

This is an abridged prospectus containing salient features of the Prospectus dated March 06, 2023 (the “Prospectus”). You are encouraged to read greater details available in the Prospectus (Download link:-[https://www.labelkraft.com/corporate\\_governance/Prospectus.pdf](https://www.labelkraft.com/corporate_governance/Prospectus.pdf)). Unless otherwise specified all capitalized terms used here in and not specifically defined shall have the same meaning as ascribed to them in the Prospectus.

**THIS ABRIDGED PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**



## LABELKRAFT TECHNOLOGIES LIMITED

Corporate Identity Number: U31900KA2022PLC166857; Date of Incorporation: October 10, 2022

Registered Office	Contact Person	Email and Telephone	Website
14/12, Jayachamarajendra Road, Bengaluru Bangalore Karnataka 560002 India	Mr. Mritunjay Kumar, Company Secretary & Compliance Officer	E-mail: <a href="mailto:cs@labelkraft.com">cs@labelkraft.com</a> Tel. No.: +91 080-40927665	<a href="http://www.labelkraft.com">www.labelkraft.com</a>

### PROMOTERS OF OUR COMPANY

Ranjeet Kumar Solanki

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size (by no. of shares or by amount in ₹)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB & NI	RII	Market Maker
Fresh Issue	₹ 475.20 Lakhs	Nil	₹ 475.20 Lakhs	This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	4,10,000 Shares	4,10,000 Shares	44,000 Shares

These equity shares are proposed to be listed on BSE SME (i.e. SME platform of BSE Limited).

OFS: Offer for Sale

#### Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders

Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity	Name	Type	No. of Shares offered/ Amount in ₹	WACA in ₹ per Equity
NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES							

P:Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis

### PRICE, MINIMUM BID LOT & INDICATIVE TIMELINES

Price*	₹ 55/- per Equity Share of Face Value of ₹ 10/-Each
Minimum Bid Lot Size	2000 Equity Shares
Offer Open On	March 13, 2023
Offer Closes On	March 15, 2023
Finalization of Basis of Allotment	On or about March 20, 2023
Initiation of Refunds	On or about March 21, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about March 22, 2023
Commencement of trading of Equity Shares	On or about March 23, 2023

\*For details of price and 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 Prices 'X' Times the WACA	Range of acquisition Price Lowest Price - Highest Price (in ₹)
October 10, 2022 to March 06, 2023	Ranjeet Kumar Solanki : 20.99	2.62	Lowest price – 0 Highest price – 2325

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Prospectus.

## RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹ 10/- each. The Issue Price of ₹ 55/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 70 of the Prospectus) should not be considered 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 or sustained trading in the Equity Shares or 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section “**Risk Factors**” beginning on page 21 of the Prospectus, and on page 7 of this Abridged Prospectus.

## PROCEDURE

You may obtain a physical copy of the Application Form and the Prospectus from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, banker’s to the issue, 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 LM or download it from the website of the Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com) and the LM ([www.hemsecurities.com](http://www.hemsecurities.com)).

## PRICE INFORMATION OF LM\*

Issue Name	Name of Merchant Banker	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
Concord Control Systems Limited	Hem Securities Limited	248.82% [5.25%]	314.55% [4.75%]	N.A.
Lloyds Luxuries Limited		25.63% [6.15%]	29.75% [6.58%]	N.A.
Vedant Asset Limited		44.25% [5.91%]	37.50% [4.32%]	N.A.
Baheti Recycling Industries Limited		174.67% [-2.73%]	N.A.	N.A.
Chaman Metallics Limited		44.47% [0.68%]	N.A.	N.A.
Earthstahl & Alloys Limited		N.A.	N.A.	N.A.
Macfos Limited		N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com). Issue Information from respective Prospectus.

Name of LM and contact details (telephone and email id) of each LM	<b>Hem Securities Limited</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai - 400013, Maharashtra, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Contact Person:</b> Mr. Sourabh Garg
Name of Market Maker	<b>Hem Securities Limited</b> <b>Address:</b> 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India <b>Tel No.:</b> 0141-4051000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> , <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Mr. Rohit Sharma INZ000168034 SMEMM0024801022013

Name of Registrar to the Issue and contact details (telephone and email id)	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> <b>Address:-</b> S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India. <b>Tel No.:</b> +91-022-62638200; <b>Fax No.:</b> +91-022-62638299 <b>Website:</b> www.bigshareonline.com; <b>Email:</b> ipo@bigshareonline.com <b>Contact Person:</b> Mr. Babu Rapheal
Name of Statutory Auditor	<b>M/s. Singhi &amp; Co.,</b> Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any.	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Non Syndicate Registered Brokers	You can submit 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 183 of the Prospectus
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>

#### PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Mr. Ranjeet Kumar Solanki	Individual	Ranjeet Kumar Solanki, aged 50 years, is the Promoter, Chairman and Managing Director of our Company. He has been on the Board since incorporation of the Company. He has completed Higher Secondary in the year March 1988. He has an overall experience of 25 years out of which 14 years of experience in the field of manufacturing of label and barcode related industry.

#### BUSINESS OVERVIEW AND STRATEGY

**Company Overview:** Our company has been incorporated during the year 2022, prior to the incorporation of the company our promoter Ranjeet Solanki was carrying on the business as a proprietorship concern under the name of “Solanki Enterprises” since the year 1997. Later, on November 11, 2022, the running business of the above proprietorship concern was taken-over by the company, along with the assets and liabilities of the proprietorship concern. We have established ourselves as a solution provider to our customers for their needs related to printing of barcode labels, product labels, barcode ribbons, barcode printers, scanners, RFID products, ID card printing products, Patient wrist bands, and self-adhesive tape products which are used in different industries for their multipurpose use including logistic, industrial packaging etc. Apart from the above, we have experience in the business of trading of duty credit scrips required to pay customs duty by the importers.

**The products we deal are as below:** Our product portfolio includes Barcode labels and Tags, Barcode label printers and software, Barcode ribbons, Barcode Scanners, Adhesive tapes and related products, POS and trading of import license scrips.

**Revenue segmentation by product:** For the period November 30, 2022, our product-wise revenue are stated below -

Amt in Rs. Lakhs

Labels 59.87 (88.12%), Ribbons 3.95 (5.81), Printers and Scanners 1.67 (2.46%), Software 1.00 (1.47%) and others 1.45 (2.14)

**Geographies Served:** The Company markets its products in Domestic market only.

**Revenue segmentation by geographies:** For the period November 30, 2022, the revenue from operations of the Company were ₹ 67.94 Lakhs of which 100% of the revenue were from domestic markets.

**Key Performance Indicators:**

(All amounts in ₹ Lakhs)

Particulars	For the period October 10, 2022 to November 30, 2022
Revenue from operations <sup>(1)</sup>	67.94
EBITDA <sup>(2)</sup>	8.05
EBITDA Margin <sup>(3)</sup>	11.85%
PAT	4.09
PAT Margin <sup>(4)</sup>	6.02%

**Client Profile or Industries Served:** The major customers of the Company include business corporate houses and industries like FMCG, logistics service providers, chemicals, garments.

**Revenue segmentation in terms of top 10 clients** – Our top 10 and top 5 customers contributed 43.59% and 32.66% of our revenues for the period ended November 30, 2022.

**Intellectual Property, if any:** As on date of Prospectus, the Company has acquired the above trademark from M/s Solanki Enterprises pursuant to Business purchase agreement dated November 11, 2022, however, we have not yet applied for the rectification of the same in the records of the Trade Marks Registry.

**Market Share:** Not available

**Manufacturing plant, if any:** The Company is engaged in the supplying of pre-printed, blank labels, tapes and similar items which are printed at our registered office situated at No. 14/12, J C Road, Bengaluru - 560 002, Karnataka.

**Employee Strength:** As on December 31, 2022, our Company has total strength of 28 employees who undertake the production activities and administrative activities.

**BOARD OF DIRECTORS**

Sr. No.	Name	Designation (Independent/ Whole Time/ Executive/ Nominee)	Experience & Educational Qualification	Other Directorships
1.	Ranjeet Kumar Solanki	Chairman and Managing Director	Experience: 25 years Qualification: 12 <sup>th</sup> , Higher Secondary	Indian Companies: 1. A.R. Solanki Stocks Private Limited 2. Bangalore Commodities Limited Foreign Companies: Nil
2.	Shraddha	Whole time Director & CFO	Experience: 6 years Qualification: Chartered Accountant	Indian Companies: Nil Foreign Companies: Nil
3.	Raashi Jain	Whole time Director	Experience: 3 years Qualification: Master of Arts (Applied Economics)	Indian Companies: Nil Foreign Companies: Nil
4.	Hemalatha	Non-Executive Director	Experience: 1 years Qualification: 8 <sup>th</sup> Pass	Indian Companies: Foreign Companies: Nil
5.	Ravi Kant Jagetiya	Independent Director	Experience: 11 years Qualification: Chartered Accountant	Indian Companies: 1. BMW Ventures Limited 2. Macfos Limited Foreign Companies: Nil
6.	Ramachandran Venkata Subramanian	Independent Director	Experience: 38 years Qualification: Master of Management Studies	Indian Companies: 1. Vignesh Business Services Private Limited Foreign Companies: Nil

## OBJECTS OF THE ISSUE

### Details of means of finance-

The fund requirements for each of the objects of the Issue are stated as follows: (₹ In lakhs)

(₹ in lakhs)

Sr. No.	Objects of the Issue	Total estimate cost	Amount deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization	
					Fiscal 2022-23	Fiscal 2023-24
1	Funding Capital Expenditure towards installation of additional plant and machinery.	180.69	-	180.69	-	180.69
2	Funding of working capital requirement	150.00	-	150.00	90.00	60.00
3	General Corporate Purpose	76.25	-	76.25	-	76.25
	<b>Total Net Proceeds</b>	406.94	-	406.94	90.00	316.94

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issue, if any, of the Company in the preceding 10 years. - NIL

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	23,73,200	99.71%
2.	Public	6,800	0.29%
	<b>Total</b>	<b>23,80,000</b>	<b>100.00%</b>

Number/amount of equity shares proposed to be sold by selling shareholders, if any. – Not Applicable

## RESTATED AUDITED FINANCIALS

Particulars	As at November 30, 2022
Total income from operations (Net)	67.94
Net Profit/(Loss) before tax and extra ordinary items	5.52
Net Profit/(Loss) after tax and extra ordinary items	4.09
Equity Share Capital #	5.00
Reserves and Surplus	4.09
Net worth	9.09
Basic earnings per share (₹)	0.24
Diluted earnings per share (₹)	0.17
Return on net worth (%)	45.02%
Net asset value per share (₹)	18.18

*#Further the Company has issued 20000 equity shares on preferential basis to the promoter of our Company Ranjeet Kumar Solanki on December 30, 2022 against the payment of consideration for the acquisition of Solanki Enterprises (Proprietorship of Ranjeet Kumar Solanki)*

*Further, the Company has issued 2310000 equity share by way of bonus issue in the ratio of 33:1 on January 6, 2023.*

## INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Prospectus.

- Our Company has been recently incorporated and post incorporation has taken-over the running business of M/s Solanki Enterprises (Proprietorship firm of our Promoter) thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.
- Demand for our products may decrease due to introduction of alternative practices caused by changes in technology or consumer preferences or innovation of new technology, which could have a material adverse effect on our business, results of operations, and financial condition.

3. We rely on suppliers for raw materials and equipment manufacturers for our trading goods. In case of any disruption in supply of these materials, our business, results of operations and financial condition may be adversely affected.
4. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.
5. A significant portion of revenues in the past of the proprietorship concern is derived from the trading of duty credit scrips required to pay customs duty by the importers. Any reduction or disruption in the said business may adversely affect our revenues, business, results of operations and prospects.

For further details on 'Risk Factors' please refer page no. 21 of the Prospectus.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

**A. Total number of outstanding litigations against the company and amount involved**

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in lakhs)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors other than Promoters</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By Promoters	-	-	-	-	1	35.00
Against Promoters	-	-	-	-	-	-

**B. Brief details of top 5 material outstanding litigations against the company and amount involved**

Sr. No.	Particulars	Litigation/Matter filed by/ pending with	Current status	Amount involved (₹ in lacs)
1	-	-	-	-
2	-	-	-	-

C. Regulatory Action, if any, disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any- Nil

D. Brief details of outstanding criminal proceedings against Promoters - Nil

#### ANY OTHER IMPORTANT INFORMATION AS PER BRLM/ISSUER COMPANY - NIL

#### DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, 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, 1956, 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.

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