HMA AGRO INDUSTRIES LIMITED


In accordance with the recommendation of a Committee of Independent Directors (consisting of Mr. Gaurav Luthra (Chairman), Mr. Amit Goyal & Ms. Shumika Parwani), the above provided Price Band is justified based on quantitative factors / KPIs as disclosed in the "Basis of Offer Price" section vis-a-vis the WACA of primary issuance / secondary transactions as disclosed in the "Basis of Offer Price" section.

RISKS TO INVESTORS

1) The Offer comprises of the Fresh issue of ₹1,500 millions by our Company and an Offer for Sale of ₹3,300 millions by the Promoter Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale.

2) No shares (primary and secondary) have been acquired by our Promoter, member of Promoter Group, the Selling Shareholders and other shareholders with rights to nominate directors or any other right, in the last three years preceding the date of the Red Herring Prospectus except for issuance of equity shares on bonus issue. Since there are no such transactions, comparisons of Weighted Average Cost of Acquisition (WACA) with IPO Floor Price & Cap Price is not possible.

3) There are no listed companies in India that engage in a business similar to that of our Company. The Price/Earnings ratio (P/E) based on diluted EPS for FY 2021-22 at the higher end of the Price Band is as high as 23.99 as compared to P/E ratio of Nifty 50 Index is 21.59.

4) We derive a significant portion of our revenue from export of Frozen Buffalo Meat which may be affected due to any economic or geopolitical situation.

5) Based on the lower end and higher end of the Price Band, the total market valuation of the Company will be ₹27,869.65 millions and ₹29,295.03 millions respectively.

6) Average cost of acquisition of equity shares for the Promoters as well as for the Selling Shareholders is in the range of 0.65% to 1.56% per share and offer price at higher end of the price band is ₹585 per share.

7) Weighted Average Return on Net Worth for last three full financial years was 28.78%.

8) Market Value at higher end of the Price Band to Total Turnover for the FY 2022-23 is 0.95 times.

9) The BRML associated with the Offer (Aryaman Financial Services Limited) has handled 17 public issues (including SME Issue) in the past 3 financial years, out of which 4 issues closed below the offer price on listing date.

**ISSUE CLOSES ON:** JUNE 23, 2023

**The Offer is made in accordance with Regulation 6(1) of the SEBI (CDR) Regulations, 2018. Offer Price: Not more than 50% of the Offer. Non-Institutional Portion: Not less than 15% of the Offer Retail Portion: Not less than 35% of the Offer.**

**ASBA**

Simple, Safe, Smart way of Application!!!

**Offered by:** HMA Agro Industries Limited, 2nd Floor, E309, Building A, Ambience Corporate Park, Road No. 2, Vasant Kunj, New Delhi - 110070

**Promoters:** Wajid Ahmed, Gulzar Ahmed, Mohammad Mehmood Qureshi, Mohammad Ashraf Qureshi and Zulfiqar Ahmed Qureshi

**Price Band:** ₹550 to ₹585 per Equity Share of Face Value of ₹10/- Each.

**The Floor Price is 55.50 Times the Face Value and the Cap Price is 58.50 Times the Face Value. BIDs can be made for a minimum of 25 Equity Shares and in multiples of 25 Equity Shares thereafter.**