For further details, please refer chapter titled 'Business Overview' on page 87 of the Prospectus.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships**
1.	Vijay Lalsingh Yadav	Managing Director	Experience: He has more than 13 years of work experience in the field of Telecom Industry. Educational Qualification: He has completed his bachelor's degree of arts (B.A.) from the Kurukshetra University in the year 2000.	Indian Companies <ul style="list-style-type: none"> HV Connecting Infra (India) Private Limited HVC Finance Private Limited Pinak. Tech Private Limited Kishan Finvest Limited Limited Liability Partnership HSL Corporation LLP
2.	Seemababen Vijay Yadav	Whole-time Director	Experience: She has more than 13 years of work experience in the field of Telecom Industry. Educational Qualification: She completed her bachelor's degree of arts (B.A.) from the South Gujarat University in the year 2002	Indian Companies <ul style="list-style-type: none"> HV Connecting Infra (India) Private Limited HVC Finance Private Limited Pinak. Tech Private Limited Limited Liability Partnership Nil
3.	Bharatlal Lalsingh Singh	Non-Executive Director	Experience: He has over 10 years of work experience in the field of mobile distribution. Educational Qualification: He graduated with Senior Secondary School from the Board of School Education, Haryana in the year 1998.	Indian Companies <ul style="list-style-type: none"> HV Connecting Infra (India) Private Limited Limited Liability Partnership Nil

Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships**
4.	Chirag Jitendra Sheth	Independent Director	Experience: He has more than 2 decade of experience in construction services. Educational Qualification: He completed his bachelors of Engineering (Civil) from the South Gujarat University in the year 2002.	Indian Companies Nil Limited Liability Partnership Nil
5.	Dinesh Ram Nath Yadav	Independent Director	Experience: He has more than 15 years of work experience in Sales and Marketing. Educational Qualification: He completed his Master in Business Administration from the Sarvepalli Radhakrishnan University in the year 2018.	Indian Companies Nil Limited Liability Partnership Nil

**All above stated Companies are Indian Companies Only.

For further details, please refer chapter titled “Our Management” on page no. 113 of the Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

1. Funding the working capital requirements of our Company; and
2. General Corporate Purpose;

(Collectively referred to as “Objects”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India. The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

Details of means of finance –

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the issue.

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below: (₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Estimated utilization of net proceeds in FY 2024-2025
1.	Funding the working capital requirements of our Company	3000.00	3000.00
2.	General corporate purposes ¹	350.00	350.00
	Total	3350.00	3350.00

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2024-25. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2024-2025 is not completely met, the same shall be utilized, in part or full, in the next Financial Year or a subsequent period towards the Objects.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre-Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	87,45,480	99.99%
2.	Public	30	Negligible
	Total		

Number/amount of equity shares proposed to be sold by selling shareholder, if any: Not Applicable

RESTATED AUDITED FINANCIALS STATEMENT

(₹ In Lakhs, except per share data)

Particulars	As At 30 th September, 2024	As At 31 st March, 2024	As At 31 st March, 2023	As At 31 st March, 2022
Total income from operations (net)	58,123.28	1,05,891.92	63750.83	29204.04
Net Profit / (Loss) before tax and extraordinary items	702.51	1,160.61	847.16	274.29
Net Profit / (Loss) after tax and extraordinary items	523.87	860.49	635.23	213.12
Equity Share Capital	874.55	874.55	583.03	583.03
Reserves and Surplus	2,560.78	2,036.92	1,467.94	963.13
Net worth	3,435.33	2,911.47	2,050.96	1,546.16
Basic earnings per share (₹)	5.99	13.48	7.26	2.69
Diluted earnings per share (₹)	5.99	13.48	7.26	2.69
Return on net worth (%)	15.25%	29.56%	30.97%	13.78%
Basic Net Asset Value Per Share (₹)	39.28	33.29	35.18	26.52

INTERNAL RISK FACTORS

The below mentioned risks are top 10 risk factor as per the Prospectus.

1. We are dependent on original equipment manufacturers for the telecommunication products we distribute. Any delay or failure on part of such global technology brands to supply products may materially and adversely affect our business, profitability and reputation
2. Our business is dependent on telecommunication brands effectively maintaining, promoting or developing their brands and maintaining standard quality products including launching new information and communications technology products at regular intervals.
3. Our Company, our Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.
4. If we are unable to maintain our relationships with our customers or if any of these parties change the terms of their arrangements with us, our business could be materially and adversely affected.
5. We could be subject to product liability claims, which may have a material adverse impact on us.
6. The reputation and goodwill associated with our brand name is critical to the success of our business. An inability to maintain or enhance the popularity of our brand among brands and customers may adversely impact our business prospects and financial performance.
7. The business premises from where we operate are not owned by us.
8. We extend credit to our customers for a significant portion of our sales to them. Any negative trends in their businesses could cause us significant credit loss and negatively impact our cash flow and liquidity position.
9. We have experienced negative cash flows from operating activities and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.
10. We purchase inventory in anticipation of sales, and if we fail to manage our inventory effectively during that period or if the inventory value declines, our business and results of operations could be adversely affected.

For further details, please refer chapter titled 'Risk Factor' on page 22 of the Prospectus.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation involving our Company	Taxation Matters	5	1.45
Litigation filed by the Company	Criminal Proceedings	4	12.08*
Litigations filed by our Promoters	Criminal Proceedings	6	63.26*

* The Amount involved in the proceedings may vary at the time of settlement/as per order.

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginning on page 177 of Prospectus.

A. Brief details of top 5 material outstanding litigations against the company and amount involved –Civil and Other Material Litigations

There no material outstanding litigation against the Company other than litigation regarding taxation matters like Income Tax and Tax Deduct at Sources (TDS) involved as on the date of the Prospectus.

B. There is no Regulatory action taken by SEBI or Stock Exchange against the promoter in last five financial year including any outstanding action.

C. Brief details of outstanding criminal proceedings against director(s) of our company – Nil

For further details, please refer chapter titled ‘Outstanding Litigation and Material Developments’ on page 177 of the Prospectus.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Prospectus are true and correct.