



**Holani Venture  
Capital Fund**

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## Introduction to Indian SME Market

**SME** has **emerged** as a **highly vibrant** and **dynamic sector** of the **Indian economy over the last five decades**. They not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. **SME's** are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.

**Contribution to  
Indian GDP**

**29.15%**  
**(2021-22)**

**Share of Exports**

**45.56%**  
**(upto September 2023)**

**Share of  
Industrial Output**

**40.83%**  
**(2021-22)**

**Total Employment**

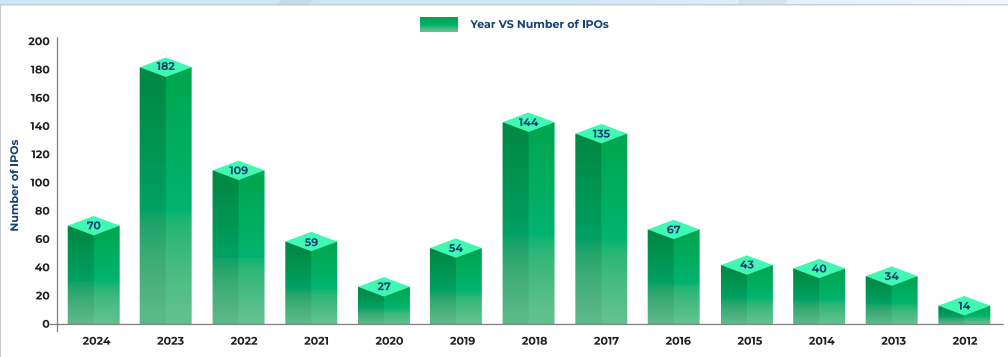
**15.50 Crores**  
**(upto November 2023)**



## Growth of Indian SME Capital Market

In recent years, there has been a noticeable surge in small and medium enterprises (**SMEs**) opting to go public through Initial Public Offerings (IPOs) in India. **SME IPOs** have emerged as a viable fundraising option for these companies, providing them with opportunities for growth, expansion, and more substantial market presence.

As of now a total of **939 companies** have been listed either on **BSE SME** platform or **NSE Emerge Platform**. The combined **Market Capitalisation** of companies listed on **SME Exchanges is Rs. 2,77,330 Crores**. These companies have raised **Rs. 16,151 Crores** by listing themselves on the **SME Exchange**.



## Returns Of SME Index

Indian IPOs have been raging. **BSE SME Index** has risen by **118%** in the last 1 year and has **increased by 1900%** since the end of **2019** compared to **59%** for **BSE Sensex Index**. Comparatively, S&P **BSE Small Cap Index** has increased by **35%** and **BSE Sensex** has given **16%** returns in the last year.

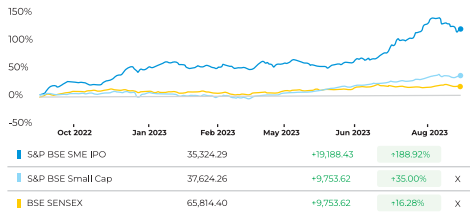
### S&P BSE SME IPO

35,324.29

+188.92% +19,188.43 1Y

28 Sept, 12:22:26 UTC +5:30 - INDEXBOM - Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



Whereas **NSE SME Emerge Index** has **risen by 65.2%** in the **last 1 year** and has **increased by 589.30%** since the end of **2019** and has been **rising with a CAGR of 46.4% for last 5 years**, compared to **80%** for **NSE Nifty 50 Index**.



## Top 5 Companies Listed On SME Exchanges In Terms Of Returns Since 2021

| S. No | Name of the Company                            | Date of Listing    | Issue Price | CMP        | S. Gain (in %)                          |
|-------|--|--------------------|-------------|------------|---|
| 1     | Network People Services Technologies Limited   | August 10, 2021    | 80/-        | 1,400.00/- | 5,150% (adjusted after 1:2 bonus issue) |
| 2     | Insolation Energy Limited                      | October, 10, 2022  | 38/-        | 1,702.50/- | 4,380.26%                               |
| 3     | Knowledge Marine and Engineering works limited | March 22, 2021     | 37/-        | 1380.85/-  | 3,632.03%                               |
| 4     | BEW Engineering Limited                        | September 16, 2021 | 58/-        | 1,597.25/- | 2,563.88%                               |
| 5     | Kotyark Industries Limited                     | November 02, 2021  | 51/-        | 1,153.50/- | 2,161.76%                               |



## Introduction to the Fund

01

**Holani Venture Capital Fund**, a **Category I Alternative Investment Fund (AIF) - VCF**, initiated by **Holani Capital Advisors LLP**, is dedicated to **empowering SMEs** through strategic investments in the burgeoning SME IPO market. **Led by Ashok Holani, Director of Holani Consultants Private Limited**, the fund aims to drive growth and innovation in India's SME sector.

02

With a **sector-agnostic strategy**, **meticulous research**, and **prudent risk management**, the Fund aims to **create long-term value** for clients while **fostering innovation, entrepreneurship, and economic growth in India**.

03

By **strategically aligning** its **investment focus** with the **transformative potential** of **SMEs** and the **SME IPO market**, **Holani Venture Capital Fund** contributes to shaping a **vibrant entrepreneurial landscape** and driving **sustainable growth** for **India's future prosperity**.

# Investment Philosophy

Invest early in right growth opportunity businesses with a track record of generating revenues and a sound plan for expansion. Invest in SME companies looking to acquire the necessary equipment, property, personnel and working capital to expand their businesses rapidly, and sustain growth for the long-term.



- Proven business model
- High growth
- Potential to be a segment leader
- Capital efficient
- Experience of Promoters

## Company

## Focus Sectors

- Metal Industry
- Solar Industry
- Heat Ventilation and Air Conditioning Industry
- Gems and Jewellery Industry
- Scarp Metal Recycling Industry
- Apparel Industry
- Logistic Industry
- Ed-Tech Industry



- Experience of Directors and Senior Management
- Qualification of all the Senior Management team, Directors
- Alignment of interest
- Strong management

## Management

## Governance

- Transparency
- Sustainability
- Culture of compliance
- History of Non-Compliance of any Law by the Company
- Brief history of the Promoter and Directors of the Company





# Fund Specifications

## Size Of The Fund

Up to ₹ 300 cr.  
A **Green Shoe** Option of Up to ₹ 100 Cr.  
Aggregating including the green shoe option is ₹ 400 Cr

## Term Of Scheme

**4 (Four) Years** from the date of First Closing and may be extended by up to **2 (Two) Years**.

## Target Investors Of The Fund

individuals (including HNIs), corporates, institutional investors, financial institutions, family offices, insurance companies, foreign investors, other alternative investment funds, and other permissible investors who are Eligible Person(s).

## Minimum Capital Commitment In The Fund

**For All Contributors:** ₹ 1,00,00,000/- only from each Contributor  
**For Accredited Investors:** can be lower than ₹ 1,00,00,000/-  
**For Employee Contributors:** ₹ 25,00,000/- from each Employee Contributor

## Classes Of Units Issue By The Fund

**Class A Units:** Face Value ₹ 100/- to Contributors  
**Class B Units:** Face Value ₹ 100/- to Sponsor / Investment Manager / Eligible Persons as designated by Investment Manager.  
**Class C Units:** Face Value ₹ 100/- to Directors / Employees of Investment Manager / Members of the Investment Committee

## Commitment Of Sponsor

At least **2.5% of the Corpus** or **₹ 5,00,00,000/-** Whichever is lower

## Commitment Period

From the date of the execution of the Contribution Agreement till the end of Tenure of the Scheme.

## Hurdle Rate Of Return

**Class A Units:** 10% per annum  
**Class B Units:** Nil  
**Class C Units:** 10% per annum

## Key Investment Team



**Mr. Ashok Holani**  
*Designated Partner*

Ashok Holani is a Rank holder fellow Chartered Accountant. He practiced CA profession for over 20+ years during which he was the auditor of large corporates and SMEs of repute. He acted as a financial adviser to companies and was instrumental in getting such companies listed. He has strong relationships with Nationalized and Private Sector Banks and has a strong understanding of Corporate and SEBI Laws, Income tax and other indirect taxes laws.

His experience makes him an expert in financial management and the relationships maintained ensure that the work flow is always seamless.



**Ms. Radha Holani**  
*Designated Partner*

As a designated partner at Holani Capital Advisors LLP, her pivotal role encompasses the comprehensive management of Human Resources and its associated facets. With a primary focus on stock trading and market making, her expertise encompasses buying, selling, and dealing with securities and financial assets based on a proprietary business model.

Specializing in advising and managing capital, funds, assets, and portfolios, the director is actively involved in market making for SME companies in accordance with SEBI and NSE/BSE regulations.



## Team Overview



**Ms. Puja Chitlangiya**

Compliance Officer



**Mr. Ajay Gangwal**

Head of Research



**Mr. Priyanshu Maheshwari**

Research Analyst



**Ms. Sanya Agarwal**

Research Analyst



**Mr. Suyash Holani**

Analyst



# Designated Research Team

**4** Members

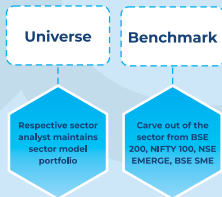
**12** Sectors Covered



## Model Portfolios

Analyst runs the sector model portfolio.

## Sector Model Portfolio



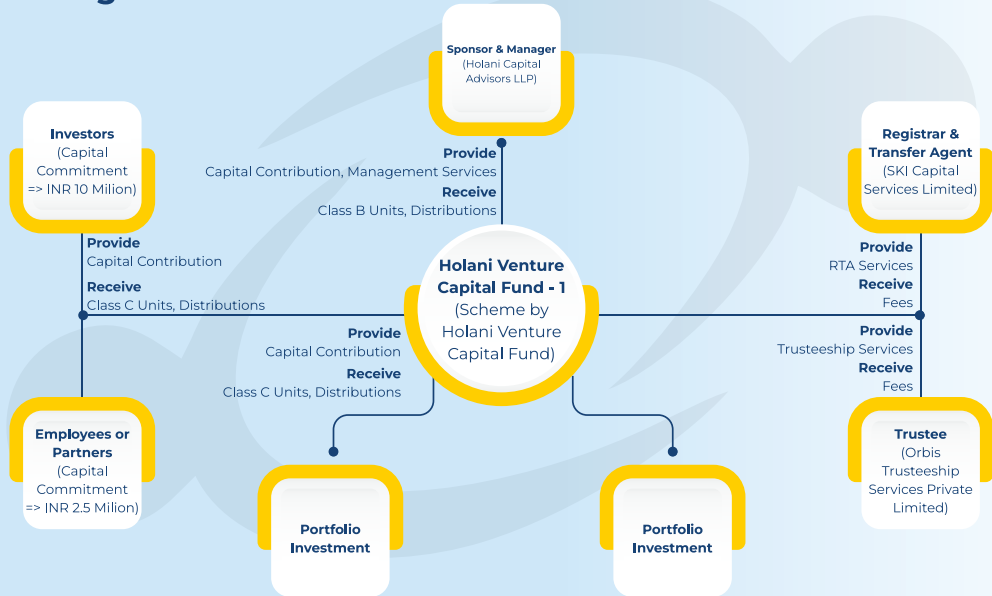
## Capitalization Calls

In-house algorithm guides on taking Midcap vs smallcap allocation calls

## Sectors

- Contact with sector participants in industry
- Regular interactions with sector analysts at brokerage firms
- Average of 4-5 management meetings a month per analyst / fund manager
- Access to all sell-side research
- Identify the best sell-side analyst at stock level
- Stock picking

# Fund Organization Structure



## Advisors To The Fund



**Shri Alok Shrivastav**

*(Retd.I.A.S) Secretary Govt.of India,  
Law and Justice*

Alok Srivastava's four-decade career in the Indian Administrative Service showcases expertise in law, corporate affairs, governance, and environmental planning. With degrees from IIT Kanpur and the University of Maryland, he held key roles such as Secretary to the Government of India and Member (Technical) at the National Company Law Appellate Tribunal, authoring approximately 200 judgments. His achievements include spearheading strategic projects like Sagarmala and Chabahar, underscoring his commitment to public service and environmental stewardship.



**Dr. S. Ravi**

*FCA*

Dr. S. Ravi, a distinguished Fellow Chartered Accountant and Insolvency Resolution Professional, holds key positions in notable companies like Tourism Finance Corporation of India Ltd and Usha Martin Ltd. As Founder of Ravi Rajan & Co. LLP, he leads a team of over 200 professionals, providing audit, advisory, and regulatory services to premier financial institutions. With extensive expertise in finance and commerce, Dr. S. Ravi's vast experience includes banking, management consulting, mergers and acquisitions, valuations, and turnaround strategies, establishing him as a prominent figure in the industry.



## Advisors To The Fund



**Ankit Jain**

*Partner at DSK Legal*

Ankit Jain, Partner at DSK Legal, leads a team of 500 advocates specializing in serving State Governments and Public Sector Undertakings in Electricity and Oil & Gas sectors. Known for victories against corporate giants like Jet Airways, PepsiCo, his legal acumen is unparalleled. His pro bono work includes a landmark medical negligence case securing compensation for a disabled child. Beyond law, he's an adept investor, serving as an Independent Director for companies like AVG Logistics, and investing in startups like Rozana, One Fine Plate, and Yellowings, embodying legal prowess, social responsibility, and entrepreneurial spirit.

## Details Of Investment Manager

1

The fund has appointed Holani Capital Advisors LLP as its Investment Manager to manage its portfolio. The Investment Manager is managing a fund for the first time therefore relying on the experience of the key members of the IM. The track record of the key members as the promoters of Holani Consultants Private Limited, a SEBI registered CAT-1 Merchant Banker and Stockbrokers, has been instrumental in facilitating SME IPOs on platforms like BSE SME and NSE Emerge, raising over INR 600 crore and have assisted in valuations of 100+ private placement transactions.

2

With these IPO launches, HCPL has demonstrated its versatility by offering a diverse range of opportunities to investors. While 10 are ongoing to be listed, one IPO have been listed in the main board, reflecting HCPL's ability to navigate large-scale market listings, the majority of its offerings, totaling 12 IPOs, were SME IPOs.

3

Motisons Jewellers' IPO stands out for raising the highest funds, while Network People Services Technologies Limited, Insolation Energy Limited, and Cool Caps Industries Limited are notable for delivering the highest returns post-listing in the IPO market.

## Performance of IPOs Lead Managed by HCPL

| Issuer Company                      | Issue Type | Listing Date | Issue Size   | Subscribed | Issue Price | Listing Day Price      | Current Price          |
|-------------------------------------|------------|--------------|--------------|------------|-------------|------------------------|------------------------|
| Signoria Creation Limited           | SME        | Mar 19, 2024 | Rs 9.28 Cr   | 666.32x    | Rs 65.00    | Rs 137.55<br>(111.62%) | Rs 168.00<br>(158.46%) |
| Purv Flexipack Limited              | SME        | Mar 05, 2024 | Rs 40.21 Cr  | 421.78x    | Rs 71.00    | Rs 247.00<br>(247.89%) | Rs 222.40<br>(213.24%) |
| Motisons Jewellers Limited          | Mainline   | Dec 26, 2023 | Rs 151.09 Cr | 173.23x    | Rs 55.00    | Rs 101.18<br>(83.96%)  | Rs 166.65<br>(203%)    |
| Goyal Salt Limited                  | SME        | Oct 11, 2023 | Rs 18.63 Cr  | 294.61x    | Rs 38.00    | Rs 136.10<br>(258.16%) | Rs 183.00<br>(381.58%) |
| Infollion Research Services Limited | SME        | Jun 08, 2023 | Rs 21.45 Cr  | 279.24x    | Rs 82.00    | Rs 198.55<br>(142.13%) | Rs 186.00<br>(126.83%) |

## Performance of IPOs Lead Managed by HCPL

| Issuer Company                               | Issue Type | Listing Date | Issue Size  | Subscribed | Issue Price | Listing Day Price     | Current Price             |
|--|------------|--------------|-------------|------------|-------------|-----------------------|---------------------------|
| Shera Energy Limited                         | SME        | Feb 17, 2023 | Rs 35.20 Cr | 47.36x     | Rs 57.00    | Rs 67.30<br>(18.07%)  | Rs 180.85<br>(217.28%)    |
| Insolation Energy Limited                    | SME        | Oct 10, 2022 | Rs 22.16 Cr | 192.79x    | Rs 38.00    | Rs 79.90<br>(110.26%) | Rs 1,596.45<br>(4101.18%) |
| Cool Caps Industries Limited                 | SME        | Mar 24, 2022 | Rs 11.63 Cr | 7.91x      | Rs 38.00    | Rs 37.65<br>(-0.92%)  | Rs 464.90<br>(1123.42%)   |
| Network People Services Technologies Limited | SME        | Aug 10, 2021 | Rs 13.70 Cr | 22.37x     | Rs 80.00    | Rs 79.90<br>(-0.12%)  | Rs 1,258.10<br>(1472.63%) |



## Fee Structure

| Class | Set-up Expenses  | Operating Expenses   | Management Fee                         | Hurdle Rate of Return | Other Expenses | Additional Return/Carried Interest |
|-------|--|--|--|-----------------------|----------------|------------------------------------|
| A     | At actuals, subject to a cap of 0.50% of the aggregate Capital Commitments of all Classes, excluding Taxes | At actuals, subject to a cap of 0.5% p.a. of the aggregate Capital Commitments of all Classes, excluding Taxes | up to 2.50% p.a. of Capital Commitment | Up to 10.00% p.a.     | At actuals     | atleast 78%                        |
| B     | Nil  | Nil  | Nil                                    | Nil                   | At actuals     | Up to 22%                          |
| C     | Nil  | Nil  | Nil                                    | Up to 10.00% p.a.     | At actuals     | atleast 78%                        |





# **Holani Venture Capital Fund**

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Sawai Jaisingh Highway, Bani  
Park, Jaipur-302016 Rajasthan**