

ADDENDUM TO DRAFT PROSPECTUS DATED SEPTEMBER 28, 2023



HRH NEXT SERVICES LIMITED

(Formerly known as HRH Next Services Private Limited)

Our Company was originally incorporated as Private Limited Company in the name of “**HRH Next Services Private Limited**” on February 02, 2007 under the provision of the Companies Act, 1956 bearing Corporate Identification Number U72200AP2007PTC052582 issued by Registrar of Companies – Andhra Pradesh. Subsequently, the CIN of our company changed to U72200TG2007PTC052582 vide MCA notification dated June 02, 2014 on account of Re-organization of Andhra Pradesh and formation of Telangana. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “**HRH Next Services Limited**” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 25, 2023 bearing Corporate Identification Number U72200TG2007PLC052582 issued by Registrar of Companies – Hyderabad. For further details of change in name and registered office of our company, please refer to section titled “**Our History and Certain Corporate Matters**” beginning on page no 135 of the Draft Prospectus.

Registered office: 4-1-976, Abid Road Hyderabad- 500001, Telangana, India.

Contact Person: Mr. Akash Tiwari, Company Secretary & Compliance Officer; **Tel No:** +91 95536 04777, **E-Mail ID:** cs@hrhnext.com;

Website: www.hrhnext.com; **CIN:** U72200TG2007PLC052582

OUR PROMOTERS: (I) MR. ANKIT SANJAY SHAH, (II) MR. PARIKSHIT PANKAJ SHAH AND (III) TARA SANJAY SHAH

ADDENDUM TO THE DRAFT PROSPECTUS DATED SEPTEMBER 28, 2023: NOTICE TO INVESTORS (THE “ADDENDUM”)

INITIAL PUBLIC OFFER OF 26,58,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF HRH NEXT SERVICES LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹36/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹26/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 956.88 LAKHS (“THE ISSUE”), OF WHICH 1,35,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹36/- PER EQUITY SHARE, AGGREGATING TO ₹ 48.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 25,23,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹36/- PER EQUITY SHARE, AGGREGATING TO ₹ 908.28 LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.87% AND 27.41% RESPECTIVELY OF THE POST ISSUE PAIDUP EQUITY SHARE CAPITAL OF THE COMPANY.

Potential Investors may note the following:

1. **The Following Changes or Updation has been incorporated in the entire Prospectus.**
 - a) Specific Page Numbers has been updated with respect to specific information/explanation
2. **The Following Changes or Updation has been incorporated in the Cover Pages.**
 - a) Tara Sanjay Shah has been included as Promoter of the Company
3. **The Following Changes or Updation has been incorporated under the chapter “Definitions and Abbreviations” of Prospectus.**
 - a) Tara Sanjay Shah has been included as Promoter of the Company
4. **The Following Changes or Updation has been incorporated under the chapter “Summary of Prospectus” of Prospectus.**
 - a) Tara Sanjay Shah has been included as Promoter of the Company.
 - b) The table ‘Pre-issue Shareholding of our Promoters and Promoter Group’ has been updated and Tara Sanjay Shah has been shifted from Promoter Group to Promoter Category
 - c) Tara Sanjay Shah has been included in the table ‘Weighted Average Price at which Equity Shares was acquired by our Promoters in the last one year’
 - d) Tara Sanjay Shah has been included in the table ‘Average Cost of Acquisition of Equity Shares for Promoters’
5. **The Following Changes or Updation has been incorporated under the chapter “Risk Factors” of Prospectus.**
 - a) New Risk Factor has been added as Risk Factor No. 10 to include the details w.r.t. Company is yet to execute lease/rent agreements for the proposed call centres.
 - b) Risk Factor No. 33 has been updated to include the details w.r.t. monitor the utilization of the Net Proceeds through its audit committee.
 - c) Risk Factor No. 35 has been updated to include average cost of acquisition by Tara Sanjay Shah
 - d) Risk Factor No. 38 has been updated to include the details w.r.t. any past instances happened due to seasonal factors
 - e) Risk Factor No. 40 has been updated to include the details w.r.t. transactions entered into by the Company are in accordance with the applicable provisions of the Companies Act, 2013 and other applicable laws.
 - f) Risk Factor No. 50 has been updated to include the details w.r.t. Agreements in the name of previous company.
 - g) Risk Factor No. 51 has been updated to include the details w.r.t. Agreements which are inadequately stamped or not registered.
 - h) Risk Factor No. 52 has been updated to include the details w.r.t. experience certificates of our Promoters/Directors.
 - i) New Risk Factor has been added as Risk Factor No. 53 to include the details w.r.t. Delay in filing of returns and depositing statutory dues with regulatory authorities.



6. **The Following Changes or Updation has been incorporated under the chapter “Capital Structure” of Prospectus.**
- Classification of Promoter and Promoter Group in the table ‘Shareholding Pattern of our Company’.
 - Tara Sanjay Shah has been included in ‘Capital Build-up of our Promoters in our Company’.
 - Tara Sanjay Shah has been shifted from Promoter Group to Promoter in ‘The aggregate Shareholding of the Promoters and Promoter Group’.
 - Classification of Tara Sanjay Shah as Promoter in ‘The aggregate number of specified securities purchased or sold by the promoter group and/or by the directors of the company and their relatives in the preceding six months’
 - Tara Sanjay Shah has been included as Promoter in ‘Promoter’ Contribution’
7. **The Following Changes or Updation has been incorporated under the chapter “Object of the Issue” of Prospectus.**
- The sentence ‘Some of the machineries shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. There may be fluctuation in the exchange rate between the Indian Rupee and Foreign Exchange Rates and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds’ has been deleted under the heading ‘Expansion of our Services by launching 2 (two) Call Centres’ and ‘Capital Expenditure towards purchase of Computer Systems’
 - The sentence ‘The 3 Nos. Servers with all peripherals and software will be installed at the head quarter of Issuer situated at 4-1-976, 2nd Floor, GJ House, Abid Road, Hyderabad- 500001, Telangana’ has been included under the heading ‘Expansion of our Services by launching 2 (two) Call Centres’
 - Rationale for the increase/decrease in working capital requirements and justification for the holding period
8. **The Following Changes or Updation has been incorporated under the chapter “Our Business” of Prospectus.**
- ‘Voice Support Services’ has been updated under heading ‘Our Service Offerings’
 - ‘IT Infrastructure’ has been added under heading ‘Utilities & Infrastructure Facilities’
 - ‘Tenure of Lease’ has been updated under heading ‘Property Details’
9. **The Following Changes or Updation has been incorporated under the chapter “Our Management” of Prospectus.**
- Biography of Trishla Shah has been updated under the heading ‘Brief Biographies of Directors’
10. **The Following Changes or Updation has been incorporated under the chapter “Our Promoters and Promoters Group” of Prospectus.**
- Details of Tara Sanjay Shah has included and updated as Promoter of the Company
11. **The Following Changes or Updation has been incorporated under the chapter “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of Prospectus.**
- Rationale for increase in Total Income and increase in Profit after Tax has been included
12. **The Following Changes or Updation has been incorporated under the chapter “Outstanding Litigation and Material Developments” of Prospectus.**
- Details of Materiality Policy of the company considering the litigation to be material, has been included
13. **The Following Changes or Updation has been incorporated under the chapter “Government and Other Approvals” of Prospectus.**
- Details of Material Licenses/Approvals/Permissions which are required but not yet applied for by our Company, has been included

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

Place: Hyderabad

Date: December 01, 2023

For and on behalf of HRH Next Services Limited
Sd/-
Akash Tiwari
Company Secretary and Compliance Officer

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 FINSHORE Creating Enterprise Managing Values FINSHORE MANAGEMENT SERVICES LIMITED Anandlok Building, Block-A, 2 nd Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal, India Telephone: 033 – 2289 5101 / 4603 2561 Email: info@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar Website: www.finshoregroup.com Investor Grievance Email: investors@finshoregroup.com SEBI Registration No: INM000012185 CIN No: U74900WB2011PLC169377	 CAMEO CAMEO CORPORATE SERVICES LIMITED "Subramanian Building", #1, Club House Road, Chennai - 600 002, India Telephone: +91-44-40020700, 28460390 Email: ipo@cameoindia.com Contact Person: Ms. K. Sreepriya Website: www.cameoindia.com Investor Grievance Email: investor@cameoindia.com SEBI Registration Number: INR000003753 CIN No: U67120TN1998PLC041613
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

COVER PAGES

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DECLARATION

ENTIRE PROSPECTUS

Entire Prospectus has been updated with specific page numbers with respect to specific information/explanation, wherever necessary.

COVER PAGES

Below is the revised text for Cover Page 1:

NAMES OF PROMOTERS OF THE COMPANY: (I) ANKIT SANJAY SHAH, (II) PARIKSHIT SANJAY SHAH, AND (III) TARA SANJAY SHAH

Below is the revised text for Cover Page 2:

OUR PROMOTERS: (I) MR. ANKIT SANJAY SHAH, (II) MR. PARIKSHIT SANJAY SHAH, AND (III) MRS. TARA SANJAY SHAH

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

TERMS	DESCRIPTIONS
Our Promoters or Promoters of the Company	The promoters of our company being <i>Mr. Ankit Sanjay Shah, Mr. Parikshit Pankaj Shah and Mrs. Tara Sanjay Shah.</i>

SECTION II: SUMMARY OF PROSPECTUS

SUMMARY OF PROSPECTUS

(B) NAME OF THE PROMOTERS OF OUR COMPANY:

(i) **Mr. Ankit Sanjay Shah**, (ii) **Mr. Parikshit Pankaj Shah** and (iii) **Mrs. Tara Sanjay Shah** are the promoters of our company.

(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS PROSPECTUS:

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Promoters		
Ankit Sanjay Shah	30,00,000	45.82%
Parikshit Pankaj Shah	6,19,980	9.47%
Tara Sanjay Shah	24,80,000	37.88%
Total Promoters Shareholding (A)	60,99,980	93.17%
Promoter Group		
Pranav Pankaj Shah	1,73,621	2.65%
Trishla Shah	86,000	1.31%
Preeti Shah	34,732	0.53%
Jaishree Pankaj Shah	14,000	0.21%
Total Promoters Group Shareholding (B)	3,08,353	4.71%
Total Promoters & Promoters Group (A+B)	64,08,333	97.88%

(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration	Weighted Average Price (In ₹ per Equity Share)
1	Ankit Sanjay Shah	30,00,000	--	--
2	Parikshit Pankaj Shah	6,00,000	--	--
3	Tara Sanjay Shah	24,80,000	--	--

(The shares were acquired pursuant to Bonus issue of shares for which no consideration has been paid)

(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Ankit Sanjay Shah	30,00,000	0.33
2	Parikshit Pankaj Shah	6,19,980	1.61
3	Tara Sanjay Shah	24,80,000	--

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance, transfer, bonus issue, if any and the net cost of acquisition has been divided by total number of shares held as on date of the prospectus.

SECTION III: RISK FACTORS

RISK FACTORS

10. *“Our Company is yet to execute lease/rent agreements for our proposed Call Centres*

We have not yet executed any lease/rent agreements for setting up our proposed 2 (two) call centres at Palakkad – Kerala and Raichur - Karnataka. However, we have identified the places where our proposed call centres will be set up. As part of our process, we will submit deposits to the relevant owners of the properties where a new call centre will be located and enter into lease agreement in the form of a lease deed or a leave and license agreement being entered into between the parties within a specified time period or they terminate unless extended. We may be delayed or be unable to enter a definitive lease agreement with respect to a specific site for various reasons, some of which are beyond our control, which may result in us not being able to recover deposits placed with relevant owners. Further, in the event of such delay, we may have to identify alternate locations for which we expend significant time and resources. We may also be subject to disputes with landlords, our operations may be adversely affected in case of any disputes by the owners of such property.

We cannot assure that we will be able to execute lease agreements in a timely manner and at the same locations at where our call centre will be located. In the event of any delay in executing the lease agreements, or in the event the landlords are not able to provide the same in a timely manner, or at all, we may encounter time and cost overruns in setting up these new locations. Further, if we are unable to execute lease agreements with the same landlords who has shown interest to provide places for our call centres, we cannot assure you that we may be able to identify alternative landlords which satisfy our requirements at acceptable prices. Our inability to procure the suitable location at acceptable prices or in a timely manner, may result in an increase in capital expenditure, delay in the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.”

33. *“The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.*

Since the Issue size is less than Rs. 10,000.00 Lakh there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue.”

35. *The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.*

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
Ankit Sanjay Shah	30,00,000	0.33
Parikshit Pankaj Shah	6,19,980	1.61
Tara Sanjay Shah	24,80,000	--

38. ***“Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on call centre activities and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. During periods of curtailed activity due to adverse weather conditions, our operations may be disrupted. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in delays in the delivery of services etc. Further, in festive seasons, demand for our services gradually on higher side to meet more customers delivery and we have to hire more personnel to meet the demand. However, neither we have faced any such instances in the past due to such seasonal factors nor faced any adverse impact of the same on the business/financials as its well taken care with proper planning and estimation.”

40. ***“We have entered into, and will continue to enter into, related party transactions.***

We have entered into and may in the ordinary course of our business continue to enter into transactions with related parties that include certain of our Promoter, Promoter Group, Directors and Group Companies. For further details in relation to our related party transactions, see **“Financial Statements as Restated - Related Party Transaction”** beginning on page 183 of the Prospectus. While we have entered into such transactions on an arm’s length basis and are in compliance with the applicable provisions of Companies Act, 2013 and other applicable law, there is no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, will not have an adverse effect on our business, prospects, results of operations and financial condition. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future”.

50. ***“Certain Agreements /deeds may be in the previous name of the company.***

Our certain agreements and deeds such as Lease Deed/Agreements of Hyderabad Branch Office - Triveni Complex (5th Floor), Hyderabad Branch Office – Uppal DSL Abacus IT Park, Hanumakonda Branch Office – Kazipet, Bangalore Branch Office – Tapaswiji Arcade and allotment letter for Nizamabad Branch Office – Nizamabad IT Tower are in the name of the erstwhile name of the company i.e., HRH Next Services Private Limited and we are doing the needful for changing the name.

51. ***“Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.***

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document may not be admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, may make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may impact the continuance of our activity from such premises. Our Lease Deed/Agreements have not been registered which requires registration except Lease Deed dated August 01, 2021 for 5th Floor of Hyderabad Branch Office – Triveni Complex. We have already initiated the process of registration of lease deeds/agreements for which registration is required, with the lessors and the same is under process.

52. ***“Certain relevant copies of experience certificates of our promoters/Directors are not traceable.***

Relevant copies of experience certificates of our Promoter/Directors i.e. Mr. Parikshit Pankaj Shah and Neha Agarwal are not traceable. We can’t assure you that back-ups for the relevant copies of educational qualifications and experience certificates will be available in a timely manner or at all. We have relied on personal undertakings provided from them.”

53. *“There have been some instances of delayed filing of returns and depositing of statutory dues with regulatory authorities”*

We have delayed in filing of monthly GST Returns in the past. In FY 2017-18, we have a maximum delay in filing of 162 days, In FY 2018-19, we have a maximum delay in filing of 139 days, In FY 2019-20, we have a maximum delay in filing of 51 days, In FY 2020-21, we have a maximum delay in filing of 61 days, In FY 2021-22, we have a maximum delay in filing of 53 days and In FY 2022-23, we have a maximum delay in filing of 50 days. The reasons attributed to delay in filing of GST return was due to delay in reconciliation, approval of invoice and release of payment from clients. However, our company is putting its best efforts to reduce the delay by requesting our clients for faster reconciliation, approval of invoice and release of payment on the timely manner and at the earliest possible time.

We have also delayed in monthly filing of EPF Returns in the past. In FY 2018-19, we have a maximum delay in filing of 99 days, In FY 2019-20, we have a maximum delay in filing of 61 days, In FY 2020-21, we have a maximum delay in filing of 24 days, In FY 2021-22, we have a maximum delay in filing of 20 days and In FY 2022-23, we have a maximum delay in filing of 47 days. The reasons attributed to delay in depositing the EPF is due to consumption of significant time in application and approval process for PAN and Aadhar by the employees as our company employs mostly college freshers who often lack essential KYC such PAN and Aadhar. However, our company is putting its best efforts to reduce the delay by assisting the employees for applying the essential documents such as PAN and Aadhar.

Our company has filed all the GST & EPF returns as mentioned above after delay and regularised the same. However, it cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

SECTION VI: CAPITAL STRUCTURE

CAPITAL STRUCTURE

(g) Shareholding Pattern of our Company:

The table below presents the current shareholding pattern of our Company as on the date of this prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Dematerial Deposits (XII)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV) #
								No of Voting Rights			Total as a % of (A+B +C)			No . . . (a)	As a % of total Shares held (b)	No . . . (a)	As a % of total Shares held (Sb)	
								Class: X	Class : Y	Total								
A1	Promoter	3	60,99,980	-	-	60,99,980	93.17%	60,99,980	-	60,99,980	93.17%	-	93.17%	-	-	-	-	60,99,980
A2	Promoter Group	4	3,08,353	-	-	3,08,353	4.71%	3,08,353	-	3,08,353	4.71%	-	4.71%	-	-	-	-	3,08,353
B	Public	8	1,39,105	-	-	1,39,105	2.12%	1,39,105	-	1,39,105	2.12%	-	2.12%	-	-	-	-	1,39,105
C	Non-Promoter - Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		15	65,47,438	-	-	65,47,438	100.00%	65,47,438	-	65,47,438	100.00%	-	100.00%	-	-	-	-	65,47,438

(i) The Details of Shareholding of Promoter's of Our Company;

Capital Build-up of our Promoter's in our Company: The current promoters of our Company are Ankit Sanjay Shah, Parikshit Pankaj Shah and Tara Sanjay Shah.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this prospectus, our Promoters collectively hold 60,99,980 Equity Shares, which constitutes approximately 93.17% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 66.26% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Ankit Sanjay Shah	30,00,000	45.82%	30,00,000	32.59%
Parikshit Pankaj Shah	6,19,980	9.47%	6,19,980	6.73%
Tara Sanjay Shah	24,80,000	37.88%	24,80,000	26.94%
Total Promoters Shareholding	60,99,980	93.17%	60,99,980	66.26%

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.

(iii) Tara Sanjay Shah

Date of Allotment/ Acquisition /Sale	Number of Equity Shares	Face Value	Issue/ Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Pledge
31-03-2023	80,000	10.00	-	Gift	Transfer from Parikshit Pankaj Shah	1.22%	0.87%	No
24-07-2023	24,00,000	10.00	-	Nil	Bonus Issue	36.66%	26.07%	No
Total	24,80,000					37.88%	26.94%	

(k) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate:

Our Promoters does not include a Body corporate. The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Ankit Sanjay Shah	30,00,000	45.82%	30,00,000	32.59%
Parikshit Pankaj Shah	6,19,980	9.47%	6,19,980	6.73%
Tara Sanjay Shah	24,80,000	37.88%	24,80,000	26.94%
Total Promoters Shareholding (A)	60,99,980	93.17%	60,99,980	66.26%
Promoter Group				
Pranav Pankaj Shah	1,73,621	2.65%	1,73,621	1.89%
Trishla Shah	86,000	1.31%	86,000	0.93%
Preeti Shah	34,732	0.53%	34,732	0.38%
Jaishree Pankaj Shah	14,000	0.21%	14,000	0.15%
Total Promoters Group Shareholding (B)	3,08,353	4.71%	3,08,353	3.35%
Total Promoters & Promoters Group (A+B)	64,08,333	97.88%	64,08,333	69.61%

- (l) *The aggregate number of specified securities purchased or sold by the promoter group and/or by the directors of the company and their relatives in the preceding six months:*

Name of the Shareholder	Promoter/ Promoter Group/ Director	Date of Transaction	Number of Equity Shares subscribed to/ Acquired	Number of Equity Shares Sold/ Transferred	Nature of Transaction
Ankit Sanjay Shah	Promoter and Managing Director	24-07-2023	30,00,000	-	Bonus Issue
		09-08-2023	-	86,000	Transfer to Trishla Shah
		09-08-2023	-	14,000	Transfer to Jaishree Pankaj Shah
Parikshit Pankaj Shah	Promoter and Non-Executive Director	24-07-2023	6,00,000	-	Bonus Issue
		09-08-2023	-	10	Transfer to Pranav Pankaj Shah
		09-08-2023	-	10	Transfer to Preeti Shah
Trishla Shah	Promoter Group and Wholetime Director	09-08-2023	86,000	-	Transfer from Ankit Sanjay Shah
Tara Sanjay Shah	Promoter	24-07-2023	24,00,000	-	Bonus Issue
Pranav Pankaj Shah	Promoter Group	09-08-2023	10	-	Transfer from Parikshit Pankaj Shah
		24-08-2023	1,73,611	-	Private Placement
Preeti Shah	Promoter Group	09-08-2023	10	-	Transfer from Parikshit Pankaj Shah
		24-08-2023	34,722	-	Private Placement
Jaishree Pankaj Shah	Promoter Group	09-08-2023	14,000	-	Transfer from Ankit Sanjay Shah

(n) Promoter's Contribution:

(i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this prospectus, our Promoters collectively hold 60,99,980 Equity Shares constituting 66.26% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 18,41,088 equity shares being 20% of the post Issue equity share capital of our Company are eligible for the Promoter's Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this prospectus until the completion of the lock-in period specified above.

The details of lock-in of shares for 3 (three) years are as under:

Sr. No.	Name of the Promoter Shareholder	Number of Shares held	Number of Shares held for lock-in	Post-IPO Share Locked in (In%)	Lock in Period
1	Ankit Sanjay Shah	30,00,000	15,25,772	16.57%	3 years
2	Parikshit Pankaj Shah	6,19,980	3,15,316	3.43%	3 years
Total		60,99,980	36,19,980	18,41,088	20.00%

18,41,088 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
 - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
 - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 1956 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

(ii) Details of Equity Shares Locked-in for one (1) year

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

The details of lock-in of shares for 1 (one) year are as under:

<i>Name of Shareholders</i>	<i>Category</i>	<i>No of Shares Held</i>	<i>Lock-in for 3 Years</i>	<i>Lock-in for 1 Years</i>
Ankit Sanjay Shah	Promoter	30,00,000	15,25,772	14,74,228
Parikshit Pankaj Shah	Promoter	6,19,980	3,15,316	3,04,664
Tara Sanjay Shah	Promoter	24,80,000	-	24,80,000
Pranav Pankaj Shah	Promoter Group	1,73,621	-	1,73,621
Trishla Shah	Promoter Group	86,000	-	86,000
Preeti Shah	Promoter Group	34,732	-	34,732
Jaishree Pankaj Shah	Promoter Group	14,000	-	14,000
Atul Agarwal	Public	13,888	-	13,888
Vivek Agarwal	Public	13,888	-	13,888
Rachna Agarwal	Public	13,888	-	13,888
Gaurav Agarwal HUF	Public	13,888	-	13,888
Kunal Agarwal HUF	Public	13,888	-	13,888
Venkateshwar Rao Sripati	Public	27,777	-	27,777
Yagnesh Shailender Manghnani	Public	28,000	-	28,000
Trupti Ravi	Public	13,888	-	13,888
Total		65,47,438	18,41,088	47,06,350

SECTION VII: PARTICULARS OF THE ISSUE

OBJECT OF THE ISSUE

Details breakup of the Use of the Proceeds

A. Expansion of our Services by launching 2 (two) Call Centres

- ☐ ~~Some of the machineries shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. There may be fluctuation in the exchange rate between the Indian Rupee and Foreign Exchange Rates and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds. Further, The purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time.~~

B. Capital Expenditure towards purchase of Computer Systems

We operate from 7 (seven) Call Centres located in the state of Telangana, Tamil Nadu and Karnataka. We propose to augment our capacities & in-house capabilities by setting up additional 2 (two) Call Centres with seating capacity of 150 each at Palakkad in the state of Kerala and Raichur in the state of Karnataka.

At present, our company is using 862 nos. of Computer Systems for the purpose of our business operations which are taken on lease/rent by us from third parties.

Now, our company intends to purchase 600 Nos. Computer Systems and 3 Nos. Servers along with all peripherals out of which 300 Nos. Computer Systems will be installed in place of leased/rented Computer Systems and remaining 300 Nos. Computer Systems will be installed at 2 (two) New Call Centres proposed at Palakkad and Raichur. The 3 Nos. Servers with all peripherals and software will be installed at the head quarter of Issuer situated at 4-1-976, 2nd Floor, GJ House, Abid Road, Hyderabad- 500001, Telangana.

- ☐ ~~Some of the machineries shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. There may be fluctuation in the exchange rate between the Indian Rupee and Foreign Exchange Rates and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds. Further, The purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time.~~

C. Working Capital Requirements

Rationale for the increase/decrease in working capital requirements and justification for the holding period:

- Rationale for decrease in working capital requirements of the Company for FY 2022

During FY 2021-22, Revenue from operations has been increased from ₹ 2,416.24 Lakhs to ₹ 4,415.23 Lakhs. Cash & Bank balance decreased from ₹ 154.52 Lakhs to ₹ 17.81 Lakhs, Sundry Debtors increased from ₹ 315.19 Lakhs to ₹ 678.41 Lakhs, Short Term Loans & Advances has been increased from ₹ 99.29 Lakhs to ₹ 111.69 Lakhs and other current assets has been increased from ₹ 126.02 Lakhs to ₹ 218.76 Lakhs. In total, total current assets (i.e., working capital requirement wherein money got blocked) have been increased from ₹ 695.03 Lakhs to 1,026.67 Lakhs.

However, out of working capital requirement of ₹ 695.03 Lakhs in FY 2020-21, ₹ 244.93 lakhs have been funded from current liabilities and balance working capital requirement gap of ₹ 450.10 Lakhs has been funded through short-term borrowing and internal accruals. In FY 2021-22, the current liabilities have been increased from ₹ 244.93 Lakhs in FY 2020-21 to ₹ 633.52 Lakhs in FY 2021-22 that means, more working capital requirement has been met by current liabilities resulting into net decrease of working capital gap to ₹ 393.15 Lakhs in FY 2021-22.

The Current Liabilities for expenses have been increased from ₹129.39 Lakhs to ₹443.14 Lakhs from FY 2020-21 to FY 2021-22 and Short-Term Provision has been increased from ₹115.54 Lakhs to ₹190.38 Lakhs from FY 2020-21 to FY 2021-22, resulting into total increase of current liabilities by ₹388.59 Lakhs from FY 2020-21 to FY 2021-22. Current Liabilities for Expenses and Short-Term Provisions have been increased as the Revenue from Operations of the Company have been increased from ₹ 2,416.24 Lakhs to ₹ 4,415.23 Lakhs in FY 2021-22.

- Rationale for increase in working capital requirements of the Company for FY 2023

During FY 2022-23, Revenue from operations has been further increased to ₹ 5,113.63 Lakhs. Total current assets during FY 2022-23 have been increased by ₹ 422.76 Lakhs wherein current liabilities have been increased by only ₹ 79.80 lakhs i.e., our working capital gap requirement has been increased by ₹ 342.96 lakhs for the said period.

Justification for Holding Period:

Particulars	Details
Sundry Debtors Holding period	Revenue from operations has been increased from ₹ 2,416.24 Lakhs in FY 2020-21 to ₹ 5,113.63 Lakhs in FY 2022-23 wherein sundry debtors has been increased from ₹ 315.19 Lakhs to ₹ 1,215.23 Lakhs. The sundry debtor holding periods depends on lots of factor like prevailing market condition, customers demand, final approval of our invoices followed by release of payments from clients etc. Sometimes, we have to also offer extra credit period to boost the topline and retained the clients or to get new clients. Accordingly, the sundry debtors holding period has been increased from 1.57 months in FY 2020-21 to 2.85 months in FY 2022-23, which also resulted in increase of revenue from operations from ₹ 2,416.24 Lakhs in FY 2020-21 to ₹ 5,113.63 Lakhs in FY 2022-23. Going forward, we are estimating to maintain the Debtor holding period at levels of 2.75 months from Fiscal 2024 onwards which is as per the immediate past trend and our affordability to increase the top line as well to retain present & future customers as per the demand and market practice.
Inventory Holding Period	N. A.
Sundry Creditor Holding Period	N. A.
Current Liabilities for Expenses and Short-Term Provision	As per Restated financials, other current liabilities for expenses as well short-term provision have been increased from ₹ 244.93 Lakhs to ₹ 713.32 Lakhs and our holding period in comparison with relevant expanses has been increased from 1.30 months in FY 2020-21 to 1.96 months in FY 2022-23. The said holding period was gradually increased due to we could not generate sufficient cash flow to meet the liabilities due to blockage of more funds into Current Assets. However, going forward we are gradually estimating to maintain lower holding period upto 1.05 months and 0.95 months in FY 2023-24 and FY 2024-25 respectively due to better expected cash flow in future.

SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

OUR BUSINESS

OUR SERVICE OFFERINGS

Outbound Voice Process: Conducting an outbound voice process is more challenging compared to the inbound voice process. In this scenario, customer care executives are tasked with initiating calls to customers. These executives effectively capture the customers' attention during their calls and skillfully commence pitching the products or services. We strategically articulate the product's benefits in a compelling manner that resonates with the customers.

Our outbound calls are organized into two distinct segments: Outbound Sales and Outbound Services.

Outbound Sales:

In the Outbound Sales segment, we engage in campaigns aimed at proactively reaching potential customers to promote and sell our products or services. This involves strategic outreach, product presentations, and relationship-building to drive sales growth.

Currently, our Outbound Sales includes:

- **Lead Generation:** Harness potential leads through strategic outreach, nurturing opportunities for business growth.
- **Up-selling & Cross-selling:** Maximize revenue by suggesting complementary offerings, and showcasing the full value of a brand's offerings to its customers.
- **Promotional Offers Campaigns:** Contacting potential customers to inform them about limited-time promotions, discounts, or special deals, creating urgency and motivating them to make a purchase.
- **Product Launch Campaigns:** Initiating calls to introduce a new product or service to targeted leads, highlighting its features, benefits, and enticing offers to encourage purchases.

Outbound Services:

On the other hand, the Outbound Services segment focuses on campaigns designed to offer assistance, support, or information to existing customers. This encompasses customer satisfaction surveys, product updates, and problem resolution, enhancing customer engagement and ensuring a high level of service quality.

Currently, our Outbound Services includes:

- **Customer Service Follow-up Calls:** Strengthen relationships by proactively addressing concerns, garnering valuable feedback, and showcasing dedication to customer satisfaction.
- **Welcome Calls to New Customers:** Establish a strong rapport from the outset, by extending a warm, informative welcome new customers, thereby setting the stage for a positive relationship.
- **Renewal Reminders:** Notifying customers of upcoming subscription renewals or service contract expirations, ensuring they have the opportunity to renew or upgrade their services in a timely manner.
- **Orders & Billing Information:** Providing support to customers regarding order inquiries, billing information & explanations or helping them understand the status of their orders.
- **Problem Resolution and Escalations:** Following up on customer-reported issues, ensuring problems are resolved to their satisfaction, and raising escalations to the appropriate business owners for swift resolution.

Support Services:

Premium Vernacular Services: The term "premium vernacular service" refers to the call center actively recruiting manpower with linguistic proficiency in specific local languages to cater to the customer base of particular regions, it adds another layer of customization and personalization to the customer support experience. This approach involves hiring agents who are fluent or proficient in the languages spoken by a targeted customer demographic. This service is designed to enhance customer experience, build brand loyalty, and create a positive perception of the company among its customers.

Predictive Analytics or Speech Analytics: Speech analytics in a call centre refers to the process of analysing and extracting valuable insights from spoken language interactions between customers and customer service representatives. This is done through compliance monitoring - (call monitoring sheet) to ensure that customer service representatives are adhering to regulatory guidelines and compliance standards in their interactions with customers. It helps identify any instances where policies or regulations are not followed.

Predictive analytics involves using data and algorithms to identify the likelihood of future outcomes based on historical data. In the context of business, predictive analytics can be applied to various aspects, including forecasting future sales, customer behaviour, market trends, and more.

Speech analytics and predictive analytics services are offered as additional features within campaigns or services. This approach is common in the service industry, where companies may bundle various features and functionalities to provide a comprehensive solution to their customers. This service contributes the overall success and profitability of the campaigns or services being offered.

UTILITIES & INFRASTRUCTURE FACILITIES

IT Infrastructure: We require Servers, Security Appliances – Firewall, Computer Systems, UPS, Computer Systems in bulk quantity etc. for our operations as we are engaged in Call Centre Services. As on date of Prospectus, we have installed 43 nos. Servers, 6 nos. Security Appliances – Firewall, 1784 nos. Computer Systems and 18 nos. UPS at different locations. Out of 1784 nos. Computer Systems, 862 nos. of Computer Systems are taken on rent by our company for which our company makes rental payment on monthly basis. Except this, all others are owned by the company.

PROPERTY DETAILS

Details of the Deed/ Agreement	Particulars of the property, description and area	Lease Premium/ Rent (₹ in Lakhs)	Tenure of Lease	Usage
Lease Deed dated September 01, 2023 between Tirumala Chemicals and Allied Limited ('Lessor') and HRH Next Services Limited ('Lessee')	Office Premises at 6 th Floor, Block A having Municipal No. (Old) 4-1-971 to 974 New No. 4-1-974/1/4 of the building known as "Triveni Complex" having a plinth area of 7,200 square feet situated at Abids, Hyderabad	₹ 2,00,000/- per month	11 months commencing from September 01, 2023	Hyderabad Branch Office – Triveni Complex

OUR MANAGEMENT

BRIEF BIOGRAPHIES OF THE DIRECTORS

2. **Trishla Shah**, aged about 41 years, is the Wholetime Director of our company. She has been on the Board of our company since July 24, 2023. She holds a bachelor's degree in commerce from Osmania University and diploma in Business Finance from the Institute of Chartered Financial Analysts of India.


She is associated as Head-Business Development for more than 3 years in our Company. The main job responsibilities of her involves new business development, client retention, and business development planning. Other responsibilities include prospecting for new clients through various means, planning persuasive approaches to attract potential clients, managing and developing departments to achieve profit objectives, identifying new market segments, and solving operational issues. Additionally, maintaining relationships with existing and potential clients, presenting new products and services, addressing objections, attending industry events, consulting on business trends, and identifying opportunities for growth are key components of this role.

She is an accomplished and forward-thinking professional with a solid track record of driving transformative change. She firmly believes in empowering cross-functional teams to set and achieve quantifiable targets. Her passion lies in spearheading innovation and implementing effective solutions that lead to tangible improvements while maintaining the integrity of the overall structure. She is adept at providing relevant interventions that support business objectives, as well as creating comprehensive training programs to tackle system-wide challenges and ensure compliance. Giving due weightage to her contribution towards growth of the company, our management has decided to promote her as Whole Time Director (WTD) w.e.f. July 24, 2023.

OUR PROMOTERS AND PROMOTERS GROUP

1. Our Promoters:

Our Promoters are (i) Ankit Sanjay Shah, (ii) Parikshit Pankaj Shah, and (iii) Tara Sanjay Shah. As on the date of this prospectus, our Promoters jointly hold 60,99,980 Equity Shares which in aggregate, almost constitutes 93.17% of the pre issued paid-up Equity Share capital of our Company.

	<p>Tara Sanjay Shah, aged 70 years, is the Promoter of the company. She is also a partner of 'Hind Electronics' since 2008 and having more than 15 years of experience in the business of LPG (Liquified Petroleum Gas).</p> <p>She is a talented artist with a deep-rooted passion for the world of fine arts and pottery. With a strong foundation in fine arts, having completed her 12th standard, she has honed her skills and artistic sensibilities over the years.</p>
Name of Promoter	Tara Sanjay Shah
Father's Name	Late Raghavji Bhai Shah
Date of Birth	11-01-1953
Age	70 Years
Qualification	Pre-University Course
Occupation	Business
Nationality	Indian
Address	1-3-385/3, Domal Guda, Himayathnagar, Hyderabad- 500029, Telangana
DIN	N.A.
PAN	AFVPS5286C
Directorship in other companies	Nil
Other Ventures	Hind Electronics

1. Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

A) Promoters

As per Regulation 2(1)(pp)(i) of the SEBI ICDR Regulations, the following are the Promoters:

- Ankit Sanjay Shah
- Parikshit Pankaj Shah
- Tara Sanjay Shah

B) Immediate Relative of the Promoter

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of the Promoters		
	Ankit Sanjay Shah	Parikshit Pankaj Shah	Tara Sanjay Shah
Father	Late Sanjay Shah	Pankaj Ghanshyam Das Shah	Late Raghavji Bhai Shah
Mother	Tara Sanjay Shah	Jaishree Pankaj Shah	Maniben Shah Raghavji
Spouse	Trishla Shah	Prachi Parikshit Shah	Late Sanjay Shah
Brother	Sanket Sanjay Shah	Pranav Pankaj Shah	Jagdish Raghavji Shah
Sister	N.A.	Preeti Shah	Jyoti Devchand Gala
Son	Arhann Shah, Abir Shah	Amay Parikshit Shah	Ankit Sanjay Shah, Sanket Sanjay Shah
Daughter	N.A.	Ananya Parikshit Shah	N.A.
Spouse's Father	Kiran Shah	Gopal Das Shah	Late Ghanshyamdas J Shah
Spouse's Mother	Nina Shah	Chayadevi Gopal Das	Late Kusum Shah
Spouse's Brothers	Shreyans Shah	Pratosh Shah	Pankaj G Shah
Spouse's Sisters	N.A.	N.A.	Late Kalpana Shah

*NA means Not Applicable

D) As per Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations, all persons whose shareholding under the heading “shareholding of the promoter group”:

- Pranav Pankaj Shah
- Trishla Shah
- Preeti Shah
- Jaishree Pankaj Shah

SECTION IX: FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

RATIONALE FOR INCREASE IN TOTAL INCOME

The Issuer are continuously working for improving their selves by developing new customized software to improve their service record and for modernisation of their facilities, equipment and plant & machineries. In last 3-4 years, they have expended around ₹1300.00 Lakhs to improve their service quality & capacity as capital expenditure, wherein their professional and technical team has worked very hard for design and development of advance software which helped them for getting more orders and increase their service capacity. They expended in new geographical area, added new clients and got repeated orders also from existing clients.

Fiscal 2023 as compared to Fiscal 2022:

- Increase in Clients: Our Total Income has been increased mainly due to increase in number of clients of the company and increase in orders from the repeated clients. The company had 25 clients during FY 2023 whereas the company had only 17 clients during FY 2022.
- Optimum Utilization of Employee Strength: We engage skilled personnel to sustain and increase our growth. Our Employee Benefit Expenses was ₹ 2963.22 lacs during FY 2023 whereas ₹ 2852.55 lacs was during FY 2022 which demonstrates optimum utilization of our Employee strength.

Fiscal 2022 as compared to Fiscal 2021:

- Increase in Clients: Our Total Income has been increased mainly due to increase in number of clients of the company and increase in orders from the repeated clients. The company had 17 clients during FY 2022 whereas the company had only 11 clients during FY 2021.
- Easing out of Covid Restrictions: Another reason of increase was increase in the business operations of the company which got effected during the FY 2021 due to the covid effect.
- Employee Strength: Our business is manpower intensive and we engage a considerable number of skilled personnel to sustain and increase our growth. We have made significant expenditure on Employee Benefit Expenses which was ₹ 2852.55 lacs during FY 2022 and whereas ₹ 1642.39 lacs was during FY 2021.

RATIONALE FOR INCREASE IN PROFIT AFTER TAX (PAT)

Fiscal 2022 as compared to Fiscal 2021 and Fiscal 2023 as compared to Fiscal 2022:

- Our Profit after Tax (PAT) was mainly increased due to increase in volume of operation in FY 2022 & FY 2023.
- Further, our collective effort for improving ourselves as mentioned above resulted into increase of our top line from ₹ 2,416.24 Lakhs in FY 2020-21 to ₹ 5,113.63 Lakhs in FY 2022-23 and better profit margin from Fiscal 2021 to Fiscal 2023 which has been improved from Net profit of 1.04% to Net profit of 6.79% of total revenue as per Restated Financial Statement.

SECTION X: OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the promoters including outstanding action; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy involving our Company, our Directors, and our Promoters ("Relevant Parties"). Further, there is no pending litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on September 01, 2023 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including disciplinary actions by SEBI or stock exchanges and tax matters, would be considered 'material' where:

- i. the potential financial liability/monetary claim by or against our company, its directors, promoter and group companies in any such pending matter(s) is in excess of 10% value of the Profit After Tax of the Issuer Company, as per the last restated financial statements of the Company;
- ii. any such litigation wherein the monetary liability is not quantifiable which is or is expected to be material from the perspective of the Issuer Company's business, operations, prospects or reputation.
- iii. notices received from third parties (excluding statutory/regulatory/tax authorities or notices threatening criminal action) shall, not be evaluated for materiality until such time that any of the Company, group companies are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds 10 % of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company shall be considered as 'material'. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditor.

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors or our Group Companies shall not be considered as litigation until such time that any of our Company, our Directors or our Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

GOVERNMENT AND OTHER APPROVALS

VIII. Material Licenses/Approvals/Permissions which are required but not yet applied for by our Company

Nil