IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

MADHUR KNIT CRAFTS LIMITED
CIN: U17301PB1997PLC020381

Registered Office	Contact Person	Telephone and Email	Website
Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007	Mrs. Nikita Tayal Company Secretary and Compliance Officer	Tel: +91 91 9878009690 Email: ipo@mkcpl.in	www.mkcpl.in

PROMOTERS OF OUR COMPANY				
(I) Arun Gupta (II) Piyush Gupta And (III) Chirag Gupta.				
DETAILS OF THE ISSUE				
TYPE	**FRESH ISSUE**	**OFFER FOR SALE (₹ IN LAKHS)**	**TOTAL ISSUE***	**ELIGIBILITY & SHARE ALLOCATION**
Fresh Issue	Up to 53,27,693 ^ Equity Shares aggregating up to ₹ [●] Lakhs	-	Up to ₹ [●] Lakhs	This issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share reservation among QIBs, Non-Institutional Bidders, Individual Bidder and Eligible Employees, see "***The Issue***" beginning on page 40 .
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION - NA				
RISK IN RELATION TO THE FIRST ISSUE				
The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "***Basis for Issue Price***" on page 97 or in case where, Price Band is not disclosed otherwise, will be advertised in all editions of a widely circulated English national daily newspaper, all editions of a widely circulated Hindi national daily newspaper and regional Punjabi newspaper (Punjabi being the regional language of Punjab, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 Red Herring Prospectus. Specific attention of the investors is invited to the "***Risk Factors***" beginning on page 17 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated February 03, 2026 from National Stock Exchange of India Limited for using its name in the Red Herring Prospectus for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (**"NSE"**) `

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name	Contact Persons	Email & Telephone No.
SKI CAPITAL SERVICES LIMITED	Mr. Ghanisht Nagpal Mr. Manick Wadhwa	Email: mkcl@skicapital.net Tel. No.: +91-011-41189899

REGISTRAR TO THE ISSUE

Name	Contact Person	Email & Telephone No.
SKYLINE FINANCIAL SERVICES PRIVATE LIMITED	Mr. Anuj Rana	Email: ipo@skylinerta.com Tel No: 011-40450193-97

ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE:	**FRIDAY, AUGUST 21, 2026**
ISSUE OPENS ON: MONDAY, AUGUST 24, 2026	**ISSUE CLOSES ON: WEDNESDAY, AUGUST 26, 2026**

Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date. Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

** Our Company, in consultation with the Book Running Lead Manager, undertook a preferential issue of 2,72,307 Equity Shares of face value ₹10 each at a price of ₹65 per Equity Share (including a premium of ₹55 per Equity Share), aggregating to ₹176.99 lakhs, as permitted under applicable law ("Pre-IPO Placement"). The Pre-IPO Placement was undertaken at a price determined by our Company in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement has been reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and result in listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in*

relation to such intimation to the subscribers to the Pre-IPO Placement have been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.

^ Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.

ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

Please scan this QR code to view the Red Herring Prospectus and this Abridged Prospectus	This is an Abridged Prospectus containing salient features of the Red Herring Prospectus of **Madhur Knit Crafts Limited** (the "**Company**") dated August 14, 2026 filed with the Registrar of Companies Chandigarh (the "**RHP**" or "**Red Herring Prospectus**"). You are encouraged to read greater details available in the RHP, which is available at www.sebi.gov.in. Unless otherwise specified all capitalized terms used herein and not specifically defined shall bear the same meaning as ascribed to them in the RHP. This abridged prospectus is not for distribution outside of India. The following is a general summary of certain disclosures in the Red Herring Prospectus ("**RHP**") and the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Prospectus or all details relevant to investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in the Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited www.nseindia.com, the Company at www.mkcpl.in and the website of the Book Running Lead Manager at https://www.skicapital.net/. References below to page numbers are to page numbers of the Red Herring Prospectus dated August 14, 2026 . Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Red Herring Prospectus.
Please ensure that you have read the RHP August 14, 2026, this abridged prospectus ("**Abridged Prospectus**") and the general information document for investing in public offer ("**GID**") undertaken through the Book Building Process before applying in the Issue. The investors are advised to retain a copy of the RHP/ Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Members of the Syndicate, Registrar to the Issue, Registrar and Share Transfer Agents ("**RTAs**"), Collecting Depository Participants ("**CDPs**"), Registered Brokers, Bankers to the Issue, Investors' Association or Self Certified Syndicate Banks ("**SCSBs**"). You may also download the RHP from the websites of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in, National Stock Exchange of India Limited ("**NSE**") at www.nseindia.com respectively, and the website of the Company at www.mkcpl.in and the website of the Book Running Lead Manager at https://www.skicapital.net/.	

SUMMARY OF THE PRIMARY BUSINESS

Madhur Knit Crafts Limited is a Ludhiana-based textile manufacturing company engaged in the production of fabrics and garments, with a primary focus on consumer textile products such as blankets. The Company commenced its commercial operations in 2013 and has since evolved into a diversified textile manufacturer with integrated operations across the value chain.

The Company operates a fully integrated yarn-to-cloth manufacturing model, enabling end-to-end value addition from yarn processing to finished products. Its manufacturing facility is equipped with advanced machinery supporting processes such as knitting, dyeing, printing, brushing, and finishing, ensuring consistent product quality and operational efficiency. The infrastructure includes modern systems designed to enhance production capacity while reducing reliance on manual processes.

Strategically located in Ludhiana, a key textile hub, the Company benefits from proximity to raw material suppliers, skilled labor, and established logistics networks, facilitating efficient procurement and distribution. While the Company has ventured into technical textiles, including specialized fabric applications, its core revenue continues to be driven by traditional textile products.

The Company also emphasizes sustainability through initiatives such as an in-house effluent treatment plant for wastewater management, reflecting its commitment to environmentally responsible manufacturing practices.

Products Offered by the Company

The Company is engaged in the manufacturing of a diverse range of textile products catering to apparel, home textile, and industrial applications. Its product portfolio is designed to meet varying customer requirements in terms of functionality, comfort, and durability.

Anti-Pilling Fabric:
Anti-pilling fabric is engineered to resist the formation of fibre balls caused by friction or repeated washing. This enhances the durability and appearance of the fabric over time. It is widely used in garments such as fleece jackets, tracksuits, and activewear, as well as in home textile applications like bed linen and upholstery.

Knitted Fabrics:
Knitted fabrics are produced by interlooping yarns using advanced knitting machines, resulting in textiles that are soft, stretchable, and breathable. These fabrics are versatile and are used across multiple segments, including summer shirts, blankets, cushion covers, and industrial products such as knitted gloves. The Company manufactures knitted fabrics suited for seasonal and functional requirements.

Sherpa Fabric:
Sherpa fabric is designed to replicate the texture and insulation properties of natural sheepskin. It features a soft, fluffy surface that provides superior warmth and comfort. This fabric is commonly used in jackets, hoodies, winter wear, and as lining material, as well as in blankets.

Blankets:
Blankets represent the Company's core and inaugural product line. Manufactured using advanced processes, these products are designed to provide thermal insulation and comfort across different climatic conditions. The product range includes mink blankets, fleece blankets, woolen blankets, and flannel blankets, catering to both winter and semi-winter segments.

Through these offerings, the Company serves a wide range of end-use industries including apparel, home textiles, and industrial applications.

Particulars	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
Blanket	1,199.71	6.20 %	589.04	3.43%	552.76	5.10%	754.15	8.44%
Knitted Cloth	17,197.23	88.30%	14,625.60	85.21%	8,253.03	76.15%	5,474.74	61.29%
Garments	182.39	0.90%	1,107.53	6.45%	1,442.98	13.31%	2,227.83	24.94%
Job work	691.39	3.60%	733.39	4.27%	525.84	4.85%	444.79	4.98%
Scrap	198.34	1.00%	107.94	0.63%	63.84	0.59%	31.19	0.35%
Total	**19,469.05**	**100.00%**	**17,163.50**	**100.00%**	**10,838.45**	**100.00%**	**8,932.70**	**100.00%**

Segment Reporting and Revenue Contribution

The Company operates in a single business segment and there are no separate reportable segments as per the applicable accounting standards. Accordingly, segment-wise reporting and disclosure of revenue contribution by different segments are not applicable to the Company.

Revenue Concentration among Top 5 Customers

Particulars	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**

Top 1 Customer	1,161.38	5.97%	833.41	4.86%	1,174.36	10.84%	642.93	7.20%
Top 3 Customers	3,332.04	17.11%	2,422.59	14.11%	2,646.69	24.42%	1,761.75	19.72%
Top 5 Customers	4,840.90	24.86%	3,689.06	21.49%	3,296.28	30.41%	2,719.79	30.45%
Top 10 Customers	6,645.92	34.14%	5,861.53	34.15%	4,492.75	41.45%	4,332.58	48.50%

Business Strengths and Strategies

Strength

1. Vertically Integrated Manufacturing Operations
2. Advanced Machinery and Infrastructure
3. Strategic Location Advantage
4. Diversified Product Portfolio
5. Order-Based and Demand-Driven Production Model
6. Robust Supplier and Distribution Network
7. Experienced Promoters and Skilled Workforce
8. Emphasis on Quality Assurance and Customization

Strategies

1. Future Expansion into Technical Textiles to Boost Sales Volume
2. Increasing Geographical Presence
3. Revival and Expansion of Fabric Exports
4. Efficient Working Capital Utilisation to Avail Supplier Discounts

For further *details, please refer to the chapter titled **"Our Business"** beginning on page 123 of the Red Herring Prospectus*

SUMMARY OF THE INDUSTRY

India's textile industry is one of the oldest and most diverse sectors of the economy, with a strong presence across the entire value chain, from natural fibres such as cotton, silk, wool, and jute to man-made fibres like polyester and viscose. The industry spans both traditional handloom segments and modern, capital-intensive manufacturing units, with the decentralized power loom and knitting sectors forming a significant portion. Its close linkage to agriculture and rural employment makes it a critical contributor to inclusive economic growth.

The sector contributes approximately 2.3% to India's GDP, 13% to industrial production, and 12% to exports, while directly employing over 45 million people. India is among the leading global textile exporters, with exports of around US$ 34–36 billion annually, and is positioned to expand further with growing demand in both domestic and international markets. The industry is largely MSME-driven, with nearly 80% of capacity spread across small and medium enterprises.

Growth in the sector is supported by rising disposable incomes, increasing demand for affordable and fashionable apparel, and expanding end-use industries such as housing, healthcare, and hospitality. The domestic textile and apparel market is projected to grow at a CAGR of around 10%, reaching US$ 350 billion by 2030, while global opportunities remain strong.

Government initiatives such as 100% FDI under the automatic route, Production Linked Incentive (PLI) schemes, PM MITRA parks, and the National Technical Textiles Mission are driving modernization, investment, and export competitiveness. The technical textiles segment, in particular, is emerging as a key growth area, supported by innovation, policy support, and increasing application across industries.

PROMOTERS

S. No	Name	Individual/ Corporate	Experience and Educational Qualifications
1.	Arun Gupta	Individual	Arun Gupta is the Managing Director and Promoter of the Company and has been associated with it since its incorporation. He completed his Higher Secondary education from CBSE Board in 1983 and undertook a Business Mastery Program from Business Coaching India, New Delhi in 2023. He has over four decades of experience in the textile and yarn industry. He oversees overall operations, strategic planning, implementation, and business expansion. His role includes supervising day-to-day activities, managing stakeholder relationships, and driving key decisions. He is also associated with Vidya Udyog Private Limited and Trimurti Textile Park Association, and previously served Trimurti Hosiery Mills Private Limited.
2.	Piyush Gupta	Individual	Piyush Gupta is the Whole Time Director and Chief Financial Officer of the Company and has been associated with it since December 8, 2011. He holds a Bachelor of Commerce (Hons.) from Punjab University (2010) and completed a Business Mastery Program from Business Coaching India, New Delhi in 2023. He has over a decade of experience in financial planning, budgeting, internal controls, and administrative management. He oversees the Company's financial operations and aligns financial strategy with business objectives. Prior to joining, he interned at Vardhman Spinning & General Mills. He is also a Director in Trimurti Textile Park Association.
3.	Chirag Gupta	Individual	Chirag Gupta is a Whole Time Director of the Company and has been associated with it since January 15, 2019. He holds a B.A. (Hons.) in Fashion Business Management from Pearl Academy (2025) and completed a Business Mastery Program from Business Coaching India, New Delhi in 2023. He oversees operations and production, including resource planning, quality control, process optimization, and supply chain coordination. Prior to joining the Company, he worked as a Sales Executive Intern with Diesel in New Delhi from 2013 to 2014, gaining experience in retail sales operations and customer relationship management.

*For details in respect of our Promoters, please refer to the chapter titled "**Our Promoters and Promoter Group**" beginning on page 176 of the Red Herring Prospectus.*

OBJECTS OF THE ISSUE

This Issue includes a fresh issue of upto 53,27,693Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share.

Details of means of finance – The fund requirements for the object of the Issue is stated as follows:

S. No	Particulars	Total estimated cost	To be deployed from IPO	Amount already deployed	Amount to be deployed and utilized in
					FY 27**
1.	Funding capital expenditure for the	400.00	400.00	-	400.00

	purchase of Solar panel.				
2.	Working Capital Requirement of the Company.	1591.65	1591.65	-	1591.65
3.	Prepayment or repayment of a portion of certain outstanding borrowings availed by the Company	2085.00	2085.00	-	2085.00
4.	General Corporate Purpose*	[●]	[●]	-	[●]
	Total	[●]	[●]	-	[●]

** To be determined on finalisation of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for General Corporate Purposes shall not exceed 15% of the Gross Proceeds of the Fresh Issue or Rs. 10 crores whichever is less.*

***To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object.*

**)Our Company has, in consultation with the BRLM, undertaken a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment at an issue price of Rs. 65 per Equity Share (including a premium of Rs. 55 per Equity Share) aggregating Rs.177 Lakhs. The size of the Fresh Issue of up to Rs. 5547.60 Lakhs has been reduced by Rs. 176.90 Lakhs pursuant to the Pre-IPO Placement and the revised size of the Fresh Issue is up to Rs.5,370.60 Lakhs. For risk regarding apprehension/concerns of the listing of our Equity Shares on the Stock Exchanges see 'Risk Factors- There is no guarantee that our Equity Shares will be listed on the NSE Emerge in a timely manner or at all'.*

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

1. **Funding capital expenditure for the purchase of Solar panels.**

The Company proposes to utilize ₹400.00 lakhs from the Net Proceeds for installation of a rooftop solar power plant at its manufacturing facility to reduce energy costs and enhance sustainability. The plant, to be executed on a turnkey basis, will generate approximately 20.25 lakh units annually, resulting in estimated savings of ₹1.42 crore and reducing grid dependency by nearly 47%. Equipped with advanced solar modules and safety systems, the project ensures reliable performance and operational efficiency. It also supports environmental goals by lowering carbon emissions while offering strong financial returns, including a short payback period and improved long-term cost efficiency.

2. Working Capital Requirements

The Company proposes to utilise ₹1591.65 lakhs from the Net Proceeds towards its incremental working capital requirements for FY 2026 and FY 2027 to support inventory, receivables, and operational needs. Working capital requirements have increased in line with business expansion, integrated manufacturing operations, and evolving credit and procurement strategies. Higher receivables due to sales growth and reduced trade payables from early payment strategies have elevated funding needs. Inventory levels are aligned with production requirements. The Company expects working capital to remain stable at around 38% of revenue, with efficient management of the cash conversion cycle, supporting operational continuity and future growth.

Basis of Estimation of Working Capital Requirement

(*Rs.In Lakhs*)

Particulars	**Restated**

	31.03.23	31.03.24	31.03.25	28.02.2026
I. Current Assets				
(a) Inventory				
i.Raw Material	2081.75	1345.87	2464.08	5040.58
ii.Work In Progress	84.66	113.86	325.95	33.17
iii.Finished goods	743.44	875.95	924.46	911.3
iv.Consumable, Stores and packing materials	52.23	35.79	179.50	107.015
(b) Trade Receivables	1403.45	2831.81	3822.52	4926.92
(c) Short Term Loans and Advances	416.17	739.59	1077.32	1437.05
(d) Other Current Assets	4.99	5.34	6.77	25.42
Total Current Assets (Other than Cash and Cash Equivalents) (I)	**4786.69**	**5948.20**	**8800.61**	**12481.45**
II. Current Liabilities				
(a) Trade Payables	1229.95	1220.76	1567.44	3272.265
(b) Other Current Liabilities	129.51	212.04	521.38	403.84
(c) Short term provisions	18.92	19.70	324.86	415.741
Total Current Liabilities (II)	**1378.38**	**1452.50**	**2413.67**	**4091.840**
Net Working Capital Requirement III (I-II)	**3408.31**	**4495.71**	**6386.94**	**8389.611**
Existing Funding Patterns				
A.Short Term Borrowings	*2,274.99*	*2,826.20*	*3,603.38*	*4432.66*
B.Funded through internal accruals	*1,133.33*	*1,669.51*	*2,783.56*	*3956.95*
Total Funding	**3,408.31**	**4,495.71**	**6,386.94**	**8389.61**

Assessment of Future Working Capital for the FY 26 and FY 27

(Rs. In lakhs)

Particulars	**Projected**	
		31.03.27
I. Current Assets		
(a) Inventory		
i.Raw Material		3,502.49
ii.Work In Progress		463.32
iii.Finished goods		1,314.05
iv.Consumable, Stores and packing materials		255.14
(b) Trade Receivables		5,833.42
(c) Short Term Loans and Advances		1,645.00
(d) Other Current Assets		7.00
Total Current Assets (Other than Cash and Cash Equivalents) (I)		**13,020.42**
II. Current Liabilities		
(a) Trade Payables		2,000.00
(b) Other Current Liabilities		375.00
(c) Short term provisions		325.00
Total Current Liabilities (II)		**2,700.00**
Net Working Capital Requirement III (I-II)		**10,320.42**
Existing Funding Patterns		
A. Short Term Borrowings		*3,750.00*
B. Funded through internal accruals/ Net worth		*4978.77*
C. Usage from IPO Proceeds		*1591.65*
Total Funding		**10,320.42**

Key Assumptions & Justifications for increase / decrease in holding norms

Particulars	Assumptions & Justifications
Current Assets	
Inventory	
i. Raw Material	Raw material holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 109 days, 62 days and 76 days respectively. The holding period saw a reduction in F.Y. 2023-24 due to improved procurement planning and inventory management, followed by an increase in F.Y. 2024-25 on account of higher stocking to meet production requirements. The Company anticipates maintaining raw material holding days at around 70 days in 2026-27.
ii. Work In Progress	Work-in-progress inventory holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 4 days, 5 days and 10 days respectively. The increase in F.Y. 2024-25 was primarily due to higher production cycle times. The Company expects to maintain work-in-progress holding at around 9 days in F.Y. 2026-27.
iii. Finished goods	Finished goods holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 39 days, 40 days and 28 days respectively. The decrease in F.Y. 2024-25 was driven by improved demand forecasting and faster order fulfilment. The Company expects finished goods holding days to remain at around levels of 26 days each for F.Y 2026-27
iv. Consumable, Stores and packing materials	Consumables, stores and packing materials holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 3 days, 2 days and 6 days respectively. The temporary increase in F.Y. 2024-25 was on account of advance bulk purchases. The Company expects the holding period to normalize at 5 days for F.Y 2026-27.
Trade Receivables	Trade receivable days increased from 57 in FY 2022 to 95 in FY 2023, before easing to 81 in FY 2025. The sharp rise was primarily due to the company's decision to extend more lenient credit terms to drive sales growth and capture market share. While this strategy boosted revenues, it also led to higher working capital needs and longer cash conversion cycles. From FY 2024 onwards, the company introduced tighter collection practices, resulting in a moderation of receivable days. Looking ahead, the company intends to maintain receivable days at around 80, balancing customer support through flexible credit terms with the need to preserve strong cash flows for future growth.
Short-term Loans and Advances	Short-term loans and advances primarily comprise advances to suppliers, employees, and other operational advances. The balances stood at ₹416.17 lakhs, ₹739.59 lakhs, and ₹1,077.25 lakhs as at March 31, 2023, March 31, 2024, and March 31, 2025, respectively, reflecting a gradual increase in line with the expansion of operations. As at Feb. 28,2026, the balance was ₹1437.05lakhs, The Company expects these levels to remain stable, with marginal growth to ₹1,645.00

	lakhs for FY 2026-27, respectively, in line with the overall increase in business volume.
Other Current Assets	Other current assets primarily comprise prepaid expenses and other recoverable. The balance of other current assets stood at ₹4.99 lakhs, ₹5.34 lakhs, and ₹6.77 lakhs as at March 31, 2023, March 31, 2024, and March 31, 2025, respectively, indicating a marginal increase in line with business expansion. For the stub period ended Feb. 28, 2026, the balance was ₹25.42 lakhs. The Company projects this to remain broadly stable at ₹7.00 lakhs for FY 2026-27, reflecting consistency in operational and administrative requirements. The level of other current assets is not material in relation to total current assets and is expected to remain steady over the projection period.
Current Liabilities	
Trade Payables	Trade payables holding days stood at 65 days, 56 days, and 48 days for FY2022, FY2023, and FY2025 respectively, reflecting a steady reduction over the years. This decline was primarily driven by improved cash flow management and a strategic shift towards quicker settlement of dues to strengthen supplier relationships. Going forward, the company plans to further reduce the trade payables period to around 40 days, capitalizing on early payment discounts offered by vendors. This move is aimed at enhancing profitability by lowering procurement costs, while continuing to maintain healthy supplier relationships and ensuring a more efficient cash flow cycle to support future growth.
Other Current Liabilities	Other Current Liabilities mainly include statutory dues, expenses payable to employees, interest accrued, and advances to suppliers of goods and capital machinery. Other current liabilities holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 7 days, 10 days and 16 days respectively. The increase in holding period over the years was primarily on account of timing of payments and accruals. The Company expects to maintain the holding period at around 7 days in F.Y. 2026-27.
Short term provisions	Short-term provisions include provision for income tax and provision for gratuity. Our short-term provisions holding period for the F.Y. 2022-23, 2023-24 and 2024-25 were 1 day, 1 day and 10 days respectively. The holding period has remained low due to timely settlements and efficient financial planning. Further, the Company anticipates maintaining the short-term provisions holding period at around 6 days for F.Y 2026-27.

3. Prepayment or repayment of a portion of certain outstanding borrowings availed by our Company

The Company proposes to utilise ₹2085.00 lakhs from the Net Proceeds towards repayment or prepayment of certain outstanding borrowings, excluding any loans from promoters or related parties. This is expected to reduce overall indebtedness, improve the debt-equity ratio, and strengthen the balance sheet. The Company may adjust the specific borrowings to be repaid based on commercial considerations such as interest rates, tenure, and prepayment conditions. Such repayment will enhance financial flexibility, enable efficient use of internal accruals, and support future growth and expansion, while improving the Company's ability to raise funds at competitive rates.

4. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

*For further details, please refer to the chapter titled "**Objects of the Issue**" on page 80 of the of the Red Herring Prospectus.*

PRE AND POST ISSUE SHAREHOLDING OF PROMOTER(S), MEMBERS OF THE PROMOTER GROUP AND TOP 10 SHAREHOLDERS

The aggregate shareholding, of each of the (i) Promoter(s), (ii) members of the Promoter Group and (iii) top 10 Shareholders (other than the Promoter and Promoter Group) as on the Red Herring Prospectus and as at allotment as per the below mentioned format:

S. No	Pre-Issue shareholding as at the date of Advertisement			Post-Issue shareholding as at Allotment			
	Shareholders	Number of Equity Shares	Share holding (in %)	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
				Number of Equity Shares	Share holding (in %)	Number of Equity Shares	Share holding (in %)
A. Promoter							
1.	Arun Gupta	45,94,087	33.58%	[●]	[●]%	[●]	[●]%
2.	Piyush Gupta	22,86,046	16.71%	[●]	[●]%	[●]	[●]%
3.	Chirag Gupta	26,71,629	19.53%	[●]	[●]%	[●]	[●]%
B. Promoter Group							
1.	Sangeeta Gupta	17,58,550	12.85%	[●]	[●]%	[●]	[●]%
2.	Arun Gupta HUF	12,60,812	9.21%	[●]	[●]%	[●]	[●]%
3.	Nitasha Gupta	7,02,438	5.13%	[●]	[●]%	[●]	[●]%
4.	Vani Gupta	1,36,563	1.00%	[●]	[●]%	[●]	[●]%
C. Additional Top 10 Shareholders							
1.	Inderpal Singh	76,923	0.56%	[●]	[●]%	[●]	[●]%
2.	Dinesh Garg	76,923	0.56%	[●]	[●]%	[●]	[●]%
3.	Dhruv Gupta	46,154	0.34%	[●]	[●]%	[●]	[●]%
4.	Sumit Garg	16,923	0.12%	[●]	[●]%	[●]	[●]%
5.	Preeti Kapoor	16,923	0.12%	[●]	[●]%	[●]	[●]%
6.	Sunita Bansal	15,385	0.11%	[●]	[●]%	[●]	[●]%
7.	Ritika	7,692	0.06%	[●]	[●]%	[●]	[●]%
8.	Saurabh Makhija	7,692	0.06%	[●]	[●]%	[●]	[●]%
9.	Vikas Bansal	7,692	0.06%	[●]	[●]%	[●]	[●]%

Notes:
1.Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of prospectus.
2.Based on the Issue price of ₹[●] and subject to finalization of the basis of allotment.

*For further information, see "**Capital Structure**" beginning on page 63.*

SUMMARY OF RESTATED FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period ended on February 28, 2026 and financial years ended on March 31, 2025, March 31, 2024, and March 31, 2023:

S. No	Particulars	For the period/ year ended			
		Feb 28-26	Mar 31-25	Mar 31-24	Mar 31-23
1.	Share capital	1368.24	1072.81	970	970
2.	Net Worth	4360.75	2948.52	1624.24	1453.80
3.	Revenue	19469.05	17176.06	10840.57	8955.75
4.	EBITDA	2567.62	2327.52	804.40	551.11
5.	Profit after tax	1,235.23	1103.25	170.43	90.31
6.	Basic Earnings per share	9.20	8.35	1.38	0.73
7.	Diluted Earnings per share	9.20	8.35	1.38	0.73
8.	Return on Equity / Net Worth	28.33%	37.42%	10.49%	6.21%
9.	Net Asset Value per equity share	32.47	22.31	13.12	11.74
10.	Total borrowings	7354.14	6719.98	5778.53	3417.53
11.	Cash flow from operating activities	443.50	-255.82	-367.70	-4.78
12.	Cash flow from investing activities	-383.07	-359.70	-1570.27	-132.20
13.	Cash flow from financing activities	129.67	606.00	1949.68	129.41

Summary of Key Performance Indicators

Key Performance Indicator	Madhur Knit Crafts Limited			
	28-Feb-26	31-Mar-25	31-Mar-24	31-Mar-23
GAAP Financial Measures				
Revenue from operations	19469.05	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	*	58.36%	21.33%	15.41%
PAT	1235.23	1,103.25	170.43	90.31
PAT Margin (%)	6.34%	6.43%	1.57%	1.01%
Net Worth	4360.75	2,948.52	1,624.24	1,453.80
Debt	7354.14	6,719.98	5,778.53	3,417.53
Current Ratio	1.49	1.48	1.41	1.33
Debt-Equity Ratio	1.69	2.28	3.56	2.35
Non-GAAP Financial Measures				
EBITDA	2567.31	2,327.52	804.40	551.11
EBITDA Margin (%)	13.19%	13.56%	7.42%	6.17%
ROE (%)	28.33%	37.42%	10.49%	6.21%

ROCE (%)	31.11%	33.49%	13.09%	13.78%
Cash Profit after tax	1478.00	1,340.45	349.00	254.78
Operating Cash flow	443.50	-255.82	-367.70	-4.78
Interest Coverage Ratio	3.43	3.40	1.46	1.25
Operational Measures				
Trade Receivable Days	85	81	95	57
Trade Payable Days	79	48	56	65
Inventory Days	147	120	109	155
Cash Conversion Cycle	153	153	148	147

Notes:

- *Revenue from operations is the total revenue generated by the Company from the sale of products and services.*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*
- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.*
- *Cash Profit After Tax is Calculated as Profit After Tax + Depreciation and Amortization Expenses.*
- *Interest Coverage Ratio is calculated as Earning before interest and tax divided by Interest Expense for relevant financial Period.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 334 for the stub period ending February, 2026).*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total*
- *Ratios of Stub period are not annualized*

**Year on year comparison for the stub period not made.*

For further details, please refer to the chapter titled "***Basis for Issue Price***" beginning on page 97 of the Red Herring Prospectus.

RISK FACTORS

The below mentioned risks are the top 10 internal risk factors as per the Red Herring Prospectus:

1. Our Company has a high geographical concentration in Punjab, exposing us to region-specific economic, environmental, and operational risks
2. Major portion of our revenue depends upon our few customers. The loss of any one or more of our major customers would have a material adverse effect on our business operations and profitability.
3. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.
4. A substantial portion of our raw materials is sourced from a limited number of suppliers. Any disruption in supply, increase in prices, or inability of these suppliers to meet quality or delivery requirements could materially and adversely affect our operations, production schedules, and profitability.
5. A significant portion of our raw materials is sourced from Punjab, and any disruption in this region could materially affect our operations, production, and financial performance.
6. Certain adjustments have been made in the financial statements of the Company by our Auditors.
7. Our Company's Dependence on Short-Term Rental Agreements for Operational Premises.
8. Our Company has entered into certain related party transactions and may continue to do so in the future.
9. Our business is seasonal in nature.
10. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled "Objects of the Issue".

*For further details, please refer to the chapter titled "**Risk Factors**" beginning on page 17 of the Red Herring Prospectus.*

THE DETAILS OF WEIGHTED AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTER

PARTICULARS	NUMBER OF EQUITY SHARES HELD AS ON DATE*	WEIGHTED AVERAGE COST OF ACQUISITION ("WACA") PER EQUITY SHARE (IN ₹)*	WACA PER EQUITY SHARES ACQUIRED IN LAST ONE YEAR*
Promoters			
Arun Gupta	45,94,087	2.51	0.00
Piyush Gupta	22,86,046	5.74	0.00
Chirag Gupta	26,71,629	3.59	0.00

**Calculated after taking into account conversion of CCPS.*

Weighted average cost of acquisition of all shares transacted in the one year and three years preceding the date of *Red Herring Prospectus.*

Period	Weighted Average Cost of Acquisition (in Rs.)	Cap Price (₹[●]) is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last one year preceding the date of the Red Herring Prospectus	NA	[●]	NA
Last three years preceding the date of the Red Herring Prospectus	Rs.3.95	[●]	Lowest: Rs. Nil Highest: Rs.19

Note:- This disclosure pertains exclusively to the transfer of s**econdary shares**. No primary issuance of shares or new capital infusion by the Company is represented or implied herein

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. No	Name	Designation
1.	Arun Gupta	Managing Director
2.	Piyush Gupta	Whole Time Director and Chief Financial Officer
3.	Chirag Gupta	Whole Time Director
4.	Avinash Rai	Independent Director
5.	Sanjay Kapoor	Independent Director
6.	Gurpreet Kaur	Independent Director
7.	Nikita Tayal	Company Secretary and Compliance Officer

*For further details, please refer to the chapter titled "**Our Management**" beginning on page 159 of the Red Herring Prospectus.*

AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the Restated Financial Statements.

SUMMARY TABLE OF OUTSTANDING LITIGATIONS

A summary of outstanding litigations proceedings involving our Company, Promoters, Directors, KMPs, SMPs and Group Company (to the extent material to our Company) as on the date of the Red Herring Prospectus are as below:

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Amount Involved (In Rs. lacs)
Company						
By	**2**	**-**	**-**	**-**	**1**	**112.26**
Against	**-**	**1***	**-**	**-**	**-**	**0.31**
Promoters						
By	**-**	**-**	**-**	**-**	**-**	**-**
Against	**-**	**-**	**-**	**-**	**-**	**-**
Group Companies/Entities						
By	**1**	**-**	**-**	**-**	**-**	**49.80**
Against	**-**	**-**	**-**	**-**	**-**	**-**
Subsidiary						
By	**-**	**-**	**-**	**-**	**-**	**-**
Against	**-**	**-**	**-**	**-**	**-**	**-**
Directors other than promoters						
By	**-**	**-**	**-**	**-**	**-**	**-**
Against	**-**	**-**	**-**	**-**	**-**	**-**
KMP other than Directors and Promoters						
By	**-**	**-**	**-**	**-**	**-**	**-**
Against	**-**	**-**	**-**	**-**	**-**	**-**

*Assessment Year 2025-26 (Financial Year 2024-25)– Interest on TDS Default: For FY 2024–25, the Income Tax Department has recorded an outstanding Interest of Rs. 0.31 lakhs on earlier TDS default by Madhur Knit Crafts Pvt. Ltd. No litigation has been initiated in this regard.

For further details, please refer to chapter titled "***Outstanding Litigations & Material Developments***" on page 208 of this Red Herring Prospectus.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.

RED HERRING PROSPECTUS
Dated: August 14, 2026
Please read Section 26 and 32 of the Companies Act, 2013
(This Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

Please Scan to view the RHP& Abridged Prospectus

MADHUR KNIT CRAFTS LIMITED
CIN: U17301PB1997PLC020381

Registered Office	Contact Person	Telephone and Email	Website
Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007	Ms. Nikita Tayal Company Secretary and Compliance Officer	Tel: +91 9878009690 Email: ipo@mkcpl.in	www.mkcpl.in

PROMOTERS OF OUR COMPANY
(I) Arun Gupta (II) Piyush Gupta And (III) Chirag Gupta.

DETAILS OF THE ISSUE				
TYPE	**FRESH ISSUE**	**OFFER FOR SALE (₹ IN LAKHS)**	**TOTAL ISSUE***	**ELIGIBILITY & SHARE ALLOCATION**
Fresh Issue	Up to 53,27,693*^ Equity Shares aggregating up to ₹ [●] Lakhs	-	Up to ₹ [●] Lakhs	This issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share reservation among QIBs, Non-Institutional Bidders, Individual Bidder and Eligible Employees, see "***The Issue***" beginning on page 40.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION - NA

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 97 or in case where, Price Band is not disclosed otherwise, will be advertised in all editions of Financial Express a widely circulated English national daily newspaper, all editions of Jansatta a widely circulated Hindi national daily newspaper and regional Punjabi newspaper Nawan Zamana (Punjabi being the regional language of Punjab, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 Red Herring Prospectus. Specific attention of the investors is invited to the "***Risk Factors***" beginning on page 17 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR)Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated February 03, 2026 from National Stock Exchange of India Limited for using its name in the Red Herring Prospectus for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (**"NSE"**).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name	Contact Persons	Email & Telephone No.
SKI INVESTMENT BANKING **SKI CAPITAL SERVICES LIMITED**	Mr. Ghanisht Nagpal/ Mr. Manick Wadhwa	Email: mkcl@skicapital.net Tel. No.: +91-011-41189899

REGISTRAR TO THE ISSUE

Name	Contact Person	Email & Telephone No.
Skyline Financial Services Pvt. Ltd. **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**	Mr. Anuj Rana	Email: ipo@skylinerta.com Tel No: 011-40450193-97

ISSUE PROGRAMME	
ANCHOR INVESTOR BIDDING DATE:	**FRIDAY, AUGUST 21, 2026**
ISSUE OPENS ON: MONDAY, AUGUST 24, 2026	**ISSUE CLOSES ON: WEDNESDAY, AUGUST 26, 2026**

Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date. Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

**Our Company, in consultation with the Book Running Lead Manager, undertook a preferential issue of 2,72,307 Equity Shares of face value ₹10 each at a price of ₹65 per Equity Share (including a premium of ₹55 per Equity Share), aggregating to ₹176.99 lakhs, as permitted under applicable law ("Pre-IPO Placement"). The Pre-IPO Placement was undertaken at a price determined by our Company in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement has been reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and result in listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement have been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.*

^ Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.

RED HERRING PROSPECTUS
Dated: August 14, 2026
Please read Section 26 and 32 of the Companies Act, 2013
(This Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

MADHUR KNIT CRAFTS LIMITED
CIN: U17301PB1997PLC020381

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Madhur Knit Crafts Private Limited" bearing Corporate Identification Number U17301PB1997PTC020381 dated August 21, 1997, issued by the Registrar of Companies, Punjab, H.P & Chandigarh. Subsequently, the name of our Company was changed to "Madhur Knit Crafts Limited" and a fresh Certificate of Incorporation dated January 30, 2025, was issued by the Registrar of Companies, Chandigarh. As on date of this Red Herring Prospectus, the Corporate Identification Number of our Company is U17301PB1997PLC020381. For further details, please refer to ***"Our History and Certain Other Corporate Matters"*** beginning on page 155 of the Red Herring Prospectus.

Registered Office Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007

Contact Person: Ms Nikita Tayal, Company Secretary & Compliance Officer; **Tel No:** +91 9878009690 **Email:** ipo@mkcpl.in; Website: www.mkcpl.in

OUR PROMOTERS: (I) Arun Gupta (II) Piyush Gupta and (III) Chirag Gupta.

DETAILS OF THE ISSUE

THE ISSUE COMPRISE OF A PUBLIC ISSUE UPTO 53,27,693^ EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARES (INCLUDING A PREMIUM OF ₹ [●]/- PER EQUITY SHARE) AGGREGATING TO ₹ [●]/-LAKHS ("THE ISSUE") BY OUR COMPANY. THE ISSUE COMPRISES A RESERVATION OF WHICH [●] EQUITY SHARES OF ₹10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER RESERVATIONS PORTION AND A NET ISSUE TO THE PUBLIC OF [●] EQUITY SHARES OF ₹10/- EACH IS HEREINAFTER REFERRED TO AS THE NET ISSUE. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITIONS OF A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER FINANCIAL EXPRESS, ALL EDITIONS OF A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER JANSATTA AND REGIONAL NEWSPAPER PUNJABI NAWAN ZAMANA (PUNJABI BEING THE REGIONAL LANGUAGE OF PUNJAB, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED "NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE. FOR FURTHER DETAILS, PLEASE REFER TO "*ISSUE STRUCTURE*" BEGINNING ON PAGE 239 OF THIS RED HERRING PROSPECTUS.

OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, UNDERTOOK A PREFERENTIAL ISSUE OF 2,72,307 EQUITY SHARES OF FACE VALUE ₹10 EACH AT A PRICE OF ₹65 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹55 PER EQUITY SHARE), AGGREGATING TO ₹176.99 LAKHS, AS PERMITTED UNDER APPLICABLE LAW ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT WAS UNDERTAKEN AT A PRICE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WAS COMPLETED PRIOR TO FILING OF THIS RED HERRING PROSPECTUS WITH THE ROC. THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT HAS BEEN REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT DID NOT EXCEED 20% OF THE ORIGINAL SIZE OF THE FRESH ISSUE AS DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS. OUR COMPANY HAD APPROPRIATELY INTIMATED THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THAT THE OFFER MAY BE SUCCESSFUL AND RESULT IN LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGE. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT HAVE BEEN APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THIS RED HERRING PROSPECTUS AND WILL BE MADE IN THE PROSPECTUS.

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 252 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). Out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription under (ii) above, the allocation may be made to domestic Mutual Funds. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders (of which one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size exceeding ₹ 10 lakhs) and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process

providing details of their respective ASBA accounts, and UPI ID in case of Individual Bidders using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid For details, see "Issue Procedure" on page 281.

ELIGIBLE INVESTORS

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to ***"Issue Procedure"*** on page 246 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10.00. The Issue Price, Floor Price or the Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 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 contents of this Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 17 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received "in-principle" approval letter dated February 03, 2026 from National Stock Exchange of India Limited ("NSE") for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	**REGISTRAR TO THE ISSUE**
SKI CAPITAL SERVICES LIMITED SEBI Registration No.: INM000012768 Address: 718, Dr Joshi Road, Karol Bagh, New Delhi- 110005 Telephone No: +91-011-41189899 Website: www.skicapital.net Email ID: mkcl@skicapital.net Contact Person: Mr. Ghanisht Nagpal/ Mr. Manick Wadhwa	**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED** SEBI Registration No.: INR000003241 Address: D-153A, First Floor, Okhla Industrial Area, Phase-I New Delhi -110020 Telephone No: 011-40450193-97 Email: ipo@skylinerta.com Website: www.skylinerta.com Contact Person: Mr. Anuj Rana

ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE:	**FRIDAY, AUGUST 21, 2026**
ISSUE OPENS ON: MONDAY, AUGUST 24, 2026	**ISSUE CLOSES ON: WEDNESDAY, AUGUST 26, 2026**

Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date. Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

^Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Notwithstanding the foregoing, terms in "**Main Provisions of the Articles of Association**", "**Statement of Special Tax Benefits**", "**Our Industry**", "**Key Industry Regulations and Policies**", "**Restated Financial Information**", "**Outstanding Litigation and Other Material Developments**", will have the meaning ascribed to such terms in these respective sections.*

Conventional or General Terms

Term	Description
"Our Company", "the Issuer", "the Company" "Madhur Knit Crafts Limited" and "MKCL"	Unless the context otherwise requires, refers to Madhur Knit Crafts Limited (Formerly known as Madhur Knit Crafts Private Limited), a company incorporated under the Companies Act, 1956 having its registered office at Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007.
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company as on the date of this Red Herring Prospectus.
"you", "your" or "yours"	Prospective bidders in this Issue.

Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.

Terms	Description
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. In accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Bangalore, Pune, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Red Herring Prospectus.
ASBA Investor/ ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	Collectively, the Escrow Collection Bank, Refund Bank, Public Issue Account Bank and Sponsor Bank(s)
Basis of Allotment	The basis on which Equity Shares will be allotted to the successful Applicants under the Issue and which is described under chapter titled "***Issue Procedure***" beginning on page 246 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Wednesday, August 26, 2026, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), and local edition of Nawan Zamana (Punjabi being the regional language of Punjab, where our Registered Office is located). In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.

Terms	Description
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Monday, August 24, 2026, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), and local edition of Nawan Zamana (Punjabi being the regional language of Punjab, where our Registered Office is located).
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investor in cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue, namely SKI Capital Services Limited ("SKI").
Broker Centre's	Broker Centre's notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centre's, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange (www.nseindia.com).
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Issue Period.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	The Issue Price finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Individual Bidders Bidding in the Individual Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in, or at such other websites as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange at www.nseindia.com.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/ transferred to the successful Applicants.
Designated Intermediary(ies)"	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to IBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue.

Terms	Description
	In relation to ASBA Forms submitted by IBs Bidding in the Individual Portion by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange (www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	EMERGE Platform of National Stock Exchange of India Limited or NSE EMERGE.
Draft Red Herring Prospectus	Draft Red Herring Prospectus filed with NSE EMERGE for obtaining in-principle approval.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an issue/ invitation under the issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Escrow Account	Account to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s), which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened.
First/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be Finalized and below which no Bids will be accepted.
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 and the UPI Circulars, as amended from time to time. The General Information Document is available on the websites of the Stock Exchange and the BRLM.
Gross Proceeds	Gross proceeds of the Issue that will be available to our Company.
Issue/ Issue Size/ Initial Public Issue/Initial Public Issue/Initial Public Offering/ IPO	Public Issue of up to 53,27,693* Equity Shares of face value of Rs. 10 /- each fully paid of our Company for cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating Rs. [●] Lakhs comprising of a fresh issue of up to 53,27,693* Equity Shares aggregating up to Rs. [●] lakhs by our Company. Our Company, in consultation with the Book Running Lead Manager, undertook a preferential issue of 2,72,307 Equity Shares of face value ₹10 each at a price of ₹65 per Equity Share (including a premium of ₹55 per Equity Share), aggregating to ₹176.99 lakhs, as permitted under applicable law ("Pre-IPO Placement"). The Pre-IPO Placement was undertaken at a price determined by our Company in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement has been reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and result in listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement have been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.

Terms	Description
	** Number of Shares may need to be adjusted for lot size upon disclosure of Price Band*.
Issue Agreement	The agreement dated, September 27, 2025 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being Rs. [●] per Equity Share of face value of Rs. 10 /- each fully paid. The Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer to the chapter titled "***Objects of the Issue***" page 80 of this Red Herring Prospectus.
Listing Agreement	The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited, being the Designated Exchange.
Market Maker	Market Makers appointed by our Company from time to time, in this case being NNM Securities Private Limited having SEBI registration number INZ000234235 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered between the Book Running Lead Manager, Market Maker and our Company dated August 12, 2026.
Market Maker Reservation	The Reserved Portion of [●] Equity Shares of face value of Rs. 10 /- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Mobile App(s)	The mobile applications listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4 or such other website as may be updated from time to time, which was used by UPI Bidders to submit Bids using the UPI Mechanism.
Monitoring Agency	Being, Infomerics Valuation and Rating Limited
Monitoring Agency Agreement	The agreement entered into between our Company and the Monitoring Agency dated August 14, 2026.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations,1996, as amended from time to time.
Mutual Fund Portion	Up to 5% of the Net QIB Portion or Up to [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue/ Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10 /- each of Issuer at Rs. [●] (including share premium of Rs. [●]) per equity share aggregating to Rs. [●].
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled ***Objects of the Issue*** beginning on page 80 of this Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005, of Government of India published in the Gazette of India.
Non-Institutional Applicants	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Individual Investors or the Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares with an application size of more than two lots and above.
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue, or [●] Equity Shares, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and two-third of the portion available to non institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other subcategory of Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this issue.

Terms	Description
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Public Issue Account	Account opened with the Banker to the Issue/ Public Issue Bank i.e. Axis Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The banks which are a clearing member and registered with SEBI as a banker to an issue and with whom the Public Issue Account for collection of Bid Amounts from Escrow Account and ASBA Accounts will be opened.
Pre-IPO Placement	Our Company, in consultation with the Book Running Lead Manager, undertook a preferential issue of 2,72,307 Equity Shares of face value ₹10 each at a price of ₹65 per Equity Share (including a premium of ₹55 per Equity Share), aggregating to ₹176.99 lakhs, as permitted under applicable law ("Pre-IPO Placement"). The Pre-IPO Placement was undertaken at a price determined by our Company in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement has been reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and result in listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement have been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.
Prospectus	The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Qualified Institutional Buyers / QIBs	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Portion	The portion of the offer (including the Anchor Investor Portion) being not more than 50% of the Net Issue comprising up to [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price.
Refund Account	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registered Brokers	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids.
Registrar/ Registrar to the Issue	Registrar to the Issue being Skyline Financial Services Private Limited. For more information please refer — ***General Information*** on page 51 of this Red Herring Prospectus.
Registrar Agreement	The agreement dated 25 September 2025, among our Company, the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended from time to time.
Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of an application size of two lots.
Red Herring Prospectus / RHP	The Red Herring Prospectus dated August 14, 2026, to be issued by our Company in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three working days before the Bid / Issue Opening Date and will become the Prospectus upon filing with the RoC after the pricing date.
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI

Terms	Description
Self-Certified Syndicate Bank(s) / SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue)Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time.
EMERGE Platform of National Stock Exchange of India Limited	The EMERGE Platform of NSE i.e. NSE EMERGE for listing Equity Shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchange and NPCI to push the mandate to collect requests and / or payment instructions of the retail investors into the UPI. In this case Axis Bank Limited.
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as an underwriter namely, [●].
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager, and the Syndicate Member.
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter	Underwriters to this Issue are Giriraj Stock Broking Limited.
Underwriting Agreement	The agreement dated August 12, 2026 entered between Underwriter and our Company.
Unified Payments Interface / UPI	The instant payment system developed by the National Payments Corporation of India.
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders in the Individual Portion and (ii) Non-Institutional Bidders with an application size of up to Rs.5.00 lakhs in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to Rs.5.00 lakhs using UPI Mechanism, shall provide their UPI ID in the bid-cum application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	Collectively, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (i.e. SEBI master circular bearing number SEBI/HO/MIRSD/POD1/P/CIR/2024/37 dated May 7, 2024 and HO/38/13/(4)2026MIRSD-POD/I/4298/2026 dated February 6, 2026) (to the extent that such circulars pertain to the UPI Mechanism), SEBI ICDR Master Circular (i.e. SEBI master circular number HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026), along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE-Exchange having reference number 25/2022 dated August 3, 2022, and the circular issued by BSE-Exchange having reference number 20220803-40 dated August 3, 2022, SEBI Circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025, and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard from time to time and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Terms	Description
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days' means, all days on which commercial banks in the city as specified in this Red Herring Prospectus are open for business. However, in respect of announcement of price band and bid/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Red Herring Prospectus are open for business. In respect to the time period between the bid/ Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Saturdays, Sundays and bank holidays in accordance with circular issued by SEBI.

Issuer and Industry Related Terms

Terms	Description
Issuer Related Terms	
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Madhur Knit Crafts Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "***Our Management***" on page 159 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being V. V. Bhalla & Co., Chartered Accountants.
Banker to the Company	Banker to the company is HDFC Bank Limited.
Board of Directors / Board/ Director(s)	The Board of Directors of Madhur Knit Crafts Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number of our Company i.e. U17301PB1997PLC020381.
Companies Act	The Companies Act, 2013 including provisions of the Companies Act, 1956, to the extent not repealed.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being, Nikita Tayal.
Chief Financial Officer	The Chief Financial Officer of our Company being Piyush Gupta.
CSR Committee	The CSR Committee of our Company constituted June 12, 2025, in accordance with Section 135 of the Companies Act, 2013, the details of which are provided in ***"Our Management"*** beginning on page 159 of this Red Herring Prospectus.
DIN	Directors Identification Number.
Director(s) / our directors	The Director(s) of our Company, unless otherwise specified.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Equity Shares	Equity Shares of our Company of Face Value of Rs.10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Shares of our Company.
Group Companies	Group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "***Our Group Companies***" beginning on page 217.
HUF	Hindu Undivided Family.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number, in this case being INE1P5601010.
Key Managerial Personnel /Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled ***Our Management*** on page 159 of this Red Herring Prospectus.
Key Performance Indicators" or "KPIs"	Key financial and operational performance indicators of our Company, as included in *"**Basis for Issue Price**"* beginning on page 97.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Madhur Knit Crafts Limited.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted June 12, 2025, on in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in ***"Our Management"*** beginning on page 159 of this Red Herring Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA.

Terms	Description
NRIs / Non-Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Peer Reviewed Auditor	Being V.V. Bhalla & Co., Chartered Accountants, holding a valid peer review certificate, as mentioned in "***General Information***" on page no 51 of this Red Herring Prospectus.
Promoters or Our Promoters	Promoters of our Company being Arun Gupta, Piyush Gupta, and Chirag Gupta.
Promoter Group	Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in "***Our Promoters and Promoter Group***" beginning on page 176.
Registered Office	The Registered office of our company which is located at Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007
Restated Financial Statements	The restated financial statements of our Company, on a standalone basis, which comprises the restated statement of Assets and Liabilities, the restated statements of Profit And Loss, and the restated Cash Flow Statement for the stub period ended on February 28, 2026 and for the period ended March 31, 2025, March 31, 2024, & March 31, 2023, of our Company prepared in accordance with GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC	Registrar of Companies, Chandigarh.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time.
Stakeholder Relationship Committee	The Stakeholder Relationship Committee of our Company constituted June 12, 2025, on in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in "*Our Management*" beginning on page 159 of this Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, it refers to the EMERGE Platform of NSE.
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA being Rajesh Gupta, Vishnu Gupta, Arun Gupta and Ravi Gupta.
Whole Time Director	The Whole Time Directors of our Company being Piyush Gupta and Chirag Gupta.
Business Related Terms	
Anti-Pilling Fabric	Fabric treated to resist small fiber balls (pills) caused by wear or washing.
Dyeing	The process of adding color to textile products like fibers, yarns, and fabrics.
Effluent Treatment Plant (ETP)	A facility that treats industrial wastewater to remove pollutants before reuse or safe disposal.
Fleece	Soft, warm, lightweight fabric often made of polyester, used in winterwear.
Heatset	Stabilizing fabric shape and size through heat treatment to prevent shrinkage.
Home Textiles	Fabrics and products used in home furnishing (e.g., blankets, bed linens, curtains).
Hydro	Removing excess water from fabrics using hydro-extraction machines after dyeing.
Installed Capacity	The maximum output a company's facility can produce under normal conditions.
Knitting	Making fabric by looping yarns together using machines.
Manufacturing	The process of producing goods using labor, machines, tools, and raw materials.
Printing	Transferring designs or patterns onto fabric surfaces using inks or printing techniques.
Shearing	Trimming loose or extra fibers for smooth and neat fabric surface.
Sherpa Fabric	Soft, wool-like synthetic fabric often used in jackets, blankets, and winterwear.
Stentering	Stretching and drying fabrics uniformly to set width and improve finish.
Stitching of Rib	Sewing ribbed fabric edges to provide stretch, durability, and secure finishing.
Technical Textiles	Fabrics designed mainly for industrial or functional uses rather than appearance.
Trading	The activity of buying and selling goods, either wholesale or retail.
Vertically Integrated Manufacturing	Business model where a company controls multiple supply chain stages, from raw materials to finished products.

Terms	Description
Synthetic Fabrics	Textiles made entirely from man-made fibers, usually derived from petrochemicals.
GSM (Grams per Square Meter)	GSM is a standard measure of fabric weight—how many grams a 1 square meter piece of fabric weighs.
Working Capital Management	Managing short-term assets and liabilities to ensure smooth operations and supplier payments.

Abbreviations

Terms	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BRLM	Book Running Lead Manager
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Cash Conversion Cycle	Cash Conversion Cycle helps in measures the time (in days) it takes for a company to convert its investments in inventory and other resources into cash flows from sales. It reflects the efficiency of a company's working capital management.
Cash Profit after tax	Cash Profit After Tax is the profit a company earns after paying taxes but adjusted to include non-cash expenses (like depreciation and amortization). It reflects the actual cash-based profitability rather than just accounting profit.
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Debt	Its shows the total borrowings that the company needs to repay over time.
Debt-Equity Ratio	Debt- Equity Ratio shows the proportion of debt used to finance the company relative to equity. A higher ratio indicates higher financial risk.
DIN	Director Identification Number
DP	Depository Participant
EBITDA	Earning before Interest, Tax, Depreciation and Amortisation.
EBITDA Margin	EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI / Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable

Terms	Description
NAV	Net Asset Value
NDOH	Next Date of Hearing
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
NGT	National Green Tribunal
NOC	No Objection Certificate
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
Operating Cash flow	Operating cash Flow reflects the company's ability to generate sufficient cash to maintain and grow operations, pay off debts, and reinvest in the business.
p.a.	Per Annum
PAT Margin	PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
Revenue from Operations	Revenue from operations is the total revenue generated by our Company from the sale of products.
ROCE	Return on Capital Employed.
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs. / Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
Trade payable days	Trade payable days indicate the average number of days a company takes to pay its suppliers for goods or services purchased on credit.
Trade receivable days	Trade receivable days show the average number of days a company takes to collect payments from its customers for goods or services sold on credit.
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Revenue Growth Year on Year	Revenue Growth measures the percentage increase or decrease in a company's revenue compared to the same period in the previous year.

Notwithstanding the foregoing:

1. *In the section titled "**Main Provisions of the Articles of Association**" beginning on page number 280 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
2. *In the chapters titled "**Our Business**" beginning on page number 123 , of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
3. *In the section titled "**Risk Factors**" beginning on page number 17 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
4. *In the chapter titled "**Statement of Tax Benefits**" beginning on page number 105 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
5. *In the chapter titled "**Management's Discussion and Analysis of Financial Conditions and Results of Operations**" beginning on page number 191 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "***Restated Financial Information***", as Restated 'beginning on page 182 of this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months' period ended 31st March of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, to what extent, the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "***Restated Financial Information***", as Restated beginning on page 182 of this Red Herring Prospectus.

Currency and units of presentation

In this Red Herring Prospectus, references to Rupees or Rs. or ₹ or INR. are to Indian Rupees, the official currency of the Republic of India. All references to $, US$, USD, U.S. $ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means one hundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources which are believed to be reliable but accuracy, completeness, relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. Although the industry and market data used in this Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in **"*Risk Factors*"** on page 17.

In accordance with the SEBI ICDR Regulations, **"*Basis for Issue Price*"** beginning on page 97 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified herein.

FORWARD LOOKING STATEMENTS

*All statements contained in this Red Herring Prospectus that are not statements of historical facts constitute "**forward-looking statements**". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.*

These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industries in which we operate.

Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our indebtedness and the conditions and restrictions imposed by our financing agreements.
- Fluctuations in the prices of our raw materials.
- Geographical Concentration of the company.
- Our ability to retain our customers and our ability to sell our products at competitive prices.
- Increase in our Company's working capital cycle.
- Changes in laws and regulations relating to the industries in which we operate
- Fluctuations in operating costs and impact on the financial results
- Our ability to meet our capital expenditure requirements and/or increase capital expenditure
- The potential inability of us to maintain and enhance our brand image effectively, which could affect our market position in the future.
- Difficulty in competing effectively against existing or potential competitors, potentially leading to loss of market share and revenue.
- We are highly dependent on our Promoter and our management team, senior management, and key managerial personnel, whose absence or departure could disrupt our operations and strategic direction.
- Changes in laws and regulations relating to the industries in which we operate.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page numbers 17,123 and 191 respectively of this Red Herring Prospectus.

Forward looking statements reflect views as on the date of the Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. We cannot assure Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Our Company, our Directors, BRLM or any of their respective affiliates or advisors do not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company and the BRLM will ensure that investors are informed of material developments from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares allotted pursuant to the Issue.

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SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

*To obtain a more detailed understanding of our business and operations, see this section in conjunction with the sections titled "**Our Industry**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", respectively, as well as other financial and statistical information contained in this Red Herring Prospectus. Unless otherwise indicated or unless the context requires otherwise, our financial information used in this section are derived from our Restated Financial Statements. In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares.*

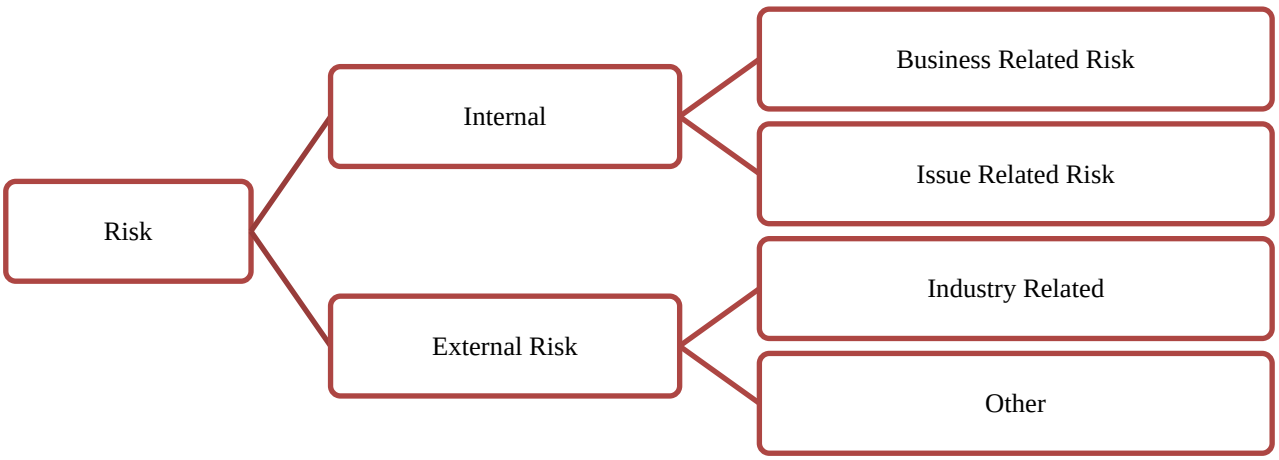
*This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, refer to the chapter "**Forward-Looking Statements**" page no 15.*

Materiality

The Risk factors have been determined on the basis of their materiality, which has been decided on the basis of following factors:

- Some events may not be material individually but may be material when considered collectively.
- Some events may have an impact which is qualitative though not quantitative.
- Some events may not be material at present but may have a material impact in the future.

Classification of Risk Factors



Internal Risk Factors

1. **Our Company has a high geographical concentration in Punjab, exposing us to region-specific economic, environmental, and operational risks.**

Our Company derives the majority of its revenue from the state of Punjab, contributing more than 90% of total revenue over the past three fiscal years. This significant geographical concentration exposes us to risks arising from regional economic conditions, regulatory developments, political events, natural calamities, and other localised disruptions. Any adverse developments in Punjab may materially affect our business, financial condition and operational performance.

Since most of our operations, customers, and supply chain partners are located in Punjab, events such as infrastructure breakdowns, disruptions in transportation or utility services, labour unrest, changes in local government policies, or significant natural or man-made disasters may adversely affect our operations. For instance, while the specific area where our facilities are located has not been significantly impacted, certain parts of Punjab experienced severe floods in July 2025 and September 2025, which illustrate the type of risks that may affect supply chains, logistics, raw material availability, and production schedules.

Further, our facilities or those of our suppliers may experience fire incidents, operational disruptions, or restricted access due to unforeseen events. We may not be able to mitigate these risks in a timely manner, or at all, which could adversely impact our ability to distribute products or meet customer demand.

While we have not experienced any material disruptions in the past, we cannot assure you that such events will not occur in the future. Any significant disturbance in the region may lead to a substantial decline in revenues and profitability, and adversely affect our business, cash flows, financial condition, and results of operations.

The table below reflects the Company's revenue from different geographical segments over the past three fiscal years:

(Rs. in Lakhs)

Particulars	February 28, 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Punjab	19,115.34	98.18%	16,140.48	94.04%	10,117.28	93.35%	8160.86	91.36%
Others	353.71	1.82%	1,023.02	5.96%	721.18	6.65%	771.84	8.64%

2. Major portion of our revenue depends upon our few customers. The loss of any one or more of our major customers would have a material adverse effect on our business operations and profitability.

We derive a major portion of our revenue from a few customers and the details of contribution of our top 1,3,5 and 10 customers to our total revenue from operations for the stub period ended on February 28, 2026 and for the periods ended March 31, 2025, March 31,2024, and March 31,2023, have been set out below:

(Rs. in Lakhs)

Particulars	February 28, 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Top 1 Customer	1,161.38	5.97%	833.41	4.86%	1,174.36	10.84%	642.93	7.20%
Top 3 Customers	3,332.04	17.11%	2,422.59	14.11%	2,646.69	24.42%	1,761.75	19.72%
Top 5 Customers	4,840.90	24.86%	3,689.06	21.49%	3,296.28	30.41%	2,719.79	30.45%
Top 10 Customers	6,645.92	34.14%	5,861.53	34.15%	4,492.75	41.45%	4,332.58	48.50%

The above table highlights that a significant portion of our revenue is concentrated among a few customers, with the top 10 customers together contributing 34.14% of total revenue in February 28, 2026, 34.15% in Fiscal 2025, 41.45% in Fiscal 2024, and 48.50% in Fiscal 2023. This customer concentration underscores the importance of maintaining strong relationships with our key clients. Any loss or reduction in business from these customers, or changes in their purchasing patterns, could materially impact our revenue, profitability, and overall financial performance.

3. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.

Our Company has reported certain negative cash flows from operating activities, investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	February 28, 2026	March 31 2025	March 31 2024	March 31 2023
Net Cash from Operating Activities	443.50	-255.82	-367.70	-4.78
Net Cash from Investing Activities	-383.07	–359.70	-1570.27	-132.20
Net Cash used in Financing Activities	129.67	606.00	1,949.68	129.41

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled "***Restated Financial Information***" beginning on Page 182 of this Red Herring Prospectus.

4. A substantial portion of our raw materials is sourced from a limited number of suppliers. Any disruption in supply, increase in prices, or inability of these suppliers to meet quality or delivery requirements could materially and adversely affect our operations, production schedules, and profitability.

The Company sources a significant portion of its raw materials and products from a limited number of suppliers. For the eleven months ended February 28, 2026, the top 3 suppliers accounted for 30.48% of total procurement, the top 5 suppliers for 40.56%, and the top 10 suppliers for 52.37%. In Fiscal 2025, the top 3 suppliers contributed 34.70% of total procurement, the top 5 suppliers 42.79%, and the top 10 suppliers 54.23%. In comparison, during Fiscal 2024, the top 3 suppliers accounted for 27.46% and the top 10 suppliers for 51.61 %, while in Fiscal 2023, the top 3 suppliers contributed 29.70% and the top 10 suppliers 64.00%.

This concentration exposes the Company to risks associated with the loss, disruption, or change in terms of key suppliers. Any interruption in the supply chain, increase in prices, or failure of these suppliers to meet quality and delivery standards could materially affect the Company's operations, production schedules, cost structure, and profitability. The Company's ability to diversify its supplier base and maintain strong relationships with key suppliers is critical to mitigating such risks.

(Rs. in Lakhs)

Particulars	February 28, 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Top 3 Supplier	4,896.25	30.48%	4,662.27	34.70%	2,049.85	27.46%	4,785.30	29.70%
Top 5 Supplier	6,516.15	40.56%	5,748.91	42.79%	2,664.34	35.69%	3,185.33	42.60%
Top 10 Supplier	8,412.03	52.37%	7,286.64	54.23%	3853.58	51.61 %	4,785.30	64.00%

5. A significant portion of our raw materials is sourced from Punjab, and any disruption in this region could materially affect our operations, production, and financial performance.

The Company sources a significant portion of its raw materials from the state of Punjab, accounting for 99.26% of total procurement in February 28, 2026, 52.37% in Fiscal 2025, 52.21% in Fiscal 2024, and 64.13% in Fiscal 2023. This high geographical concentration exposes the Company to risks arising from regional economic, political, or environmental developments. Any adverse events in Punjab, such as supply disruptions, natural disasters, regulatory changes, or logistical challenges, could materially impact the Company's operations, production schedules, and financial performance. The Company's reliance on a single region for a major portion of its raw material requirements increases its vulnerability to such regional risks.

6. Certain adjustments have been made in the financial statements of the Company by our Auditors.

The Company's Restated Financial Statements contain adjustments made by peer-reviewed auditors. These adjustments, which differ from the initially audited financials. Such revisions could lead to a change in the perception of the Company's financial health and operational efficiency. To gain a comprehensive understanding of these adjustments and their implications, refer to Note 41 of the "***Restated Financial Statements"*** on page 182 of this Red Herring Prospectus.

Reconciliation of profit after tax as per audited financial statements and profit after tax as per the restated financial information

(Rs. in Lakhs)

Particulars	February 28, 2026	31-Mar-25	31-Mar-24	31-Mar-23
Profit after tax as per audited financial statements	1,227.72	1038.61	170.14	60.41
Adjustments for:				
Provision for Gratuity (refer footnote 1 below)	-	-21.94	1.27	-14.30
Deferred tax (refer footnote 1 and 2 below)	-	-42.70	-1.56	-15.60
Profit after tax as per restated financial information	**1,227.72**	**1103.25**	**170.43**	**90.31**

1. *The company used to recognize expense on account of gratuity on payment basis till financial year ended 31st March, 2024 and has recognized provision for gratuity for the first time as per actuarial valuation during the year ended 31st March, 2025. The same has been given effect in previous years in the restated financial information as per accounting policy followed in the*

financial year ended 31st March, 2025 and the effect till 31st March 2022 has been adjusted directly in reserves and surplus. Accordingly, the deferred tax asset has also been recognized on such provision recognized in the restated financial information.

2. *There is a certain difference in the practice of recognition of deferred tax liabilities/assets during the financial year ended 31st March 2025 and 31st March 2024 vis-a-vis earlier years. The same has been recognized in the restated financial information in line with the practice followed during the year ended 31st March 2025 and effect till 31st March 2022 has been adjusted directly in reserves and surplus.*

7. Our Company's Dependence on Short-Term Rental Agreements for Operational Premises

The Company operates from premises taken on rental agreements with a tenure of 11 months. Such agreements do not provide long-term security of tenure and are subject to renewal at the discretion of the respective landlords. There is no assurance that these agreements will be renewed upon expiry, or that renewal, if any, will be on commercially acceptable terms, including rental rates and other conditions. Non-renewal or termination of these agreements may require the Company to shift its operations, which could result in disruption of business activities, increased relocation and setup costs, operational delays, and temporary loss of productivity. Further, the short tenure of these agreements may restrict the Company's ability to undertake long-term operational planning or make significant investments in fixed assets at such locations. Any such disruption or uncertainty may have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assurance that such events may not occur in the future.

For Further details please refer to the chapter '***Our Business'***- Properties in page no 123 of the Red Herring Prospectus.

8. Our Company has entered into certain related party transactions and may continue to do so in the future.

Our Company has entered into related party transactions with our Promoters, Directors and Promoter Group during the last three Financial Years. While our Company believes that all such transactions have been conducted on the arm's length basis in compliance with the Companies Act and other relevant rules and regulations, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For more details, refer to the Note 33-Related Party Disclosures of the "***Restated Financial Statements***" on page 182 of this Red Herring Prospectus.

Summary Table of Related Party Transactions

(Rs. in Lakhs)

Nature of payment	**Name of related person**	**28.02.2026**		**31.03.2025**		**31.03.2024**		**31.03.2023**	
		Amt	**In %#**	**Amt**	**In %#**	**Amt**	**In %#**	**Amt**	**In %#**
Director Remuneration	Mr. Piyush Gupta	22.48	0.12%	24.04	0.14%	18.00	0.17%	-	-
	Mr. Chirag Gupta	22.48	0.12%	24.04	0.14%	18.00	0.17%	-	-
	Mrs. Nitasha Gupta	6.10	0.03%	18.04	0.11%	12.00	0.11%	-	-
Total		**51.06**	**0.26%**	**66.13**	**0.39%**	**48.00**	**0.44%**	-	-
Remuneration	Nikita Tayal	3.05	0.02%	0.77	0.00%	-	-	-	-
Total		**3.05**	**0.02%**	**0.77**	**0.00%**	-	-	-	-
Rent	Mrs. Sangeeta Gupta	2.89	0.01%	3.00	0.02%	-	-	-	-
	M/s National Yarn Agency	2.89	0.01%	3.00	0.02%	-	-	-	-
Total		**5.78**	**0.03%**	**6.00**	**0.03%**	-	-	-	-
Purchase	M/s National Yarn Agency	1539.06	7.91%	1853.36	10.80%	186.52	1.72	565.70	6.33%
	Trimurti Hosiery Mills Private Limited	50.45	0.26%	119.29	0.70%	-	-	6.85	0.08%

	M/s K.C Fabrics	5.62	0.03%	1.35	0.01%	5.47	0.05%	2.42	0.03%
	Star Cottex Limited	2181.74	11.21%	2024.01	11.79%	978.39	9.03%	480.73	5.38%
	Royal Impex Private Limited	5.54	0.03%	68.70	0.40%	41.14	0.38%	114.83	1.29%
Total		**3782.41**	**19.43 %**	**4066.71**	**23.69 %**	**1211.52**	**11.18 %**	**1170.53**	13.10 %
Sale	M/s K.C Fabrics	113.14	0.58%	183.15	1.07%	119.02	1.10%	84.03	0.94%
	Trimurti Apparels	-	-	5.36	0.03%	1.24	0.01%	-	-
	Shiv Kumar Bhawani Shankar	8.75	0.04%	10.22	0.06%	5.49	0.05%	6.03	0.07%
	Star Cottex Limited	58.45	0.30%	-	-	-	-	5.67	0.06%
	Starlight Hosiery Private Limited	42.86	0.22%	-	-	-	-	-	-
	Star Spintex Private Limited	108.90	0.56%	391.32	2.28%	-	-	-	-
Total		**332.10**	**1.71%**	**590.05**	**3.44%**	**125.75**	**1.16%**	**95.73**	1.07%
Loan Received	Chirag Gupta	26.0	0.13%	68.76	0.40%	50.51	0.47%	5.00	0.06%
	Arun Gupta	119.08	0.61%	27.00	0.16%	75.37	0.70%	-	-
	Arun Gupta HUF	-	-	3.00	0.02%	5.00	0.05%	-	-
	Chirag Gupta HUF	-	-	10.00	0.06%	2.77	0.03%	-	-
	Kastoor Chand Gupta (HUF)	-	-	-	-	32.60	0.30%	-	-
	Nitasha Gupta	65.4	0.34%	9.03	0.05%	53.5	0.49%	-	-
	Piyush Gupta	1.08	0.01%	139.86	0.81%	7.65	0.07%	-	-
	Piyush Gupta HUF	-	-	41.96	0.24%	9.99	0.09%	-	
	Sangeeta Gupta	-	-	10.00	0.06%	6.56	0.06%	-	-
	Vani Gupta	27.68	0.14%	42.00	0.24%	100.00	0.92%	-	-
	Rajesh Gupta	32.53	0.17%	-	-	-	-	-	-
Total		**271.77**	**1.40%**	**351.62**	**2.05%**	**343.95**	**3.17%**	**5.00**	0.06%
Loan Repaid	Anita Gupta	-	-	-	-	22.10	0.20%	-	-
	Anju Gupta	-	-	-	-	34.00	0.31%	-	-
	Kastoor Chand Gupta	-	-	-	-	2.63	0.02%	-	-
	Madhur Gupta	-	-	-	-	13.94	0.13%	-	-
	Nitasha Gupta	18.00	0.09%	14.95	0.09%	56.70	0.52%		-
	Rajesh Gupta	119.08	0.61%	-	-	4.22	0.04%	-	-
	Rajesh Gupta Sons & HUF	-	-	-	-	17.49	0.16%	-	--
	Rashmi Gupta	-	-	-	-	12.16	0.11%	-	-
	Ravi Gupta	-	-	-	-	13.13	0.12%	-	-
	Ravi Gupta (HUF)	-	-	-	-	2.71	0.03%	-	-
	Ridhima Gupta	-	-	-	-	5.00	0.05%	-	-
	Sangeeta Gupta	-	-	-	-	18.10	0.17%	-	-
	Vishnu Gupta	-	-	-	-	74.52	0.69%	-	-
	Piyush Gupta	1.5	0.01%	10.00	0.06%	8.75	0.08%	3.44	0.04%
	Piyush Gupta HUF	-	-	58.66	0.34%	-	-	-	-
	Chirag Gupta	5.23	0.03%	18.00	0.10%	-	-	4.33	0.05%
	Arun Gupta	119.08	0.61%	0.22	0.00%	0.50	0.00%	5.00	0.06%
	Arun Gupta HUF	-	-	8.00	0.05%	-	-	0.40	0.00%
	Chirag Gupta HUF	-	-	13.75	0.08%	-	-	-	-
	Vani Gupta	6.16	0.03%	13.60	0.08%	24.10	0.22%	0.90	0.01%
	Vishnu Gupta HUF	-	-	-	-	-	-	0.20	0.00%
Total		**269.05**	**1.38%**	**137.19**	**0.80%**	**310.07**	**2.86%**	**14.27**	**0.16%**

Issue of Equity Shares for consideration including Security Premium	Arun Gupta	-	-	17.01	0.10%	–	-	–	-
	Sangeeta Gupta	-	-	40.01	0.23%	-	-	-	-
	Piyush Gupta	-	-	35.00	0.20%	-	-	-	-
	Chirag Gupta	-	-	32.01	0.19%	-	-	-	-
	Nitasha Gupta	-	-	77.00	0.45%	-	-	-	-
	Vani Gupta	-	-	20.01	0.12%	-	-	-	-
Total		-	-	**221.04**	**1.29%**	-	-	-	-
Issue of bonus Equity Shares (face value of the Shares)	Arun Gupta	91.88	0.47%	-	-	-	-	-	-
	Chirag Gupta	53.43	0.27%	-	-	-	-	-	-
	Piyush Gupta	45.72	0.23%	-	-	-	-	-	-
	Sangeeta Gupta	35.17	0.18%	-	-	-	-	-	-
	Arun Gupta HUF	25.22	0.13%	-	-	-	-	-	-
	Nitasha Gupta	14.05	0.07%	-	-	-	-	-	-
	Vani Gupta	2.73	0.01%	-	-	-	-	-	-
Total		**268.2**	**1.38%**	-	-	-	-	-	-
Director Sitting Fees	Gurpreet Kaur	1.15	0.01%	-	-	-	-	-	-
	Sanjay Kapoor	1.2	0.01%	-	-	-	-	-	-
Total		**2.35**	**0.01%**	-	-	-	-	-	-

The percentages indicated in the above table have been computed with reference to the revenue of the Company.

9. Our business is seasonal in nature.

Our business is significantly influenced by seasonal demand, particularly due to our focus on winter wear garments and fabrics. Sales are typically higher during the winter months and lower during off-season periods. Any unseasonal weather patterns, shifts in consumer preferences, or delays in production and distribution could adversely affect our revenue, inventory management, and overall financial performance.

(Rs. in Lakhs)

Quarters	F.Y.2022-23	F.Y.2023-24	F.Y.2024-25	For the Eleven-month period ended February 28, 2026
QTR-1 (April to June)	1,140.86	1,665.86	3,502.22	6522.44
QTR-2 (July to Sep)	1,815.75	2,285.90	3,879.05	4851.77
QTR-3 (Oct to Dec)	3,129.28	2,835.58	4,595.53	5437.94
QTR-4 (Jan to Mar)*	2,846.81	4,051.11	5,186.70	2656.90
Total	**8,932.70**	**10,838.45**	**17,163.50**	**19469.05**

*Qtr-4 includes the sales from January 2026 to February 2026

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assurance that such events may not occur in the future.

10. Risk Related to Customer Retention, Dependence on Existing Customers, and Acquisition of New Customers.

The Company's revenue is derived from a mix of retained and new customers, with retained customers contributing 66.55% of total revenue in February 28, 2026, 77.21% in Fiscal 2025, 73.05% in Fiscal 2024, and 84.08% in Fiscal 2023, while new customers contributed 33.45%, 22.79%, 26.95%, and 15.92%, respectively. Any failure to retain existing customers or attract new customers could adversely impact the Company's revenue, profitability, and growth prospects. Additionally, reliance on a limited number of high-value retained customers increases the risk that loss or reduced business from such customers could materially affect financial performance.

(Rs. in Lakhs)

Particulars	February 28, 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
New Customers	6,512.67	33.45%	3,912.01	22.79%	2,920.68	26.95%	1,422.49	15.92%
Retained Customers	12,956.38	66.55%	13,251.49	77.21%	7,917.78	73.05%	7,510.20	84.08%

11. Volatility in the prices and availability of yarns and other raw materials may adversely affect our business and results of operations.

Our Company primarily relies on polyester yarn, spun yarn, acrylic yarn, other man-made yarns, cotton yarn, and polyester-cotton blended yarns for our manufacturing and processing operations. The type and quantity of yarn used vary according to the specific requirements of our customers for the same product. We are entirely dependent on external suppliers for these raw materials, which constitute a substantial portion of our total cost of production.

Fluctuations in the prices of yarns and other raw materials, including due to market volatility, changes in import/export duties, or supply chain disruptions, could increase our cost of production. While we may attempt to pass on price increases to our customers, there can be no assurance that we will be able to do so fully or in a timely manner. Additionally, any shortage, interruption in supply, or reduction in the quality of these raw materials could adversely affect our production schedules, sales, profitability, and overall business operations.

A material event relating to this risk factor has occurred prior to the date of this Red Herring Prospectus, as the military conflict between the United States and Iran and the resultant disruption of global energy markets caused significant volatility in crude oil prices, which has impacted the pricing environment for petrochemical-based raw materials used by our Company.

12. Impact of the Iran–United States conflict and related geopolitical tensions on our raw material costs, logistics, margins and operations.

Ongoing geopolitical conflicts and related tensions may adversely affect our business, results of operations and financial condition. Any escalation of such conflicts may lead to an increase in raw material prices, freight costs, insurance costs, fuel costs, power costs and other operating expenses. If input costs increase, we may not be able to pass on such increases to our customers fully or in a timely manner due to competitive pressure, fixed-price orders or weak demand. This may adversely affect our margins and profitability.

Further, any disruption in logistics or supply chains may delay procurement of raw materials or delivery of finished products, which could impact our production schedules, customer relationships, working capital requirements, cash flows and overall financial condition.

13. Our lenders have a charge over our movable and immovable properties, stock, book debts, plant and machinery, and fixed deposits in respect of loans/facilities availed by us.

We have availed various working capital and term loan facilities from lenders and secured such borrowings by creating charges on our current assets, including stock-in-trade, raw materials, goods in process, finished goods, book debts, movable plant and machinery, fixed deposits, as well as equitable mortgage over our immovable properties situated at Village Seera, Village Meharban, and Basti Jodhewal in Ludhiana, Punjab. Additionally, we have availed a vehicle loan secured by hypothecation of a Maruti Ciaz car.

In the event we default in repayment of the aforesaid borrowings, together with any interest, costs, charges, or other monies payable to the bank, our lenders may enforce their rights under the financing documents and take possession of, and dispose of, the secured properties and assets. This could materially and adversely affect our operations and financial condition. For further details on our secured borrowings and financial indebtedness, please refer to the chapter titled **"*Statement of Financial Indebtedness*"** beginning on page 184 of this Red Herring Prospectus.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

14. Potential conflicts of interest with our Group Company may affect our business.

Our Group Company, Star Cottex Limited, is engaged in the manufacturing and trading of certain products similar to those offered by our Company. This may give rise to potential conflicts of interest in allocating business opportunities or in situations where our respective interests diverge, which could adversely affect our business, results of operations, and financial condition.

The businesses of both companies have evolved independently, based on market opportunities, promoter initiatives, and their specific focus areas. While there is some similarity in the line of business, each company operates with distinct strategies, target markets, customer bases, and product segments, reducing the likelihood of significant overlap.

Nonetheless, situations of conflict may arise concerning business opportunities, customers, suppliers, or use of resources, as both companies operate in related sectors. The Company and its group company, Star Cottex Limited, have entered into a non-compete agreement dated September 09, 2025 to minimise any potential overlap in business operations. Further, the Company confirms that it will adopt appropriate measures permitted by law, including adherence to corporate governance requirements, arm's length dealings, and transparent business practices, to mitigate potential conflicts and safeguard the interests of our shareholders while engaging with Star Cottex Limited.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assurance that such events may not occur in the future.

For further information on our Group Company, please refer to "***Our Group Companies***" on page 217 of this Red Herring Prospectus.

15. We have significant working capital requirements, and our inability to meet them may materially and adversely affect our business, financial condition, and results of operations.

Our business requires substantial working capital, primarily driven by inventory, and trade receivables. As per the restated financials, our net working capital requirements have increased over the years in line with revenue growth, resulting in higher inventory levels and increased receivables. Any delays or defaults in collection from customers could further elevate our working capital needs.

Meeting these requirements depends on the timely realization of receivables, availability of cash, and access to financing. Inability to manage working capital efficiently may necessitate additional funding, which could be costly and adversely affect our profitability and operational flexibility. Moreover, any shortage of working capital could limit our ability to procure raw materials, produce goods, or fulfill customer orders, thereby materially impacting our business operations.

We currently fund our working capital requirements through a combination of borrowings, and internal accruals. Any constraints in these funding sources, or an increase in working capital needs beyond our projections, could have a material adverse effect on our business, results of operations, and financial condition.

For further details please refer to chapter "***Object of the Issue***" and "***Statement of Financial Indebtedness***" on page 80 and 184 of this Red Herring Prospectus.

16. We rely on both in-house logistics and third-party logistics providers, and any disruption or increase in transportation costs may adversely affect our business, results of operations, and financial condition.

Our logistics team arranges transportation of products using a combination of in-house vehicles and third-party logistics providers to ensure timely delivery, with tracking shared with customers where applicable. However, we do not have formal long-term arrangements with most third-party providers, which exposes us to fluctuations in transportation costs and availability. If third-party providers receive more favourable terms from our competitors, they may decline to provide services to us or terminate existing arrangements. Additionally, transport strikes, regulatory restrictions, or other disruptions in the logistics network could adversely affect our delivery schedules.

In the event that we are unable to secure alternate logistics arrangements in a timely manner, on commercially acceptable terms, or at all, our ability to deliver products efficiently may be impacted, which could materially and adversely affect our business, results of operations, and financial condition.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

For further details please refer to chapter "***Our Business***" on page 123 of this Red Herring Prospectus.

17. We require certain approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them in a timely manner may adversely affect our operations.

Our Company requires certain statutory and regulatory registrations, licenses, permits and approvals for our business. In future, we shall be required to renew such registrations and approvals and obtain new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will renew or issue any such registrations or approvals in the time frame anticipated by us or at all. Failure to obtain and renew such registrations and approvals with statutory time frame attracts penal provisions. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues, profits and operations and profits. Further, certain statutory licenses and approvals which we have obtained for the purpose of carrying our business, contain terms and conditions/covenants, which are to be adhered to by our Company. In case our Company defaults in complying with the said terms and conditions/ covenants, we may be subjected to penal provisions and it may also lead to the cancellation of such licenses and approvals, which will adversely affect our business, financial conditions and results of operations.

The Company has applied for the following key approvals and licenses that are still pending:

S. No	Nature of Registration/ License	Application No.	Issuing Authority	Date of Application
1	Groundwater Extraction Permission	20230100889240	Punjab Water Regulation and Development Authority (PWRDA)	28.06.2025

*For further details see Chapter on "**Key Regulations and Policies**" and "**Government and Other Approvals**" beginning on page 147 and 213 of the Red Herring Prospectus respectively.*

18. Our Business is Dependent on Our Manufacturing Facility, and Any Disruption May Adversely Affect Operations

Our business is primarily dependent on our sole manufacturing facility located in Punjab. The loss of, or any prolonged disruption to, operations at this facility could have a material adverse effect on our business, financial condition, and results of operations. For further details please refer to the chapter "***Our Business***" on page 123 of this Red Herring Prospectus.

This facility is central to our production process, and any operational issues, including equipment breakdowns, machinery failure, obsolete technology, industrial accidents, or regulatory non-compliance, could negatively impact production levels and efficiency. Additionally, our results of operations are dependent on the successful and uninterrupted functioning of this facility.

In the event of a disruption, there can be no assurance that we would be able to procure products or manufacturing capacity from third parties in a timely manner, which could affect our ability to meet customer orders, reduce profitability, and potentially result in the loss of customers. While we take precautions to minimize operational risks, our business, financial condition, and results of operations may still be adversely affected if any of the above risks materialize.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

19. Our failure to accurately manage our inventory levels could result in an unexpected shortfall and/or surplus of products, which could have a material adverse impact on our manufacturing operations, profitability and cash flows.

We monitor our inventory levels based on customer forecasts and internal demand projections. Typically, we maintain inventory for three to four months to ensure smooth operations. However, we cannot guarantee that actual customer orders will match these forecasts. A shortfall in orders can lead to excess inventory, increasing holding costs, affecting cash flow, and potentially requiring discount sales or write-offs, which may impact margins and customer relationships. Conversely, insufficient inventory due to underestimation of demand can result in lost sales and under-utilization of production capacity. Any of these situations could have a material adverse effect on our business, results of operations, and financial condition.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

20. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the issue proceeds may delay the implementation schedule.

Our requirements for proposed funds for our expansion as described in the section titled "***Objects of the Issue***" is to be funded from the proceeds of this IPO. Other than this offering, we have not identified any alternate source of funding and any delay or failure to mobilize the required funding or any shortfall in the issue proceeds may delay the implementation schedule. Further, we cannot provide any assurance that we would be able to execute our plans/strategy within the given timeframe. For details, kindly refer to the chapter titled "***Objects of the Issue***" on page 80.

21. Lack of Long-Term Agreements with Customers May Affect Our Business

We generally do not enter into long-term contracts with our customers. While this approach allows us the flexibility to respond to changing market demand and adjust pricing, it also exposes us to revenue volatility. Although certain customers make regular purchases from us, there can be no assurance that they will continue to do so in the future. If our customers reduce or cease purchases, or if we are unable to sell our products at competitive prices, our business, financial condition, and results of operations may be adversely affected.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

22. We face competition from Organized, Unorganized as well as international players.

Our industry is highly competitive and largely unorganized, with a mix of domestic and international players operating across different segments. We face competition from organized domestic companies with established brands, unorganized local manufacturers, as well as international manufacturers who may benefit from lower production costs and favorable trade or duty structures in their respective countries.

Intense competition in certain markets may result in pricing pressures, reduced market share, and increased marketing and distribution costs. Additionally, competition from lower-cost manufacturers or companies with greater operational efficiencies could adversely affect our ability to attract and retain customers, maintain margins, and achieve our business objectives. Any of these factors could have a material adverse effect on our operations, financial condition, and overall business performance.

Please refer to the chapter "***Our Business-Competition***" on page 123 of this Red Herring Prospectus.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

23. Our business is dependent on the availability of adequate and uninterrupted supply of electrical power and water at reasonable costs.

Our operations require a consistent supply of electricity and water, and any disruption, shortage, or increase in the cost of these essential utilities could restrict our ability to operate at full capacity, thereby adversely affecting our business, financial condition, and results of operations. Further, our reliance on captive or third-party power supply exposes us to risks such as operational failures, accidents, or price fluctuations, which may impact our profitability. Additionally, we have applied for requisite approvals for the use of groundwater application dated28.06.2025, and in the event such application is denied or delayed, we may not be able to access or use the required water supply, which could materially and adversely affect our operations. For further details please refer to the chapter "***Our Business***" and "***Government and other approvals***" on page 123 and 213 of this Red Herring Prospectus.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

24. Our Company is involved in certain legal proceedings, and any adverse outcome in such matters could have a material adverse effect on our business, financial condition, results of operations, and reputation.

Our Company is currently involved in certain legal and regulatory proceedings, both as a plaintiff and as a respondent, which are pending at various stages of adjudication. While the management believes these matters are not likely to have a material adverse impact on the Company, there can be no assurance that decisions in the future will be favourable to us or that no new proceedings will be initiated.

The Income Tax Department had recorded a TDS default of Rs0.31 lakhs for AY 2025-26 against the Company. The company has already deposited the TDS dues payable to the Department vide receipts dated 09.07.2026. However, the Income Tax Portal is yet to process the same. No litigation has been initiated in this regard.

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Further, our Company has initiated certain criminal and commercial recovery proceedings against third parties to recover outstanding dues and enforce payments. These include proceedings under Section 138 of the Negotiable Instruments Act, 1881. Additionally, our Company has filed a claim for recovery under Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006, which is currently pending before the MSME Samadhan Authority.

Summary of Outstanding Litigation

(In Rs. Lakhs)

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Amount Involved
Company						
By	2	Nil	Nil	Nil	1	112.26
Against	Nil	1*	Nil	Nil	Nil	0.31
Promoters						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies/Entities						
By	1	Nil	Nil	Nil	Nil	49.80
Against	Nil	Nil	Nil	Nil	Nil	Nil
Directors other than promoters						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against	Nil	Nil	Nil	Nil	Nil	Nil
KMP other than Directors and Promoters						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against	Nil	Nil	Nil	Nil	Nil	Nil

*Assessment Year 2025-26 (Financial Year 2024-25)– Interest on TDS Default: For FY 2024–25, the Income Tax Department has recorded an outstanding Interest of Rs. 0.31 lakhs on earlier TDS default by Madhur Knit Crafts Pvt. Ltd. No litigation has been initiated in this regard.

For further details, please refer to the chapter titled **"*Outstanding Litigations & Material Developments*"** on page 208 of this Red Herring Prospectus.

While our management believes it has valid claims and adequate defences in these cases, the outcome of such proceedings cannot be predicted with certainty. Any unfavourable ruling, delay in recovery of dues, or imposition of additional liabilities may adversely affect our cash flows, profitability, and reputation. Further, defending or pursuing these matters involves costs, management time, and diversion of resources, which could impact our operations.

25. Strikes, Work stoppages or increased wage demands by our employees or any other kind of disputes with our employees could adversely affect our business and results of operations.

Our Company is exposed to strikes and other industrial actions. As on the date of this Red Herring Prospectus, our Company has 177 full-time employees including KMP and Directors. For further details please refer to chapter "***Our Business***" on page 123 of this Red Herring Prospectus. At present, we enjoy a good relationship with our employees. However, there can be no assurance that we may not experience disruptions in our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands that may adversely affect our business and results of operations.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

26. Changes in Technology may render our current technologies obsolete or require us to make substantial capital investments.

Modernisation and technology Upgradation is essential in our industry to reduce costs and increase productivity. With latest technology and advancement of methods and machineries, our existing technology and machinery may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we strive to keep our technology, plant and machinery in line with the latest technological standards, we may be required to implement new technology or upgrade the machinery and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations. For further Details please refer to chapter "***Our Business-Capacity Utilisation***" on page no 123 of this Red Herring Prospectus.

27. Our inability to identify, understand or cater to evolving industry trends, changing customer tastes and preferences may adversely affect our business

The fashion-oriented nature of the textile industry exposes us to risks and uncertainties associated with rapidly changing consumer preferences, technological advancements, and evolving market trends. Our ability to anticipate such changes and introduce new and enhanced products in a timely manner is critical to remaining competitive. Any delay in product development, lack of market acceptance, or obsolescence of certain products could adversely impact our growth and profitability. In addition, frequent changes in customer demand may require our manufacturing facilities to be flexible and responsive, and failure to accurately forecast or meet such demand could affect our business and financial performance.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

28. If we are unable to manage our growth effectively or if our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our business and prospects may be materially and adversely affected.

Our revenue and business operations have grown in recent years, and while we plan to continue expanding our scale of operations, there can be no assurance that we will be able to sustain such growth rates in the future. Our ability to grow depends on several factors, including our execution capabilities, our ability to retain existing suppliers and enter into new supplier agreements, maintain customer satisfaction, mobilize adequate working capital, manage operating costs, and respond to competition in both organized and unorganized segments. Additionally, macroeconomic factors beyond our control, such as a slowdown in global economic conditions, may adversely affect our growth.

Our development and expansion strategies require substantial managerial efforts and skills, along with the incurrence of additional expenditures, which may expose us to new or increased risks. We may not be able to efficiently implement our growth strategies or manage the expansion of our operations, and any failure in this regard could limit future growth and adversely affect our business. Further, our plan to improve our debt-to-equity ratio may not materialize as intended, and we may be required to incur additional debt to meet immediate capital requirements, potentially resulting in unfavourable financial ratios. The funds required for our growth and their deployment are based on management estimates and assumptions considering the current market scenario and are subject to revision due to changes in external circumstances or costs. If we are unable to execute our strategic plans successfully, or if the assumptions underlying these plans prove materially inaccurate, our business, results of operations, and financial condition may be adversely affected.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

29. Our success depends largely upon the services of our Directors, Promoter and other Key Managerial Personnel and our ability to attract and retain them.

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel. They provide expertise, which enables us to make well informed decisions in relation to our business and our future prospects. For further details of our Directors and key managerial personnel, please refer to the chapter "**Our *Management*** "on page 159 of this Red Herring Prospectus. The loss of such key members of our management team and the failure of any succession plans to replace such key members could seriously impair the ability to continue to manage and expand the business efficiently.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

30. Our Promoter and certain of our Directors hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors including our Promoter are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoter will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoter may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For details on the interest of our Promoter and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see the sections titled "***Summary of Related Party Transactions***" on page 50 of this Red Herring Prospectus.

31. Our Directors have extended personal guarantees in connection with some of our debt facilities. There can be no assurance that such personal guarantees will be continued to be provided by our Promoter in future or can be called at any time, affecting the financial arrangements.

Our Directors have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, the financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter in connection with our Company's borrowings. For further details please refer to the chapter "***Statement of Financial Indebtedness***" on page 184 of this Red Herring Prospectus.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

32. The average cost of acquisition of Equity Shares by our Promoter may be lower than the issue price.

Our Promoter' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price of the shares proposed to be offered though this Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company, please refer to "***Capital Structure***" on page 63 of this Red Herring Prospectus.

33. Our Company has availed unsecured loan from parties other than bankers & financial institutions which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition.

Our Company has availed certain unsecured loan and are repayable on demand. Though our Company intends to repay the loan amount in near future, sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the "***Restated Financial Information"*** *and* "***Statement of Financial Indebtedness"*** beginning on page no. 182 and 184 of this Red Herring Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

34. We are highly dependent on our Promoters and our management team, and key managerial personnel and the loss of any key team member may adversely affect our business performance.

Our Promoters, management team, and key managerial personnel have been instrumental in the growth and development of our Company. For further details please refer to the chapter "***Our Management***" on page 159 of this Red Herring Prospectus". We benefit from our Promoters, and any decline in our relationship with him could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

Further, our businesses are dependent upon an experienced senior management team and we believe that the experience and skill of our management team and our investors allows us to possess a significant advantage over our global competitors. If one or more members of our management team, senior management personnel and key managerial personnel were unable or unwilling to

continue in their present positions, such persons would be difficult to replace and our business, results of operations, financial condition, cash flows and future prospects could be adversely affected.

To maintain and grow our business, we will need to identify, hire, develop, motivate, and retain highly skilled employees. Identifying, recruiting, training, integrating, and retaining qualified individuals requires significant time, expense, and attention. We may need to invest significant amounts of cash to attract and retain new employees and expend significant time and resources to identify, recruit, train, and integrate such employees, and we may never realize returns on these investments. If we are not able to retain and motivate our current personnel or effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to achieve our strategic objectives, meet forecasts, and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

Any loss of members of our management team or key managerial personnel or senior management could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and customer relationships.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

35. If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected.

We rely on our intellectual property for the success of our business which includes one domain name and our multiple trademarks. For further details please refer the chapter "***Our Business***" on page no 123 of this Red Herring Prospectus. Our domain name may expire, and we cannot assure you that we will be able to renew it after expiry. While we intend to defend against any threats to our intellectual property, we cannot assure you that our intellectual property rights can be adequately protected in a timely manner. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Further, one of our trademark applications has been objected to by the relevant trademark authority and is currently subject to the applicable examination and registration process. We cannot assure you that such objection will be resolved in our favour or that the trademark will ultimately proceed to registration. Any adverse outcome in relation to such trademark application may affect our ability to protect, use or enforce the relevant trademark rights. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could expose us to substantial risks and costs. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, financial conditions, cash flows and future prospects.

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. If such claims are raised against us in the future, they could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease use of certain of our brands, can result in significant damages being awarded and injunctions that could prevent us from offering our products. In addition, there is no assurance that steps taken by us to protect our intellectual property rights will be adequate to stop infringement by others, including imitation and misappropriation of our brand. Any of the foregoing could have an adverse effect on our business, results of operations, financial conditions, cash flows and future prospects.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

36. Past delays in filings and incomplete documentation may expose the company to regulatory penalties, scrutiny, and reputational risks, potentially affecting operations and future fundraising.

Our company has, in the past, made certain allotments of Equity Shares for which complete supporting documentation was not available for verification in the records maintained with the Registrar of Companies, Chandigarh. Additionally, the company has filed Form DPT-3 for multiple financial years beyond the timelines prescribed under the Companies (Acceptance of Deposits) Rules, 2014, with payment of additional fees. While the company has rectified these filings and increased its authorized share capital in compliance with statutory requirements, any future delays or non-compliance with applicable laws and regulatory requirements could result in penalties, increased scrutiny by regulatory authorities, or reputational impact. Such non-compliance may adversely affect the company's operations, financial condition, and the ability to raise funds in the future.

S. No	Period	Particulars	Steps taken
1	2020	Return of Deposit	The form was filled on 02/08/2025 with payment of additional fees.
2	2021	Return of Deposit	The form was filled on 02/08/2025 with payment of additional fees.
3	2022	Return of Deposit	The form was filled on 02/08/2025 with payment of additional fees.
4	2023	Return of Deposit	The form was filled on 02/08/2025 with payment of additional fees.
5	2025	SH-7 *(for increased in capital from Rs 15,00,00,000 to Rs 24,00,00,000)*	The form was filled on 14/06/2025 with payment of additional fees.
6	2025	DIR-12 and MR-1 (*For appointment of Mr Piyush Gupta and Mr Chirag Gupta as Whole Time Director)*	The form was filled on 30/09/2025 with payment of additional fees

During the period under review, the Company did not have a Company Secretary to guide on Company Law compliances. Currently, the Company has appointed a Company Secretary along with experienced consultants to ensure all legal compliances are properly managed.

37. We cannot assure you that we will be able to secure adequate financing in future on acceptable terms, in time, or at all.

We may require additional funds in connection with future business expansion and development initiatives. In addition to our existing available funds, we may need additional sources of funding to meet our future requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financings could cause our debt-to-equity ratio, which currently stands at 1.69, to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of any of our business development plans and this may affect our business and future results of operations.

38. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows. For further details of our business and clients, please see "***Our Business''*** and "***Management Discussion & Analysis of Financial Conditions and Result of Operation***" of this Red Herring Prospectus.

39. Any disputes with customers regarding product quality, performance, or logistics services may lead to delayed or withheld payments, which could materially and adversely affect our business, operations, and financial condition.

Madhur Knit Crafts follows a made-to-order production model, serving industrial enterprises, manufacturers, and institutional clients requiring customized textile solutions. While this approach minimizes overproduction and optimizes raw material usage, any dispute with customers regarding our performance, quality, or workmanship could result in delays or withholding of payments.

Additionally, the Company provides logistics and transportation services aligned with customer requirements. Any failure to meet delivery timelines, quality standards, or specific service expectations could lead to customer dissatisfaction, disputes, or delayed payments. Such disputes or delays in receiving payments may materially and adversely affect the Company's business, operations, financial condition, and cash flows.
Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assurance that such events may not occur in the future.

40. Our company has experienced delays and defaults in the payment of statutory dues, including taxes, duties, and other government levies.

The Company had previously experienced minor delays in meeting certain statutory payment obligations, including taxes, duties, and contributions to regulatory authorities such as GST, primarily due to technical issues and website glitches.

Financial Year	Return Type	Month	Period of Delay (No of Days)
2022-23	GSTR3B	March	1
2023-24	GSTR3B	March	3
2022-23	GSTR1	June	2
2024-25	GSTR1	April	3
2023-24	GSTR9	-	8
2023-24	GSTR9C	-	8
2025-26	GSTR3B	September	5

The Company has experienced delays in the deposit of TDS and statutory employee welfare contributions, including EPF and ESI, for certain periods. Such delays arose due to operational challenges, including payroll processing delays and technical issues encountered during the payment window. Although the Company has subsequently deposited the outstanding amounts along with applicable interest and late fees, any recurrence of such delays may expose the Company to penalties, interest liabilities, regulatory scrutiny, reputational risk, and potential litigation. Failure to ensure timely compliance with applicable labour and social security laws could adversely affect the Company's financial condition, results of operations, and cash flows.

Financial Year	Total Amount Of All Establishments Paid	Total No. Of Establishments	Establishments With Delayed Payments
2025-2026	0	1	1
2024-2025	.02	1	1
2023-2024	.04	1	0
2022-2023	.04	1	0
2021-2022	.04	1	1

The delay in the deposit of EPF/ESI contributions for the said month was caused by operational challenges stemming from payroll processing delays and technical issues during the payment window. The company has since completed the deposit along with applicable interest/late fees and has strengthened its internal compliance process to ensure timely remittance going forward.

Apart from these instances, there have been no other delays in meeting statutory payment obligations.

41. If we are unable to recruit, train and retain qualified personnel, our business may be materially and adversely affected.

Our future success depends on our ability to attract, develop, motivate, and retain qualified and skilled employees. Competition for talent across various functions, including operations, sales, marketing, and technology, is intense. In particular, junior employees may be more likely to leave for other opportunities.

We may not be able to hire or retain personnel on compensation terms consistent with our existing structures. Some of our competitors may have greater resources and offer more attractive employment terms. Additionally, we invest significant time and resources in training our employees, which can make them valuable to other companies seeking to recruit them.

Failure to retain key employees could increase hiring and training costs and affect our operational efficiency, service delivery, and overall business performance, potentially having a material adverse effect on our operations. For further details please refer "***Our Business***" chapter on page no 123 of this Red Herring Prospectus.

42. Any change in government laws could affect the flow of our operations and disrupt our business activities.

Our Company needs to comply with many varied laws/regulations due to the nature of business that we conduct. These laws are subject to change at the discretion of the Government. Our Company may be subject to increased expenses to comply with such changes in the applicable laws which may affect the flow of our operations. Failure to do so may also induce our Company to incur penalties. For further details please refer to the chapter "***Key Regulations and Policies***" on page no 147 of this Red Herring Prospectus.

43. Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.

Upon completion of the Issue, our Promoters and Promoter Group are expected to collectively hold approximately **[●]** % of the total post-issue Equity Shares. This concentration of ownership will allow them to exercise significant influence over matters requiring shareholder approval, including the election of Board members in accordance with the Companies Act and our Articles of Association.

Such a high level of control may delay, prevent, or deter strategic decisions that could be beneficial to the Company or effect a change in control for the benefit of other stakeholders. Furthermore, our Promoters may influence the Company's decisions in a manner that could conflict with the interests of the Company, its creditors, or minority shareholders, and we cannot assure that such actions will not adversely affect our future financial performance or the price of our Equity Shares.

44. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

45. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

46. Industry information included in this prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed. For Further details please refer to the "***Our Industry***" on page 109 of this Red Herring Prospectus.

47. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see ***"Dividend Policy"*** on page 181 of this Red Herring Prospectus.

Although, Our Company has not declared or paid any dividend as of the date of this Red Herring Prospectus.

48. Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Any future equity issuance by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

For further details of allotments, please refer to the chapter titled "***Capital Structure***" on page 63 of this Red Herring Prospectus.

49. The requirements of being a public listed company may strain our resources and impose additional requirements.

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange(s) which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

50. Stringent environmental, health and safety laws and regulations or stringent enforcement of environmental, health and safety laws and regulations may result in increased liabilities and capital expenditures and adversely affect our business, prospects, financial condition and results of operations.

Our operations are subject to environmental, health and safety and other regulatory and/or statutory requirements in the countries in which we operate. Our operations may generate certain amounts of pollutants and waste, some of which may be hazardous in nature. The discharge, storage and disposal of such hazardous substances are subject to environmental regulations. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted. The costs and management time required to comply with these requirements could be significant. The measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by governmental authorities and our compliance costs may significantly exceed our estimates. In addition, due to the possibility of unanticipated regulatory or other developments, the amount of future environmental expenditures may vary widely from those currently anticipated. Further, any environment related investments/expenditure may reduce funds available for other investments. There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, the costs of which could be material. Clean-up, remediation costs, as well as damages, temporary shutdown of operations and other liabilities and related litigation, may adversely affect our business, prospects, financial condition and results of operations.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

51. Our inability to establish internal control systems could cause operational errors which may adversely affect our business.

A critical piece of our growth strategy is to develop and maintain streamlined internal systems and processes in order to enhance efficiency and profitability. While we are constantly focused on optimizing our internal controls, any possible lapse in our control mechanism may lead to errors and anomalies that may impact our operations.

Although, there have been no material events relating to this risk factor as of the date of this Red Herring Prospectus, there can be no assure that such events may not occur in the future.

52. Interest rate fluctuations may adversely affect the Company's business.

The Company may enter into certain borrowing arrangements to finance its capital requirements in the ordinary course of business for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

For further details relating to interest rates, please refer to the chapter titled "***Statement of Financial Indebtedness***" on page 184 of this Red Herring Prospectus.

53. Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, which will be critical for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

54. Our directors do not have experience of a listed company and in the absence of such experience, it could adversely affect our corporate governance and business operations of our Company.

In the realm of corporate governance and leadership, the experience of directors plays a crucial role in steering the course of a company. It is often perceived that directors with prior experience in listed companies bring invaluable insights, knowledge, and strategic acumen to the boardroom. Furthermore, the absence of listed company experience among directors may limit their ability to effectively oversee risk management frameworks and succession planning strategies. These oversight responsibilities are critical in mitigating operational risks, ensuring organizational resilience, and safeguarding against potential conflicts of interest or ethical lapses. Although our company's board of directors is pivotal in shaping its strategic direction, ensuring regulatory compliance, and safeguarding stakeholder interests.

Further, our directors lack of direct experience in a listed environment may inadvertently expose the company to the risk of corporate governance and affect the business operation of our Company. For Further details, please refer to chapter titled "***Our Management***" beginning on Page 159 of this Red Herring Prospectus.

55. External shocks like the COVID-19 pandemic may have an impact on our business and operations.

In the past the Covid 19 pandemic has forced many countries including India to impose country-wide lockdowns, restrictions on travel and business operations including temporary closure of business. Further the pandemic has also been disruptive for the logistics business. Any future threat of a Covid-19 like situation cannot be ruled out and we cannot assure you that we shall be in a position to fully counter and/or address the effects of such an external shock to fully safeguard our business and operations.

56. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders

57. The market capitalization to revenue, market capitalisation to tangible assets, and enterprise value ("EV") to EBITDA, based on the Issue Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.

The market capitalization to revenue, market capitalization to tangible assets, and enterprise value (EV) to EBITDA ratios based on the Issue Price of our Company may not accurately reflect the market price of our Equity Shares upon listing or at any time thereafter. These valuation metrics are influenced by various factors, including prevailing market conditions, investor sentiment, and company-specific developments, which may not be directly related to our operational performance or financial results.

The Issue Price has been determined based on multiple qualitative and quantitative factors, including comparisons with peer companies, industry outlook, and feedback from investors during the book-building process. However, there is no assurance that these metrics will remain consistent post-listing, as they may fluctuate due to external factors such as broader market volatility, economic conditions, or changes in industry dynamics.

Any significant deviation of the market price of our Equity Shares from these valuation metrics may adversely affect investor confidence and could lead to volatility in the trading price of our Equity Shares, thereby impacting the market perception of our Company.

58. You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 10% of such capital gain exceeding Rs. 1 lakh if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of Equity Shares held for more than12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. However, any gain realized on the sale of listed Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Further, any gain realised on the sale of listed Equity Shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. For more details, please refer to the section entitled "Statement of Tax Benefit.

Issue Related Risk Factors

59. We cannot assure you that our Equity Shares will be listed on the NSE EMERGE in a timely manner or at all, which may restrict your ability to dispose of the Equity Shares.

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the Equity Shares proposed to be offered through this Red Herring Prospectus listed on EMERGE platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE Platform of National Stock Exchange of India Limited in a timely manner or at all, which may restrict your ability to dispose of the Equity Shares. However, even in such circumstances, the Company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

60. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of Equity Shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

61. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

After listing permission and trading permission of Equity Shares have been granted, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment. When a company issues Equity Shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue. Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price. Therefore, while the issue price of Equity Shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

62. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Issue, we will be subject to a daily "circuit breaker" imposed by the Stock Exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

63. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares has been determined by the Book Built method. This price is being based on numerous factors (For further information, please see the section "Basis for Issue Price" of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

64. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company constituted through share capital and incorporated in India must offer its holders of Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages before the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction in which the investors are located do not permit them to exercise their preemptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

External Risk Factors

65. If there is any change in laws or regulations, or their interpretation, such changes may significantly affect our financial statements or affect our conduct of operation.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

The Finance Act, 2020 ("Finance Act"), has, amongst other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("DDT") will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source.

Further, the Government of India has introduced the Finance Bill, 2023, in the Union Budget for Fiscal 2024. The Finance Bill, 2023 proposes various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Bill, 2023 may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

66. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Our management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by it while taking into account the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls to ensure the orderly and efficient conduct of our business, including adherence to our policies, the safeguarding of our assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013. Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. While we have taken measures to strengthen our internal control system and have conducted audits to review gaps and process weaknesses and implemented the suggested measures, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

67. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

68. Any adverse change or downgrade in the Sovereign Ratings of India may adversely affect our business, results of operations and cash flows.

Any adverse revisions to India's credit ratings international debt by international rating freight brokers may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

69. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

70. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

71. Natural calamities like epidemics, pandemic, or fire, war, terrorist attacks, civil riots or other events could materially and adversely affect our business.

Natural disasters (earthquakes, floods, etc.), epidemics, pandemics, war, terrorist attacks and other events, which are beyond our control, may lead to economic instability, which may in turn materially and adversely affect our business, financial condition and

results of operations. Our operations could also be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property. We cannot assure you that there will not be any such accidents in the future thereby causing an adverse effect. We cannot assure you that there will not be any such accidents in the future thereby causing an adverse effect on our business and operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

72. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. As regards the General Anti-Avoidance Rules ("GAAR"), the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

73. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations' debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

74. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavourable government policies including those relating to the internet and e-commerce, consumer protection and data privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well.

Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes the draft of the offer:

Particulars	Details
Equity Shares Offered[(1)]	Up to 53,27,693** Equity Shares of face value of ₹10 each, aggregating up to Rs.[●] Lakh.
Equity Shares of face value of Rs 10/- each	
Of which	
– Fresh Issue[(1)]	Up to 53,27,693** Equity Shares of face value of ₹10 each, aggregating up to Rs.[●] Lakh.
– Offer For Sale	NA
Employee Reservation Portion	NA
Net Issue	Up to 53,27,693** Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs.[●] Lakh.
Of which:	
(i) Issue Reserved for Market Maker	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] /- per Equity Share aggregating to Rs.[●] Lakh.
(ii) Net Issue to the Public	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] /- per Equity Share aggregating to Rs.[●] Lakh.
Of which:	
A. QIB Portion[(2)(3)(4)(5)]	Not more than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] /- per Equity Share aggregating to Rs. [●] Lakh.
Of which:	
(i) Anchor Investors Portion[(5)]	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs.[●] Lakh.
of which 40% of the Anchor Investor Portion shall be reserved in the following manner:	
- 33.33% of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
- 6.67% of the Anchor Investor Portion available shall be reserved for allocation to Life Insurance Companies and Pension Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
(ii) Net QIB Portion[@]	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] /- per Equity Share aggregating to Rs.[●] Lakh.
Of which:	
(a) Mutual Fund Portion	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] /- per Equity Share aggregating to Rs.[●] Lakh.
(b) Balance QIB Portion for all QIBs including mutual Funds	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
B. Non-Institutional Investors[(2)(3)(4)]	At least [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakh.
Of which:	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size more than 2 lots and up to such lots such that the value of the application is not more than Rs 10 lakhs	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh
Two-third of the Non-Institutional Portion, available for allocation to Bidders with an application size more than Rs 10 lakhs	Up to [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh

Particulars	Details
C. Individual Investor Portion[(2)(3)(4)#]	At least [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
Pre-and Post-Issue Equity Shares:	
Equity Shares Outstanding-Pre Offer	1,36,82,432 Equity Shares of Rs.10/- each
Equity Shares Outstanding-Post Offer*	[●] Equity Shares of Rs.10/- each
Use of Issue Proceeds	For further details please refer to "***Objects of the Issue***" beginning on page 80 of this Red Herring Prospectus for information on use of Issue Proceed.

** To be updated upon finalization of the Offer Price.*

*** Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.*

#The minimum application size shall be two lots, provided that the minimum application size shall be above Rs 2 Lakhs.

@Assuming Anchor allocation portion is fully subscribed.

(1) The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on August 30, 2025 and by our Shareholders pursuant to a resolution passed at the AGM held on September 22, 2025, pursuant to Section 62(1)(c) of the Companies Act, 2013. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Issue paid up equity share capital of our company are being offered to the public for subscription. Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment, aggregating to ₹ 176.99 lakhs, at a price of ₹ 65 per Equity Share, including a premium of ₹ 55 per Equity Share, as permitted under the applicable law. The Pre-IPO Placement was at a price decided by our Company, in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement was reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR and the size of the Fresh Issue has been revised to up to ₹[●]. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement has been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.

(2) Subject to valid bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.

(3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non- Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional Investor.

(4) In the event of oversubscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

(5) Our Company, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor Portion shall be reserved for (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for

Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

For further details, see "***Issue Structure***", "***Issue Procedure***" and "***Terms of the Issue***" on pages 239,246 and 232.

SUMMARY OF FINANCIAL INFORMATION

*The following tables set forth summary financial information derived from the Restated Financial Statements. The Restated Financial Statements have been prepared, based on financial statements for the Eleven month period Feb 28,2026 and for Fiscal 2025, Fiscal 2024, Fiscal 2023. The Restated Financial Statements have been prepared in accordance with Indian GAAP and the Companies Act, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled "**Financial Information**" on page 182 .*

*The summary financial information presented below should be read in conjunction with the chapters titled "**Restated Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 182 and 191 respectively.*

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RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs unless otherwise stated)

	PARTICULARS	NOTE NO.	AS AT 28 TH FEBRUARY 2026	AS AT 31 ST MARCH 2025	AS AT 31 ST MARCH 2024	AS AT 31 ST MARCH 2023
I	**EQUITY AND LIABILITIES**					
	1.SHAREHOLDERS FUNDS					
	a) Share Capital	**3**	1368.24	1072.81	970.00	970.00
	b) Reserves & Surplus	**4**	2992.51	1875.71	654.24	483.80
			4360.75	**2948.52**	**1624.24**	**1453.80**
	2. SHARE APPLICATION MONEY PENDING ALLOTMENT	**5**				
	3.. NON CURRENT LIABILITIES					
	a) Long Term Borrowings	**6**	2921.48	3116.60	2952.33	1142.54
	b) Deferred Tax Liabilities (Net)	**7**	168.19	162.45	189.12	193.92
	c) Long term Provisions	**11**	22.22	14.13	15.40	15.08
			3112.19	**3293.17**	**3156.85**	**1351.54**
	3.CURRENT LIABILITIES					
	a) Short Term Borrowings	**8**	4432.66	3603.38	2826.20	2274.99
	b) Trade Payables					
	- total outstanding dues of micro enterprises and small enterprises	**9**	0.93	6.29	1.54	2.20
	- total outstanding dues of creditors other than micro enterprises and small enterprises	**9**	3271.33	1561.15	1219.22	1227.75
	c) Other Current Liabilities	**10**	403.84	521.38	212.04	129.51
	d) Short Term Provisions	**11**	415.74	324.86	19.70	18.92
			8524.49	**6017.05**	**4278.69**	**3653.37**
		TOTAL	**15997.43**	**12258.74**	**9059.77**	**6458.72**
I I	**ASSETS**					
	1.NON CURRENT ASSETS					
	a) Property, Plant & Equipments & Intangible Assets					
	-Property, Plant and Equipment	**12**	3060.28	3144.61	2104.89	1592.72
	-Intangible Assets	**12**	0.28	0.28	0.28	0.49
	-Capital Work in Progress	**12**	.	.	627.42	.
	b) Long Term Loans & Advances	**13**	246.05	204.61	274.66	10.90
	c) Other Non Current Assets	**14**	.	.	14.18	.
			3306.61	**3349.50**	**3021.43**	**1604.11**
	2.CURRENT ASSETS					
	a) Inventories	**15**	6092.06	3893.99	2371.47	2962.08
	b) Trade Receivables	**16**	4926.92	3822.52	2831.81	1403.45
	c) Cash & Bank Balances	**17**	209.37	108.63	90.14	67.91

d) Short Term Loans & Advances	**18**	1437.05	1077.32	739.59	416.17
E) Other Current Assets	**19**	25.42	6.77	5.34	4.99
		12690.82	**8909.24**	**6038.34**	**4854.61**
	TOTAL	**15997.43**	**12258.74**	**9059.77**	**6458.72**

RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. In Lakhs unless otherwise stated)

	PARTICULARS.	NOTE NO.	FOR THE ELEVENMONTH ENDED 28-02-2026	FOR THE YEAR ENDED 31-03-2025	FOR THE YEAR ENDED 31-03-2024	FOR THE YEAR ENDED 31-03-2023
I	**Revenue from operations**	**20**	19469.05	17163.50	10838.45	8932.70
II	**Other Income**	**21**	10.06	12.56	2.12	23.05
III	**Total Income (I +II)**		**19479.11**	**17176.06**	**10840.57**	**8955.75**
IV	**Expenses**					
	Cost of Materials Consumed	**22**	13559.66	12156.02	8112.04	6412.48
	Purchase of Stock in Trade	**23**	**4.70**	17.70	53.92	36.55
	Change in Inventories of Finished Goods, Work in Progress & Stock in Trade	**24**	305.95	-260.60	-161.71	546.30
	Employee benefits expense	**25**	591.07	411.30	372.51	253.72
	Finance Costs	**26**	676.75	614.13	429.17	310.01
	Depreciation and amortisation expenses	**27**	242.77	237.20	178.57	164.47
	Other Expenses	**28**	2440.36	2511.57	1657.30	1132.54
IV	**Total Expenses**		**17821.26**	**15687.33**	**10641.79**	**8856.07**
V	**Profit/(Loss) before Tax(III-IV)**		**1657.85**	**1488.74**	**198.78**	**99.68**
VI	**Tax Expenses:**					
	1. Current Tax		425.38	347.74	33.22	13.33
	2. Deffered Tax		6.05	-26.67	-4.81	-3.97
	3. Prior Priod Taxes		-8.81	64.42	-.7	.
VII	**Profit / (Loss) for the year**		**1235.23**	**1103.25**	**170.43**	**90.31**
VIII	**Earnings per Equity Share:**					
	1. Basic	**28**	9.20	8.51	1.41	0.74
	2. Diluted		9.20	8.51	1.41	0.74

RESTATED CASH FLOW STATEMENT

(Rs. In Lakhs unless otherwise stated)

	PARTICULARS	FOR THE ELEVENTH MONTH ENDED 28 TH FEBRUARY 2026	FOR THE YEAR ENDED 31 ST MARCH 2025	FOR THE YEAR ENDED 31 ST MARCH 2024	FOR THE YEAR ENDED 31 ST MARCH 2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax	**1657.85**	**1488.74**	**198.78**	**99.68**
	Adjustments for:				
	Depreciation & Amortization expense	242.77	237.20	178.57	164.47
	Provision for Doubtful debts & Advances	29.83	15.95	.	.
	Other non-cash (income)/ expenditure		.84	.	-.40
	Loss on sale of Property, Plant and Equipment	-2.88	2.83	.	.
	Interest Income	-6.13	-7.31	-1.73	-6.33
	Finance Costs	676.75	614.13	429.17	310.01
	Operating Profit before Working Capital Changes	**2598.18**	**2352.38**	**804.79**	**567.43**
	Adjustments for:				
	Trade Receivables	-1134.23	-1005.58	-1428.36	125.48
	Loans, Advances and Other Assets	-378.38	-412.06	-330.53	-74.46
	Inventories	-2198.06	-1522.52	590.61	-438.68
	Trade & Other Payables (including provisions)	1884.01	373.30	29.11	-171.21
	Cash Generated from operating activities	**771.53**	**-214.48**	**-334.37**	**8.55**
	Income Tax Paid	-328.02	-41.34	-33.33	-13.33
	Net Cash Generated from/ (used in) operating Activities	**443.50**	**-255.82**	**-367.70**	**-4.78**
B.	**CASH FROM INVESTING ACTIVITIES**				
	Purchase of Property, plant and equipment	-511.53	-375.73	-1549.30	-133.55
	Sale of Property, plant and equipment	32.96	22.56	2.00	4.36
	Bank balances not considered as cash and cash equivalents	89.37	-13.84	-24.70	-9.33
	Interest Received	6.13	7.31	1.73	6.33
	Net Cash Generated from/ (used in) investing Activities	**-383.07**	**–359.70**	**-1570.27**	**-132.20**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from share capital (including Securitites Premium)	177.00	221.04	.	.
	Net Proceeds from long term borowings	-555.13	501.26	2251.12	355.50
	Net Proceeds From Short Term Borrowings	1189.29	477.69	109.87	83.92
	Finance Cost	-681.29	-593.99	-411.32	-310.01
	Net Cash Generated from/ (used in) financing Activities	**129.67**	**606.00**	**1949.68**	**129.41**
	Net Increase/(Decrease) in cash and cash Equivalents	**190.11**	**-9.53**	**11.70**	**-7.57**

	Cash and Cash equivalents at beginning of period	10.99	20.52	8.82	16.38
	Cash and Cash equivalents at end of the period	201.10	10.99	20.52	8.82

SUMMARY OF CONTINGENT LIABILITIES

Particulars	February 28,2026	March 31,2025	March 31,2024	March 31,2023
A) Claims against the company not acknowledged as debts				
a) GST related matter	NIL	NIL	NIL	NIL
b) Income tax related matter	1.46	5.80	1.01	NIL
Total				

As on the date of filing this Red Herring Prospectus there is no contingent liability other than that mentioned in ***"Restated Financial Information"***, as Restated beginning on page 182 of this Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Summary Table of Related Party Transactions

(Rs. In Lakhs)

Nature of the transaction	For the Eleven Month period 28.02.2026	For year ended 31.03.2025	For year ended 31.03.2024	For year ended 31.03.2023
Director Sitting Fees	2.35	-	-	-
Issue of bonus Equity Shares (face value of the Shares)	268.20	-	-	-
Issue of Equity Shares for consideration including Security Premium	-	221.04	-	-
Loan Received	271.77	351.62	343.95	5
Loan Repaid	269.05	137.19	310.07	12.92
Purchase	3782.41	4066.71	1211.52	1170.53
Director Remuneration	51.06	66.12	48.00	-
Rent	5.78	6.00	-	-
Company Secretary Remuneration	3.05	0.77	-	-
Sale	332.10	590.05	125.75	95.73
Total	**4985.77**	**5439.50**	**2039.29**	**1284.18**

GENERAL INFORMATION

Registered and Corporate Office of our Company

Madhur Knit Crafts Limited
Village - Seera, Sattowal Road, Rahon Road,
Eros Bajra Road, Ludhiana, Punjab, India, 141007
Telephone: +91 9878009690
E-mail: ipo@mkcpl.in
Website: www.mkcpl.in

For details of change in our Registered Office, please see **"*History and Certain Corporate Matters – Change in the registered office of our Company*"** on page 155.

Corporate Identity Number: U17301PB1997PLC020381
Registration Number: 020381

Address of the Registrar of Companies where the issuer is registered

Our Company is registered with the Registrar of Companies, Chandigarh at Punjab which is situated at the following address:

Registrar of Companies, Chandigarh
1st Floor, Corporate Bhawan, Plot No.4-B,
Sector 27-B,160019, Chandigarh
E-mail: roc.chandigarh@mca.gov.in

Board of Directors of the Company

S. No.	Name of Director	Designation	Residential Address	DIN
1.	Arun Gupta	Managing Director	87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India	00585772
2.	Piyush Gupta	Executive Director & Chief Financial Officer	87- K, Sarabha Nagar, Ludhiana, Punjab-141001, India	05141402
3.	Chirag Gupta	Executive Director	87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India	08330420
4.	Gurpreet Kaur	Independent Director	House no 36 , Ranjit Nagar , Ludhiana , Punjab-141012, India	09356854
5.	Sanjay Kapoor	Independent Director	D-274, South City, Ayali Khurd, Ludhiana, Punjab-142027, India	10957615
6.	Avinash Rai	Independent Director	19A, Carter Street, Country Homes East,Ayali Khurd, Ludhiana, Punjab-142027, India	02028350

For further details of our Board of Directors, see **"*Our Management – Board of Directors*"** on page 159**.**

Filing

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus shall be filed online through SEBI Intermediary Portal at siportal.sebi.gov.in and pursuant to Regulation 246(2), the Board shall not be issuing observation.

Further, in accordance with Regulation 246(1) a copy of the Red Herring Prospectus/ Prospectus along with the other documents, shall also be filed with the RoC, Chandigarh under Section 32 of the Companies Act, 2013 and a copy of the Red Herring Prospectus/ Prospectus to be filed under Section 26 of the Companies Act will be delivered for registration to the RoC at its office and through the electronic portal at www.mca.gov.in/mcafoportal/login.do

Company Secretary and Compliance Officer

Name: Nikita Tayal
Address: Village - Seera, Sattowal Road, Rahon Road,
Eros Bajra Road, Ludhiana, Punjab, India, 141007
Telephone No.: +91 9878009690
Email: cs@mkcpl.in

CHIEF FINANCIAL OFFICER
Name: Piyush Gupta
Address: 87- K, Sarabha Nagar, Ludhiana, Punjab-141001, India
Telephone No.: +91 9878009690**Email:** ipo@mkcpl.in

INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than IBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of IBs using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgment number received from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Manager, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

BOOK RUNNING LEAD MANAGER (BRLM)
Name: SKI Capital Services Limited
Address: 718, Dr Joshi Road, Karol Bagh, New Delhi- 110005
Telephone No.: +91-011-41189899 / +91-011-424026000
Contact Person: Mr. Ghanisht Nagpal / Mr. Manick Wadhwa
Email: mkclipo@skicapital.net
Website: www.skicapital.net
SEBI Registration No.: INM000012768

LEGAL ADVISOR TO THE ISSUE
Name: Advocate Shubham Gupta
Address: 2181, Sector 38-C, Chandigarh - 160036
Telephone No.: +91 98789 42316

Contact Person: Shubham Gupta
Email: advcs.shubhamgupta@gmail.com
Website: NA
Bar Council Registration No: PH/3982/2021

REGISTRAR TO THE ISSUE
Name: Skyline Financial Services Private Limited
Address: D-153A, First Floor, Okhla Industrial Area, Phase-I New Delhi -110020
Telephone No.: 011-40450193-97
Contact Person: Mr. Anuj Rana
Email: ipo@skylinerta.com
Website: www.skylinerta.com
SEBI Registration No.: INR000003241

BANKER(S) OF THE ISSUER
Name: HDFC Bank Limited
Address: HDFC Bank Limited, Shivpuri Brach, Ludhiana, Punjab 141007
Telephone No.: +91 9815612521
Contact Person: Yash Kumar
Email: Yash.kumar3@hdfcbank.com
Website: www.hdfcbank.com

BANKER(S) TO THE ISSUE & SPONSOR BANK
Name: Axis Bank Limited
Address: Ground Floor, Property No. B-20, 2433/1, UID No. B020/02973/002, Jai Kartar Tower, Gobind Nagar, Ferozepur Road, Ludhiana, Punjab.
Telephone No.: 9871546255
Contact Person: Manojkumar Sinha
Email: MWBCLUDHIANA.Branchhead@axis.bank.in , MWBCLUDHIANA.OperationsHead@axis.bank.in
Website: http://www.axis.bank.in
SEBI Registration No.: INBI00000017
Corporate Identity Number (CIN): L65110GJ1993PLC020769

STATUTORY AUDITOR OF THE ISSUE
Name: M/s V.V. Bhalla & Co. Chartered Accountants
Address: SCF-39, Rishi Nagar, Ludhiana
Telephone No.: 9779688588
Contact Person: CA Pankaj Bhalla
Email: capankajbhalla@gmail.com
Website: NA
ICAI Firm Registration Number: 002928N
Peer Review Number: 017423

PEER REVIEW AUDITOR OF THE ISSUE

Peer Review Auditor is the Same as Statutory Auditor

SYNDICATE MEMBER
Name: [●]
Address: [●]
Telephone No.: [●]
Contact Person: [●]
Email: [●]
Website: [●]

MARKET MAKER TO THE ISSUE
Name: NNM Securities Private Limited
Address: B-6 & 7, Siddhivinayak Plaza, 2nd Floor, Plot No. B-31, Oshiwara, Opp. Citi Mall, Behind Maruti Showroom, Andheri Link Road, Andheri (West), Mumbai, Maharashtra -400053

Telephone No.: 022-40790020
Contact Person: Nikunj Mittal
Email id: contact@nnmsecurities.com
Website: www.nnmsecurities.com
SEBI Registration No.: INZ000234235

MONITORING AGENCY
Name: Infomerics Valuation and rating Limited
Address: Flat No. 104/108, First Floor Golf Apartments, Sujan Singh Park, Maharishi Ramanna Marg, New Delhi – 110003
Telephone No.: 011-41410244
Contact Person: Mr. Suyash
Email: Suyash.asthana@infomrics.com
Website: www.infomerics.com
SEBI Registration No.: IN/CRA/007/2015

DESIGNATED INTERMEDIARIES

SELF-CERTIFIED SYNDICATE BANKS (SCSB'S)

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link: https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE AS ISSUER BANKS FOR UPI

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBIathttps://sebi.gov.in/ sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is, provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

SYNDICATE SCSB BRANCHES

In relation to Bids (other than Bids by Anchor Investors and IBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes%20, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS (CDP'S)

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.

Experts Opinion

Except as stated below, our Company has not obtained any expert opinions:

1. Our Company has received written consent dated September 25, 2025 from Peer Reviewed Auditor namely, **V.V. Bhalla & Co., Chartered Accountants** to include its name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 06 , 2026 on our restated financial information; and (ii) its report dated July 09, 2026 on the statement of Special Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

2. Our Company has received a written consent dated October 23, 2025 from Advocate **Mr Shubham Gupta**, having registration number, PH/3982/2021 to include their name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert", to the extent and in its capacity as an advisor on the Legal Litigations being subsisting by the Company, against the Company, by the Promoters, against the Promoters, by the Directors and against the Directors of the Company, as set out in the report dated August 11, 2026.

3. Our Company has received a written consent dated September 23, 2025 from**, B.K. Gupta & Associates, Company Secretaries** to include their name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert", to the extent of the ROC and Secretarial Search Report Dated October 18, 2025 & August 12, 2026.

Inter-Se Allocation of Responsibilities

Since SKI Capital Services Limited is the sole Book Running Lead Manager (BRLM) to the Issue and all the responsibilities relating to coordination and other activities in relation to the Issue shall be performed by them.

Monitoring Agency

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of a monitoring agency is not mandatory if the Issue size is up to Rs. 5,000 Lakh. Accordingly, since our Issue size meets this threshold, we appointed a monitoring agency to monitor the utilization of Issue proceeds at the RHP stage. The monitoring agency will oversee the utilization of funds as per the prescribed norms. The details of the Monitoring Agency are as follows:

Name:	Infomerics Valuation and Rating Limited
Address:	Flat No. 104/108, First Floor Golf Apartments, Sujan Singh Park, Maharishi Ramanna Marg, New Delhi – 110003
Telephone No:	011-41410244
Email ID:	Suyash.asthana@infomerics.com
Websites:	www.infomerics.com
Contact Person:	Mr. Suyash Asthana
SEBI Registration No:	IN/CRA/007/2015
CIN:	U32202DL1986PLC024575

Further in Compliance with Regulation 262(6), since Working Capital is one of the Objects of our Issue and the Amount Raised for the Said Object Exceeds Five Crore Rupees, We Shall Submit a Certificate of the Statutory Auditor to SME Exchange(s) While Filing the Quarterly Financial Results, for Use of Funds as Working Capital in the Same Format as Disclosed in the Offer Document, Till the Proceeds Raised for the Said Object are Fully Utilized.

Further, in Accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, Our Company Shall Furnish to the Stock Exchanges on a Half Yearly Basis, a Statement Indicating Material Deviations, if Any, in the Utilization of the Net Proceeds for the Objects Stated in the Offer Documents.

Green Shoe Option

No green shoe option is contemplated under the issue.

Appraising Entity

No appraising entity has been appointed in respect of any objects of this issue.

IPO Grading

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

Credit Rating

This being an issue of Equity Shares, credit rating is not required.

Debenture Trustee

Since this is not a debenture issue, appointment of debenture trustee is not required.

Filing of the draft offer document/ offer document with board and the registrar of companies

The Red Herring Prospectus will be filed with NSE EMERGE through the NSE Listing Centre in accordance with SEBI (ICDR) Regulations, 2018, as amended.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus shall be filed online through SEBI Intermediary Portal at siportal.sebi.gov.in and pursuant to Regulation 246(2), the Board shall not be issuing observation.

Further, in accordance with Regulation 246(1) a copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents, shall also be filed with the RoC, Chandigarh under Section 32 of the Companies Act, 2013 and a copy of the Red Herring Prospectus/ Prospectus to be filed under Section 26 of the Companies Act will be delivered for registration to the RoC at its office and through the electronic portal at www.mca.gov.in/mcafoportal/login.do

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), and local edition of Nawan Zamana (Punjabi being the regional language of Punjab, where our Registered Office is located), each with wide circulation at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- ➢ Our Company;
- ➢ The Book Running Lead Manager in this case being SKI Capital Services Limited;
- ➢ The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE and eligible to act as Underwriters;

➢ The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
➢ The Registrar to the Issue;
➢ The Escrow Collection Banks/ Bankers to the Issue and
➢ The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor Portion shall be reserved for (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

Further, not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Individual Investors, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders, except Anchor Investors, are required to use the ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. Allocation to Anchor Investors will be on a discretionary basis.

Pursuant to NSE Circular No. NSE/IPO/68604 and NSE Notice No. 20250618-11 dated June 18, 2025, All categories of Bidders, including Individual Investors, Qualified Institutional Buyers (QIBs), and Non-Institutional Investors (NIIs), shall not be permitted to withdraw or make downward revision their Bids once submitted. Downward modification and cancellation of Bids are not applicable under the revised bidding process.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Individual Portion where allotment to each Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Individual Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regard, specific attention is invited to the section titled "***Issue Procedure***" beginning on page 246 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section titled "***Issue Procedure***" on page 246 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investor.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "***Issue Procedure***" on page 246 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date*	Monday, August 24, 2026
Bid/Issue Closing Date**	Wednesday, August 26, 2026
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, August 27, 2026
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Thursday, August 27, 2026
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, August 28, 2026
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Monday, August 31, 2026

**Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

***Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any

delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date), Downward modification and cancellation of bids are not permitted for any category of investors. On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 4.00 p.m. (IST) for all categories. UPI Mandate acceptance/confirmation shall be available up to 5:00 p.m. (IST) on the Bid/Issue Closing Date.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 4.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE EMERGE on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE EMERGE, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

Underwriting

Our Company and BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated August 12, 2026. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The BRLM has confirmed that they shall underwrite a minimum of 15% on their own account.

The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter (Name, address, telephone number and email address)	**Number of Equity Shares to be Underwritten**	**Amount Underwritten (Amount in Rs. Lakhs)**	**% of the Offer Size Underwritten**
Name: SKI Capital Services Limited Address: 718, Dr Joshi Road, Karol Bagh, New Delhi- 110005 Telephone No.: +91-011-41189899 / +91-011-424026000	[●]*	[●]*	15%

Email: mkcl@skicapital.net Contact Person Name: Mr. Ghanisht Nagpal Website: www.skicapital.net SEBI Registration No.: INM000012768			
Name: Giriraj Stock Broking Private Limited Address: Shantiniketan Building, 8 Camac Street, Block-A, 15th Floor, Suite No – 1501, Kolkata – 700017 Telephone: 033-45096990/9547473969 Email Id: giriraj@girirajstock.com Contact Person: Kuntal Laha Website: www.girirajstock.com SEBI Registration No.: INZ000212638	[●]*	[●]*	85%

** Subject to finalisation of Issue Price and Basis of Allotment.*

The above-mentioned underwriting commitment is indicative and to be provided in the prospectus before it is filed with the Registrar of Companies and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

Changes in Auditors

There has been no change in our statutory auditors in the three years preceding the date of this Red Herring Prospectus, except as discussed below.

Details of Auditors (name, address, email address, peer review number and firm registration number of auditors)	Date of Change	Reason for Change
Name: M/s Lalit Gupta Address: 506-A, Bank Colony, Behind Lady Hospital, Khanna, Punjab-141401 Email: lalitkguptaandco@gmail.com Peer Review Number: Not Available Firm Registration Number: 0004404N	August 28, 2024	Resignation due to Pre-Occupation
Name: V.V. Bhalla & Co., Chartered Accountants Address: 64-E Rishi Nagar, Ludhiana, Punjab-141401 Email: capankajbhalla@gmail.com Peer Review Number: 017423 Firm Registration Number: 002928N	September 09, 2024	Appointment in case of casual vacancy

Details of the Market Making Arrangement for the Issue

Our Company and the BRLM have entered into a tripartite agreement dated August 12, 2026 with NNM Securities Private Limited the Market Maker for this Issue, duly registered with NSE EMERGE to fulfil the obligations of Market Making:

Name:	NNM Securities Private Limited
SEBI Registration No.:	INZ000234235
Address:	B-6 & 7, Siddhivinayak Plaza, 2nd Floor, Plot No. B-31, Oshiwara, Opp. Citi Mall, Behind Maruti Showroom, Andheri Link Road, Andheri (West), Mumbai, Maharashtra -400053
Telephone No.:	022-40790020
Website:	www.nnmsecurities.com
Email ID:	contact@nnmsecurities.com
Contact Person:	Nikunj Mittal

In accordance with Regulation 261 of the SEBI ICDR Regulations, we shall enter into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated August 12, 2026 to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares offered in this issue.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of National Stock Exchange of India Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors
9. On the first day of the listing, there will be a pre-opening session (call auction) and thereafter the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
10. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
13. Risk containment measures and monitoring for Market Makers: EMERGE Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
14. Punitive Action in case of default by Market Maker: EMERGE Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non- compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Makers from time to time.
15. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down

that for Issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

(i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

(ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	**Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)**	**Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)**
Up to Rs. 20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore To Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/Designated Stock Exchange from time to time.

CAPITAL STRUCTURE

The share capital of the Company as at the date of the RHP is set forth below:

Section	Particulars	Amount (Rs. in Lakhs)	
		Aggregate nominal value	**Aggregate value at Issue Price***
A. Authorised Share Capital	2,40,00,000 Equity Shares of Rs. 10/- each	2400.00	[●]
B. Issued, Subscribed and Paid-Up Share Capital before the Issue	1,36,82,432 Equity Shares of Rs. 10/- each	1368.24	[●]
C. Present Issue in terms of the Red Herring Prospectus#	Offer of up to 53,27,693^ Equity Shares of Face Value Rs. 10/- each	532.77	[●]
	Of which:		
	Fresh issue of up to 53,27,693^ Equity Shares of face value of Rs [●] each	532.77	[●]
	Which comprises of:		
	Reservation for Market Maker Portion Up to [●] Equity Shares of face value of Rs. 10/- each	[●]	[●]
	Net Offer to the Public [●] Equity Shares of face value of Rs. 10/- each	Up to [●]	[●]
	Of Which **		
	At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Individual investors who applies for minimum application size.	Up to [●]	[●]
	At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds	[●]	[●]
D. Issued, Subscribed and Paid-up Share Capital after the Issue	[●] Equity Shares of Rs. 10/- each	[●]	
E. Securities Premium Account	Before the Issue	149.77	
	After the Issue	[●]	

***To be updated upon the finalization of the Issue Price*

*** The allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

#The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 30, 2025 and by the shareholders of our Company vide a special resolution passed at the Annual General Meeting held on September 22, 2025. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Issue paid up equity share capital of our company are being offered to the public for subscription.

Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment, aggregating to ₹ 176.99 lakhs, at a price of ₹ 65 per Equity Share, including a premium of ₹ 55 per Equity Share, as permitted under the applicable law. The Pre-IPO Placement was at a price decided by our Company, in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement was reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b)

of the SCRR and the size of the Fresh Issue has been revised to up to ₹[●]. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement has been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.
^ Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.

*For details in relation to the changes in the authorised share capital of our Company, see "**Our History and Certain Other Corporate Matters** – Amendments to our MOA since Incorporation" on page 155.*

NOTES TO THE CAPITAL STRUCTURE

1. Details of change in Authorised Share Capital of the Company

Sr. no.	Particulars of Increase	Date of Shareholders Meeting	Whether AGM/EGM
1.	Increase in Authorised capital from Rs 10,00,000 to Rs 1,10,00,000	01-06-2011	EGM
2.	Increase in Authorised capital from Rs 1,10,00,000 to Rs 5,00,00,000	08-12-2011	EGM
3.	Increase in Authorised capital from Rs 5,00,00,000 to Rs 10,00,00,000	01-03-2013	EGM
4.	Increase in Authorised capital from Rs 10,00,00,000 to Rs 15,00,00,000	15-02-2024	AGM
5.	Increase in Authorised capital from Rs 15,00,00,000 to Rs 24,00,00,000	11-06-2025	EGM

2. Equity Shares capital history of Company

The following table sets forth the history of the equity share capital of our Company.

Date of Allotment	Nature of Allotment	Details of allottees/shareholders and Equity Shares allotted	No. of Equity Shares allotted	Face value per Equity Shares	Issue price (Including Premium if any) per shares	Nature of Consideration	Cumulative number of Equity Shares
21/08/1997	Initial Capital	100 Equity Shares allotted to Rajesh Gupta, 100 Equity Shares allotted to Vishnu Gupta, 100 Equity Shares allotted to Arun Gupta and 100 Equity Shares allotted to Ravi Gupta.	400	10/-	10/-	Cash	400
1998-99*	Private Placement	2,500 Equity Shares allotted to Rajesh Gupta, 1,400 Equity Shares allotted to Vishnu Gupta, 2,500 Equity Shares allotted to Arun Gupta, 2,500 Equity Shares allotted to Ravi Gupta, 2,500 Equity Shares allotted	15,600	10/-	10/-	Cash	16,000

		to Sulochana Gupta, 2,500 Equity Shares allotted to Kastoor Chand Gupta, 500 Equity Shares allotted to Rashmi Gupta, 500 Equity Shares allotted to Sangeeta Gupta, 500 Equity Shares allotted to Anita Gupta and 200 Equity Shares allotted to Kastoor Chand Gupta HUF.					
01/10/2011	Private Placement	2,10,000 Equity Shares allotted to Rajesh Gupta, 2,10,000 Equity Shares allotted to Vishnu Gupta, 2,01,500 Equity Shares allotted to Arun Gupta, 1,59,000 Equity Shares allotted to Ravi Gupta, 98,500 Equity Shares allotted to Sulochana Gupta, 1,80,000 Equity Shares allotted to Kastoor Chand Gupta, 65,000 Equity Shares allotted to Rashmi Gupta, 65,000 Equity Shares allotted to Sangeeta Gupta, 80,000 Equity Shares allotted to Anita Gupta, 16,000 Equity Shares allotted to Kastoor Chand Gupta HUF, 12,000 Equity Shares allotted to Arun Gupta HUF, 15,000 Equity Shares allotted to Piyush Gupta, 18,500 Equity Shares allotted to Rajesh Gupta HUF, 3,000 Equity Shares allotted to Vishnu Gupta HUF, 34,500 Equity Shares allotted to Ravi Gupta HUF, 1,00,000 Equity Shares allotted to Anju Gupta, 10,000 Equity Shares allotted to Trimurti Hosiery Mills Private Limited and 6,000 Equity Shares allotted to Sangeeta Gupta, Vishnu Gupta, Rajesh	14,84,000	10/-	10/-	Cash	15,00,000

		Gupta through National Yarn Agency.					
24/03/2012	Private Placement	7,000 Equity Shares allotted to Synergy Cosmetic (EXIM) Limited, 8,000 Equity Shares allotted to Kappac Pharma Limited, 14,000 Equity Shares allotted to Turbotech Engineering Limited, 6,000 Equity Shares allotted to Sun Techno Limited and 5,000 Equity Shares allotted to Kosian Industries Limited.	40,000	10/-	500/-	Cash	15,40,000
30/03/2012	Private Placement	5,000 Equity Shares allotted to Simplex Trading & Agencies Limited, 5,000 Equity Shares allotted to Sun Techno Limited and 5,000 Equity Shares allotted to Kosian Industries Limited.	15,000	10/-	500/-	Cash	15,55,000
30/03/2013	Bonus Issue[1]	3,10,250 Equity Shares allotted to Kastoor Chand Gupta, 27,540 Equity Shares allotted to Kastoor Chand Gupta HUF, 1,95,500 Equity Shares allotted to Sulochana Gupta, 3,46,970 Equity Shares allotted to Arun Gupta, 20,400 Equity Shares allotted to Arun Gupta HUF, 1,38,550 Equity Shares allotted to Sangeeta Gupta, 25,500 Equity Shares allotted to Piyush Gupta, 3,61,420 Equity Shares allotted to Rajesh Gupta, 31,450 Equity Shares allotted to Rajesh Gupta HUF, 1,31,750 Equity Shares allotted to Rashmi Gupta, 3,59,550 Equity Shares allotted to Vishnu Gupta, 5,100 Equity Shares allotted to Vishnu Gupta HUF, 1,50,450 Equity Shares allotted to Anita Gupta, 2,74,720 Equity	26,43,500	10/-	-	Non-Cash	41,98,500

		Shares allotted to Ravi Gupta, 58,650 Equity Shares allotted to Ravi Gupta HUF, 1,78,500 Equity Shares allotted to Anju Gupta, 17,000 Equity Shares allotted to Trimurti Hosiery Mills Private Limited and 10,200 Equity Shares allotted to Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta through National Yarn Agency.					
01/05/2013	Private Placement	1,15,000 Equity Shares allotted to Kastoor Chand Gupta, 3,12,000 Equity Shares allotted to Kastoor Chand Gupta HUF, 91,500 Equity Shares allotted to Sulochana Gupta, 3,43,500 Equity Shares allotted to Arun Gupta, 1,70,000 Equity Shares allotted to Arun Gupta HUF, 6,17,400 Equity Shares allotted to Sangeeta Gupta, 44,000 Equity Shares allotted to Piyush Gupta, 4,22,500 Equity Shares allotted to Rajesh Gupta, 90,000 Equity Shares allotted to Rajesh Gupta HUF, 1,36,000 Equity Shares allotted to Rashmi Gupta, 4,16,500 Equity Shares allotted to Vishnu Gupta, 1,52,000 Equity Shares allotted to Vishnu Gupta HUF, 1,42,000 Equity Shares allotted to Anita Gupta, 1,01,000 Equity Shares allotted to Ravi Gupta, 6,14,400 Equity Shares allotted to Ravi Gupta HUF, 1,32,500 Equity Shares allotted to Anju Gupta, 70,000 Equity Shares allotted to Madhur Gupta and	40,45,300	10/-	10/-	Cash	82,43,800

		75,000 Equity Shares allotted to Chirag Gupta.					
05/09/2013	Private Placement	20,000 Equity Shares allotted to Kastoor Chand Gupta, 35,000 Equity Shares allotted to Sulochana Gupta, 65,000 Equity Shares allotted to Arun Gupta, 1,00,000 Equity Shares allotted to Arun Gupta HUF, 3,91,200 Equity Shares allotted to Piyush Gupta, 2,00,000 Equity Shares allotted to Rajesh Gupta, 40,000 Equity Shares allotted to Rashmi Gupta, 2,00,000 Equity Shares allotted to Vishnu Gupta, 20,000 Equity Shares allotted to Vishnu Gupta HUF, 45,000 Equity Shares allotted to Anita Gupta, 20,000 Equity Shares allotted to Ravi Gupta, 1,00,000 Equity Shares allotted to Ravi Gupta HUF, 50,000 Equity Shares allotted to Anju Gupta, 80,000 Equity Shares allotted to Madhur Gupta and 90,000 Equity Shares allotted to Chirag Gupta.	14,56,200	10/-	10/-	Cash	97,00,000
07/06/2024	Rights issue	1,86,100 Equity Shares allotted to Sangeeta Gupta, 3,58,150 Equity Shares allotted to Nitasha Gupta, 1,62,800 Equity Shares allotted to Piyush Gupta, 1,48,900 Equity Shares allotted to Chirag Gupta, 93,050 Equity Shares allotted to Vani Gupta and 79,100 Equity Shares allotted to Arun Gupta.	10,28,100	10/-	21.5/-	Cash	1,07,28,100
12/06/2025	Bonus Issue[2]	9,18,817 Equity Shares allotted to Arun Gupta, 2,52,162 Equity Shares allotted to Arun Gupta HUF,	26,82,025	10/-	-	Non-Cash	1,34,10,125

		5,34,326 Equity Shares allotted to Chirag Gupta, 1,40,488 Equity Shares allotted to Nitasha Gupta, 4,57,209 Equity Shares allotted to Piyush Gupta, 3,51,710 Equity Shares allotted to Sangeeta Gupta and 27,313 Equity Shares allotted to Vani Gupta.					
28/02/2026	Preferential Allotment	76,923 Equity Shares alloteed to Inderpal Singh, 76,923 Equity Shares alloteed to Dinesh Garg, 46,154 Equity Shares alloteed to Dhruv Gupta, 16,923 Equity Shares alloteed to Sumit Garg, 16,923 Equity Shares alloteed to Preeti Kapoor, 15,385 Equity Shares alloteed to Sunita Bansal, 7,692 Equity Shares alloteed to Ritika, 7,692 Equity Shares alloteed to Saurabh Makhija and 7,692 Equity Shares alloteed to Vikas Bansal.	2,72,307	10/-	65/-	Cash	1,36,82,432

* ***It is important to emphasise here that there no RoC record available on MCA portal (through view public documents utility). Thus, the preference is given to the documents available through physical inspection of Documents by visiting RoC Chandigarh in person. Thereby it has been observed that an allotment of 15,600 Equity Shares has been made during the year 1998-99 at Rs. 10/- each fully paid up-As per ROC Search Report dated October 18, 2025 & August 12, 2026 by B.K. Gupta & Associates, Company Secretaries***

1.The Company issued Bonus Shares in the ratio of 17 (seventeen) Equity Shares of face value ₹10 each for every 10 (ten) Equity Shares held by the Shareholders, pursuant to a resolution passed at the Extra-Ordinary General Meeting held on March 30, 2013. The bonus issue was made by capitalization of the Securities Premium Account.

2. The Company has issued Bonus Shares in the ratio of 4 (four) Equity Shares of face value ₹10 each for every 1 (one) Equity Share held by the Shareholders. The issue was authorized by a resolution passed at the Extra-Ordinary General Meeting held on June 11, 2025, and was made out of the reserves and/or any other permitted reserve/surplus of the Company

Our Company has made the abovementioned issuances and allotments of Equity Shares from the date of incorporation of our Company till the date of filing of this Red Herring Prospectus in compliance with the relevant provisions of the Companies Act, 2013 and the Companies Act, 1956, to the extent applicable.

3. Preference shares capital history of Company

The following table sets forth the history of the Preference share capital of our Company.

Date of Allotment	Nature of Allotment	Details of allottees/shareholders and Equity Shares allotted	No. of Equity Shares allotted	Face value per Equity Shares	Issue price (Including Premium if any) per shares	Nature of Consideration	Cumulative number of Equity Shares
NA*							

** No preference shares have been issued by the Company to date.*

4. Shares issued for consideration other than cash

The table below sets forth the details of Equity Shares issued by the Company for consideration other than cash.

Date of Allotment	Nature of Allotment	Details of allottees/shareholders and Equity Shares allotted	No. of Equity Shares alloted	Face value per share (Rs.)	Issue price per shares (Rs.)	Reasons for the issue	Benefits, if any, that have accrued to our company
30.03.2013	Bonus Issue	Please see "***Capital Structure-Equity Shares capital history of Company"*** on page no 63.	26,43,500	10	-	Capitalisation of Securities Premium	Increase in Capital Base
12.06.2025	Bonus Issue	Please see "***Capital Structure-Equity Shares capital history of Company"*** on page no 63.	26,82,025	10	-	Capitalisation of profit	Increase in Capital Base

5. Shares issued out of revaluation reserves

Our Company has no history of issuing any Equity Shares out of revaluation reserves since its incorporation.

6. Issue of Equity Shares pursuant to sections 230 to 234 of the Companies Act 2013

The following table sets forth the Issue of Equity Shares pursuant to sections 230 to 234 of the Companies Act 2013

Date of allotment	No. of Equity Shares allotted	Face value per Share	Issue price per Share	Total consideration	Nature of consideration	Particulars of the Scheme (to include Page no's where details of such scheme is given)
NA*						

**No Equity Shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.*

7. Issue of shares at a price lower than the issue price in the last year

Our Company has not issued any Equity Shares during a period of one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price, except as disclosed in this Red Herring Prospectus.

Date of Allotment	Name of Allottees	No. of Shares allotted	Face Value per share (Rs.)	Issue Price per share (Rs.)	Offer price*	Reason for Allotment
[●]	[●]	[●]	[●]	[●]	[●]	[●]

**The offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid / Issue Closing Date.*

8. Issue of Equity Shares under one or more employee stock option schemes

Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.

SHAREHOLDING PATTERN OF THE COMPANY (AS ON THE DATE OF THIS RHP)

Category Code	Category of Shareholder	No of Shareholder	No. of Fully paid-up Equity Shares Held	No. of Partly Paid-up Shares Held	No. of Shares Underlying Depository Receipts	Total No of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRA, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of shares underlying Outstanding Convertible Securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	No. of locked-in shares		No. of shares held or otherwise encumbered		Number of shares held in dematerialized form
								No of voting rights		Total as a % of (A+B+C)		No	As a % of total shares held	No	As a % of total shares held	
								Class: Equity Shares	Total							
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX		X	XI=VII+X	XII		XIII		XIV
(A)	Promoters & promoter Group	7	1,34,10,125	-	-	1,34,10,125	98.01 %	1,34,10,125		98.01 %	-	-		-		1,34,10,125
(B)	Public	9	2,72,307	-	-	2,72,307	1.99	2,72,307		1.99	-	-		-		2,72,307
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-		-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-		-	-	-		-		-
(C2)	Shares held	-	-	-	-	-	-	-		-	-	-		-		-

	by Employee Trusts												
	Total	**16**	**1,36,82,432**	**-**	**-**	**1,36,82,432**	**100.00%**	**1,36,82,432**	**100.00%**	**-**	**-**	**-**	**1,36,82,432**

Note:

- *In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoter Group Companies and 50% of the Equity Shares held by the public shareholders, shall be dematerialized.*
- *PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- *Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE EMERGE before commencement of trading of such Equity Shares.*

DETAILS OF SHAREHOLDING OF MAJOR SHAREHOLDERS

Shareholders holding 1% or more of the paid-up Equity Share Capital (as on the date of this Red Herring Prospectus*)*

S. No.	Name of Shareholders	Category	No. of Equity Shares*^	% of Equity Share Capital **
1	Arun Gupta	Promoter	45,94,087	33.58%
2	Arun Gupta HUF	Promoter Group	12,60,812	9.21%
3	Chirag Gupta	Promoter	26,71,629	19.53%
4	Nitasha Gupta	Promoter Group	7,02,438	5.13%
5	Piyush Gupta	Promoter	22,86,046	16.71%
6	Sangeeta Gupta	Promoter Group	17,58,550	12.85%
7	Vani Gupta	Promoter Group	1,36,563	1.00%
	Total		**1,34,10,125**	**98.01%**

Shareholders holding 1% or more of the paid-up Equity Share Capital (as of ten days prior to the date of this Red Herring Prospectus)

S. N.	Name of Shareholders	Category	No. of Equity Shares*^	% of Equity Share Capital **
1	Arun Gupta	Promoter	45,94,087	33.58%
2	Arun Gupta HUF	Promoter Group	12,60,812	9.21%
3	Chirag Gupta	Promoter	26,71,629	19.53%
4	Nitasha Gupta	Promoter Group	7,02,438	5.13%
5	Piyush Gupta	Promoter	22,86,046	16.71%
6	Sangeeta Gupta	Promoter Group	17,58,550	12.85%
7	Vani Gupta	Promoter Group	1,36,563	1.00%
	Total		**1,34,10,125**	**98.01%**

Shareholders holding 1% or more of the paid-up Equity Share Capital (as of one year prior to the date of this Red Herring Prospectus)

S. N.	Name of Shareholders	Category	No. of Equity Shares*	% of Equity Share Capital **
1	Arun Gupta	Promoter	45,94,087	34.26%

S. N.	Name of Shareholders	Category	No. of Equity Shares*	% of Equity Share Capital **
2	Arun Gupta HUF	Promoter Group	12,60,812	9.40%
3	Chirag Gupta	Promoter	26,71,629	19.92%
4	Piyush Gupta	Promoter	7,02,438	17.05%
5	Sangeeta Gupta	Promoter Group	22,86,046	13.11%
6	Nitasha Gupta	Promoter Group	17,58,550	5.24%
7	Vani Gupta	Promoter Group	1,36,563	1.02%
	Total		**1,34,10,125**	**100.00%**

Shareholders holding 1% or more of the paid-up Equity Share Capital (as of two years prior to the date of this Red Herring Prospectus)

S. N.	Name of Shareholders	Category	No. of Equity Shares*	% of Equity Share Capital **
1	Arun Gupta	Promoter	36,75,270	34.26
2	Arun Gupta HUF	Promoter Group	10,08,650	9.40
3	Piyush Gupta	Promoter	17,44,820	16.26
4	Sangeeta Gupta	Promoter Group	14,06,840	13.11
5	Vishnu Gupta HUF	Promoter Group	1,80,100	1.68
6	Chirag Gupta	Promoter	20,41,220	19.03
7	National Yarn Agency	Promoter Group	16,200	0.15
8	Nitasha Gupta	Promoter Group	5,61,950	5.24
9	Vani Gupta	Promoter Group	93,050	0.87
	Total		**1,07,28,100**	**100.00%**

*** the % has been calculated based on existing Paid-up Capital of the Company for each period.*

^The face value of the company is ₹10/-

**The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Red Herring Prospectus.*

-Our Company has not made any public issue (including any rights issue to the public) since its incorporation, except as stated above.

History of the equity share capital held by the promoters and promoter group

S. N.	Name	Pre-Issue		Post-Issue	
		No. of Equity Shares of face value of Rs 10/- each.	Percentage of pre-issue equity share capital	No. of Equity Shares of face value of Rs 10/- each.	Percentage of post-issue equity share capital
Promoters					
1	Arun Gupta	45,94,087	33.58%	[●]	[●]

2	Chirag Gupta	26,71,629	19.53%	[●]	[●]
3	Piyush Gupta	22,86,046	16.71%	[●]	[●]
Total -A		**95,51,762**	**69.82%**	[●]	**[●]**
Promoters Group (B) :					
4	Nitasha Gupta	7,02,438	5.13%	[●]	[●]
5	Sangeeta Gupta	17,58,550	12.85%	[●]	[●]
6	Vani Gupta	1,36,563	1.00%	[●]	[●]
7	Arun Gupta HUF	12,60,812	9.21%	**[●]**	**[●]**
Total-B		**38,58,363**	**28.19%**	[●]	[●]
Grand Total (A+B)		**1,34,10,125**	**98.01%**	[●]	[●]

Build-up of the shareholding of the Promoters in the Company

Date of Allotment/Transfer/Resolution	Nature of Transaction	Number of Equity Shares	Consideration (cash/ other than cash)	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	% of Pre-Offer Capital	% of Post-Offer Capital
Arun Gupta							
19.08.1997	Allotment	100	cash	10	10	0.00%	[●]
01.07.1998	Allotment	2,500	cash	10	500	0.02%	[●]
01.10.2011	Allotment	2,01,500	cash	10	10	1.47%	[●]
30.03.2013	Allotment	346970	Other than cash	10	10	2.54%	[●]
01.05.2013	Allotment	343500	cash	10	10	2.51%	[●]
05.09.2013	Allotment	65000	cash	10	10	0.48%	[●]
01.02.2014	Transfer to Arun Gupta HUF	-2,50,000	Other than cash (gift)	10	0	-1.83%	[●]
19.03.2016	Transfer from Chirag Gupta	75,000	Other than cash (gift)	10	0	0.55%	[●]
22.02.2024	Transfer from Vishnu Gupta	16,05,000	Other than cash (gift)	10	0	11.73%	[●]
22.02.2024	Transfer from Sulochana Gupta	6,33,000	Other than cash (gift)	10	0	4.63%	[●]
22.02.2024	Transfer from Kastoor Chand Gupta	4,27,750	Other than cash (gift)	10	0	3.13%	[●]
20.04.2024	Transfer Kastoor Chand Gupta HUF	1,43,350	cash	10	17	1.05%	[●]
20.04.2024	Transfer from Ravi Gupta HUF	2,500	cash	10	16	0.02%	[●]

07.06.2024	Allotment	79,100	cash	10	21.50	0.58%	[●]
12.06.2025	Allotment	9,18,817	Other than cash	10	10	6.72%	[●]
Total		**45,94,087**				**33.58 %**	[●]
Piyush Gupta							
01.10.2011	Allotment	15,000	cash	10	10	0.11%	[●]
30.03.2013	Allotment	25,500	other than cash	10	-	0.19%	[●]
01.05.2013	Allotment	44,000	cash	10	10	0.32%	[●]
05.09.2013	Allotment	3,91,200	cash	10	10	2.86%	[●]
24.12.2014	Transfer to Nitasha Gupta	-100	Other than cash (gift)	10		0.00%	[●]
22.02.2024	Transfer from Ravi Gupta	8,85,820	Other than cash (gift)	10	Gift	6.47%	[●]
20.04.2024	Transfer from Ravi Gupta HUF	27,450	Other than cash (gift)	10	16	0.20%	[●]
04.05.2024	Transfer from Ravi Gupta HUF	1,93,150	cash	10	16	1.41%	[●]
07.06.2024	Allotment	1,62,800	cash	10	21.5	1.19%	[●]
01.10.2024	Transfer from Vishnu Gupta HUF	84,017	cash	10	19	0.61%	[●]
12.06.2025	Allotment	4,57,209	other than cash	10	-	3.34%	[●]
Total		**22,86,046**				**16.71 %**	[●]
Chirag Gupta							
01.05.2013	Allotment	75,000	cash	10	10	0.55%	[●]
05.09.2013	Allotment	90,000	cash	10	10	0.66%	[●]
19.03.2016	Transfer to Arun Gupta (75,000), and Arun Gupta HUF (90,000)	-165000	Other than cash (gift)	10	Gift	-1.21%	[●]
22.02.2024	Transfer from Rajesh Gupta	17,19,270	Other than cash (gift)	10	Gift	12.57%	[●]
20.04.2024	Transfer from Rajesh Gupta HUF	1,39,950	cash	10	17	1.02%	[●]
20.04.2024	Transfer from Ravi Gupta HUF	33,100	cash	10	16	0.24%	[●]
07.06.2024	Allotment	1,48,900	cash	10	21.5	1.09%	[●]
01.10.2024	Transfer from Vishnu Gupta HUF	96,083	cash	10	19	0.70%	[●]

12.06.2025	Allotment	5,34,326	Other than cash	10	0	3.91%	[●]
Total		**26,71,629**				**19.53 %**	[●]

Exit Offer by Our Promoter

None of the existing promoters or members of the promoter group are selling any shares in the proposed public issue. Consequently, there is no exit offer by the promoters as part of this issue.

Details of promoter's contribution and lock-in

Promoter Contribution Locked in for 3 years:

As per Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Minimum Promoters' Contribution.

Pursuant to the Regulation 238(a) of SEBI ICDR Regulations, an aggregate of at least 20% of the post issue capital of our Company held by our Promoter shall be locked-in for a period of three years from the date of Allotment of this issue

Our Promoters has granted consents to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Minimum Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Red Herring Prospectus until the completion of the lock-in period specified above or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations..

The Minimum Promoters' Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018. The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Equity Shares to be Locked in (Minimum Promoter's Contribution):

Name of Promoters	No. of Locked-in Shares *	Date of Allotment/Transfer	Nature of Transaction	Face Value (Rs.)	Offer/Acquisition Price (Rs)	% of Pre-Offer Capital	% of Post-Offer Capital
Arun Gupta	16,00,000	22.02.2024	Gift	10	Nil	11.69%	[●]
Piyush Gupta	8,00,000	22.02.2024	Gift	10	Nil	5.85%	[●]
Chirag Gupta	15,00,000	22.02.2024	Gift	10	Nil	10.96%	[●]
Total	39,00,000					28.50%	20.00%

Note: To be updated at the Prospectus stage.
** Subject to finalisation of Basis of Allotment.*

We further confirm that our Promoters' contribution of minimum 20% of the post issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s).

The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue.

Additional Lock-in and Regulatory Confirmations

Promoters' Equity Shares Locked-in Period in Excess of 20%

In terms of the clause (b) of Regulation 238, In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the balance of Promoters' pre-Issue Equity Share capital of our Company, shall be locked in from the date of allotment of this issue as follows:

(i) fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
(ii) remaining fifty percent of promoters holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

Further, such lock-in of the Equity Shares would be created as per the by-laws of the Depositories.

Other Lock-in Requirements

Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such Equity Shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as **(**collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of Equity Shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of Equity Shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock in period stipulated has expired.

Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The Equity Shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoters' Group) holding the Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

Anchor Investors Lock-in

In accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, fifty percent of the shares allotted to Anchor Investors shall be locked in for a period of ninety (90) days from the date of allotment, and the remaining fifty percent shall be locked in for a period of thirty (30) days from the date of allotment.

Eligibility of Share for "Minimum Promoter Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoters' Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoters' contribution does not consist of such Equity Shares. **Hence Eligible**
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' contribution	The minimum Promoters' contribution does not consist of such Equity Shares. **Hence Eligible**
237(1)(b)	Specified securities acquired by Promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoters' contribution does not consist of such Equity Shares. **Hence Eligible.**
237 (1) (c)	Specified securities allotted to Promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the Promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to Promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoters' contribution does not consist of such Equity Shares. **Hence Eligible.**
237 (1) (d)	Specified securities pledged with any creditor	The minimum Promoters' contribution does not consist of such Equity Shares. **Hence Eligible.**

SHAREHOLDER AND PROMOTER TRANSACTION CONFIRMATIONS

1. The Company confirms that during the six months immediately preceding the date of filing of this Offer Document, there have been no financing arrangements whereby the Company's Promoters, members of the Promoter Group, Directors, or any of their relatives have financed the purchase of securities of the Company by any other person.

2. The Company confirms that during the six months immediately preceding the date of filing of this Offer Document, the Promoters, members of the Promoter Group, Directors, or any of their relatives have not purchased or sold any securities of the Company.

3. We have Sixteen (16) shareholders as on the date of filing of this Red Herring Prospectus.

4. The Company confirms that all the Equity Shares of the Company are held in dematerialised form and there are no physical share certificates outstanding as of the date of this Offer Document.

5. Our Company, our Promoters, our Directors and the BRLM to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

6. BRLM to the Issue viz. SKI Capital Services Limited and its associates do not hold any Equity Shares of our Company.

7. The Company confirms that, as on the date of this Offer Document, none of the shareholders are directly or indirectly related to the Book Running Lead Manager or their associates, as defined under the SEBI (Merchant Bankers) Regulations, 1992.

8. All the Equity Shares of our Company are fully paid up as on the date of this Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up Equity Shares.

9. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

10. There will be no further issue of capital, except the Fresh Issue and the Pre-IPO Placement whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Red Herring Prospectus until the Equity Shares have been listed.

11. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) exept the Fresh Issue and Pre-IPO whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

12. The Company confirms that neither the Book Running Lead Managers (BRLMs) nor any of their associates, except for Mutual Funds sponsored by entities which are associates of the BRLMs, insurance companies promoted by entities which are associates of the BRLMs, Alternative Investment Funds (AIFs) sponsored by entities which are associates of the BRLMs, FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs, or pension funds sponsored by entities which are associates of the BRLMs, shall apply in the Offer under the Anchor Investor Portion.

13. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.

14. The Company confirms that it shall have only one denomination of its Equity Shares, unless otherwise permitted by applicable law.

15. Our Promoters and the members of our Promoter Group will not participate in this Issue.

    (a) Our Company has not made any public issue since its incorporation.
    (b) Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
    (c) None of our Directors or Key Managerial Personnel or Senior Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "**Our Management**" beginning on page number 159 of this Red Herring Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the NSE EMERGE Platform.

The issue comprises of –

Particulars	Equity Shares Offered	Aggregate Amount (Rs Lakhs)
Fresh Issue	Up to 53,27,693*^	[●]
Offer for Sale	*Not Applicable*	
Total	Up to 53,27,693^	[●]

***** *Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment, aggregating to ₹ 176.99 lakhs, at a price of ₹ 65 per Equity Share, including a premium of ₹ 55 per Equity Share, as permitted under the applicable law. The Pre-IPO Placement was at a price decided by our Company, in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement was reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR and the size of the Fresh Issue has been revised to up to ₹[●]. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement has been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.*
^ *Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.*

The Objects of the Issue Are: -

1. Funding capital expenditure for the purchase of Solar panel.
2. Working Capital Requirement of the Company.
3. Prepayment or repayment of a portion of certain outstanding borrowings availed by the Company.
4. General Corporate Purposes.
5. Issue Expenses

*(Collectively referred to as the "**Objects**")*

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution.

We confirm that the main objects as set out in the Memorandum of Association of our Company, together with the objects incidental and ancillary thereto, enable our Company: (i) to undertake and carry on the existing business activities of our Company; and (ii) to undertake the activities for which the Net Proceeds of the Issue are proposed to be utilized.

Fresh Issue

Fund Raise Objective	**Particulars**	**Amount (Rs. In Lakh)**	**% of Net Proceeds**
(a) Capital Expenditure	Funding capital expenditure for the purchase of Solar panel.	367.50	[●]
(b) Working Capital	Working Capital Requirement of the Company.	1591.65	[●]
(c) Debt Repayment	Prepayment or repayment of a portion of certain outstanding borrowings availed by the Company	2085.00	[●]
(d) General Corporate Purposes		[●]	[●]
Sub Total (a + b + c + d)		[●]	[●]
Issue Expenses		[●]	[●]

Net Issue Proceeds	[●]	[●]

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

IN CASE OF ANY INCREASE IN THE ACTUAL UTILIZATION OF FUNDS EARMARKED FOR THE OBJECTS, SUCH ADDITIONAL FUNDS FOR A PARTICULAR ACTIVITY WILL BE MET BY WAY OF MEANS AVAILABLE TO OUR COMPANY, INCLUDING FROM INTERNAL ACCRUALS. IF THE ACTUAL UTILIZATION TOWARDS ANY OF THE OBJECTS IS LOWER THAN THE PROPOSED DEPLOYMENT SUCH BALANCE WILL BE USED FOR FUTURE GROWTH OPPORTUNITIES INCLUDING FUNDING EXISTING OBJECTS, IF REQUIRED. IN CASE OF DELAYS IN RAISING FUNDS FROM THE ISSUE, OUR COMPANY MAY DEPLOY CERTAIN AMOUNTS TOWARDS ANY OF THE ABOVE-MENTIONED OBJECTS THROUGH A COMBINATION OF INTERNAL ACCRUALS OR UNSECURED LOANS (BRIDGE FINANCING) AND IN SUCH CASE THE FUNDS RAISED SHALL BE UTILIZED TOWARDS REPAYMENT OF SUCH UNSECURED LOANS OR RECOUPING OF INTERNAL ACCRUALS. HOWEVER, WE CONFIRM THAT NO BRIDGE FINANCING HAS BEEN AVAILED AS ON DATE, WHICH IS SUBJECT TO BEING REPAID FROM THE ISSUE PROCEEDS. WE FURTHER CONFIRM THAT NO PART OF THE PROCEEDS FROM THE ISSUE WILL BE UTILIZED FOR THE REPAYMENT OF ANY OUTSTANDING UNSECURED LOANS, WHETHER DIRECTLY OR INDIRECTLY, FROM THE PROMOTER, PROMOTER GROUP, OR ANY RELATED PARTY, AS OF THE DATE OF THE RED HERRING PROSPECTUS.

As we operate in a competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see "***Risk Factors***" beginning on page 17 of the Red Herring Prospectus.

Net Proceeds:

The details of the proceeds from the Fresh Issue are provided in the following table:

Particulars	**Amount (Rs. In Lakh)**
Gross Issue Proceeds*	[●]
Less: Issue Expenses	[●]
Net Issue Proceeds	[●]

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC*

Proposed Schedule of Implementation and Deployment of Net Proceeds

(Rs. In Lakh)

Particulars	**Amount to be funded from the Net Proceeds**	**Estimated deployment of the Net Proceeds**
		2027
(a) Capital Expenditure	367.50	367.50
(b) Working Capital	1591.65	1591.65
(c) Debt Repayment	2085.00	2085.00
Total (a + b + c)	**4044.15**	**4044.15**

Details of the Objects of the Fresh Issue

1. Funding capital expenditure for the purchase of Solar panels.

Introduction

Our Company proposes to allocate a portion of the Net Proceeds, amounting to ₹367.50 lakhs, towards the installation of rooftop solar power plant at our existing manufacturing facilities. This investment is aimed at reducing electricity costs, promoting sustainability, and improving long-term efficiency.

Proposed solar installation will have a capacity of approximately 1500 KW and will be connected to the main electricity grid. This arrangement will enable us to directly utilize the solar power generated, while any surplus electricity beyond our consumption will be fed back into the grid, thereby reducing our electricity bills. The plant will be equipped with high-efficiency mono half-cut bifacial solar modules, based on N-Type Topcon technology, which enhances performance, durability, and overall energy yield by capturing both direct and reflected sunlight.

The installations will also comprise inverters for converting solar energy into usable electricity, mounting structures to support the panels, and comprehensive safety equipment, including DCDB/ACDB boxes to regulate power flow, earthing systems to prevent electrical hazards, and lightning protection devices.

Plant is expected to generate approximately 1,68,750 to 1,80,000 units of electricity per month, as per the supplier quotations. This generation is projected to result in monthly savings of ₹11.81 lakhs to ₹12.60 lakhs, significantly reducing dependence on traditional grid power and lowering operating costs.

The project will be implemented on a turnkey basis, wherein the contractor will be responsible for the design, supply, installation, testing, and handover of fully operational plants. Plant will span an area of 84000 sq.ft. and will be backed by performance warranties covering both solar modules and inverters to ensure long-term reliability.

Beyond financial benefits, these projects will substantially reduce our carbon footprint, reinforcing our alignment with global sustainability goals.

The details of the Plant and Machinery to be acquired by our company is provided Below

(Rs. In Lakhs)

S. No.	Description & Purpose	Units	Cost per Unit	Taxes and Other Cost	Total costs	Amount to be utilized from the net proceeds	Quotation received from	Date of quotation & reference no.	Validity of quotation
1	Installation of Rooftop Solar Power Plant (On-Grid) for reduction in energy costs and promoting sustainability-1500 KW	1	367.50	-	367.50	367.50	Waaree Energies Limited	August 14, 2026	August 31,2026

The percentage and value terms of the plant and machinery for which orders are yet to be placed:

We confirm that we are yet to place orders for the entire percentage and value of Plant and Machinery to be acquired by our Company from the Issue Proceeds.

Benefits arising out of this capital expenditure.

1.Reduction in Energy Costs

Based on annualised electricity consumption, the Company's grid power usage is estimated at 37.19 lakh units, with a corresponding electricity cost of approximately ₹3.04 crore. The solar power plant is expected to generate approximately 20.25 lakh units per annum (around 1.69 lakh units per month), resulting in estimated annual electricity cost savings of approximately ₹1.42 crore.

Particulars	Units (kVAh)	Annual Cost (₹ lakh)
Annualised Grid Power Consumption (Pre-Solar)	37,19,840	304.06

Electricity Generated from Solar Power	(20,25,000)	(141.75)
Net Grid Power Consumption (Post-Solar)	**16,94,840**	**162.31**
Estimated Annual Savings	—	**141.75**

Post adjustment for solar power generation, the Company's net grid power consumption is expected to reduce to approximately 16.95 lakh units per annum, with an estimated residual electricity cost of approximately ₹162.31 lakh, representing a reduction of nearly 47% in annual electricity expenditure.

2.Efficient Utilization of Excess Power

The proposed 1,500 kW solar plant is expected to generate about 1,68,750 units of electricity per month. At times, especially when production is lower, the electricity generated may be more than the Company's immediate requirement. Any excess power will be sent back to the grid under the net-metering system. This will reduce the amount of electricity purchased from the grid at other times. At the current power cost of ₹7 per unit, this arrangement supports the estimated monthly savings of about ₹11.81 lakh and improves the overall financial benefits of the project.

3.Enhanced Operational Efficiency

The solar plant will supply a part of the Company's electricity needs directly at the manufacturing facility, especially during operations. With annual electricity costs estimated at ₹3.04 crore for FY 2027, using solar power will reduce dependence on grid electricity and limit the impact of power cuts, tariff changes, or supply disruptions. This reliable power supply will help ensure smooth manufacturing operations, improve energy security, and support stable operations over the long term.

4.Sustainability and Environmental Responsibility

The adoption of renewable solar energy will contribute to a reduction in the Company's carbon footprint by replacing a portion of grid-based electricity with clean energy. This supports the Company's sustainability initiatives and aligns with evolving ESG expectations of investors, regulators, and customers.

5.Long-Term Reliability and Performance

The proposed solar power plant will utilise high-efficiency solar modules incorporating N-Type TOPCon technology, supported by supplier performance warranties on solar modules and inverters. This is expected to ensure consistent energy generation, long service life, and reliable performance over the operating life of the plant.

6.Strategic Competitive Advantage

The investment reinforces the Company's commitment to renewable energy adoption, operational excellence, and cost optimisation. Strong project economics, including a payback period of approximately 2.46 years, an XIRR of approximately 36.76%, and cumulative cash flows turning positive in Year 3, enhance long-term shareholder value and strengthen the Company's brand and competitive positioning.

7.Tax Efficiency

The project is eligible for accelerated depreciation at 40% on a written-down value basis, resulting in significant tax benefits in the initial years of operation. These tax benefits enhance post-tax cash flows and improve overall project viability.

8.Turnkey Project Execution

The project will be executed on a turnkey basis, covering design, engineering, supply, installation, testing, and commissioning by the appointed contractor. This approach will ensure seamless implementation with minimal operational disruption and timely commissioning of the solar power plant.

We hereby confirm that the proposed rooftop solar power plant, along with all associated equipment, including solar modules, inverters, mounting structures, and electrical and safety components, will be procured as brand-new equipment from reputed suppliers. Our Company has not purchased, and does not intend to purchase, any second-hand or refurbished machinery for this project.

The rooftop solar power plant will be implemented entirely within our existing manufacturing facilities and, as per the applicable laws and regulations, will not require any specific government approvals, permissions, or clearances. The Company will, however, ensure full compliance with all applicable safety standards, technical specifications, and operational norms during execution and operation of the project.

2. Working Capital Requirements

The Company proposes to utilise a portion of the net proceeds of the Issue towards meeting its working capital requirements to support inventory procurement, receivables management, and ongoing operational activities and we fund a majority of our working capital requirements in the ordinary course of business from banks, and through our internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements in the Financial Year ending March 31, 2027. The funding of the incremental working capital requirements of our Company will help lead to a consequent increase in our profitability and in achieving the proposed targets as per our business plan. We intend to utilise Rs. 1591.65 Lakhs from the Net Proceeds to fund working capital requirements of our Company in the Financial Years ended March 31, 2027.

Rationale For Raising Additional Working Capital

The Company's working capital requirement has increased in recent years and is expected to rise further in line with growth in operations, capacity expansion, and changes in credit and procurement practices.

Following Table reflects working capital parameters as % of revenue:

Particulars	**31.03.23**	**31.03.24**	**31.03.25**	**28.02.26***
	(Actual)	**(Actual)**	**(Actual)**	**(Actual)**
Trade Receivable as % of revenue	15.71%	26.13%	22.27%	25.31%
Inventory as % of revenue	33.16%	21.88%	22.69%	31.29%
Trade Payable as % of revenue	13.77%	11.26%	9.13%	16.81%
Working Capital Requirement as % of Revenue	38.16%	41.48%	37.21%	43.09%

**Not Annualised*

Notes:
1. *Trade receivables as a percentage of revenue are calculated by dividing the trade receivables by the revenue of that period.*
2.Inventory as a percentage of revenue is calculated by dividing the inventory for a particular period by the revenue of that period.
3.Trade payables as a percentage of revenue are calculated by dividing the trade payables for a particular period by the revenue of that period.
4.Working capital requirement as a percentage of revenue is calculated by dividing the working capital requirement for a particular period by the revenue of that period.

Receivables Growth Aligned with Revenue Expansion

Trade receivables have increased in line with higher sales volumes as the Company expanded its capacity and transitioned into a fully integrated yarn-to-cloth operation. Trade receivable days rose from 57 days in FY 2023 to 95 days in FY 2024, before moderating to 81 days in FY 2025. For the stub period ended February 28, 2026 trade receivable days stood at approximately 85 days. In absolute terms, receivables are projected to increase from ₹3,822.52 lakhs in FY 2025 to ₹5,833.42 lakhs in FY 2027, in line with operational growth. Going forward, receivable days are expected to stabilize at around 80 days, reflecting a balanced approach between providing credit to customers to support market expansion and maintaining sufficient liquidity.

Inventory Requirements Linked to Manufacturing Integration

With the transition to end-to-end manufacturing in FY 2024–25, the Company now oversees the entire production cycle, necessitating adequate levels of raw materials, work-in-progress, and finished goods to ensure seamless operations and timely order fulfilment. Efficiency improvements from this integration have led to reduced inventory intensity, with inventory days declining from 155 days in FY 2023 to 120 days in FY 2025. For the stub period ended February 28, 2026, inventory days stood at 147, primarily due to an unexpected surge in orders during the third quarter of the financial year. In absolute terms, inventories are projected to increase from ₹3,893.99 lakhs in FY 2025 to ₹4,725.42 lakhs in FY 2026 and ₹5,535.00 lakhs in FY 2027. Going

forward, inventory days are expected to stabilize at around 110 days, in line with higher production volumes and expanded operations.

Reduction in Trade Payables due to Early-Payment Strategy

Trade payable days have declined significantly as the Company implemented a strategy of faster supplier payments to avail early-payment discounts and strengthen supplier relationships. These discounts vary based on purchase volume and payment mode (for instance, flat rebates per 100 MT or percentage-based discounts on bulk or cash purchases). While this approach enhances procurement efficiency and reduces raw material costs, it also limits credit availability and increases the overall working capital requirement. Payable days decreased from 65 days in FY 2023 to 48 days in FY 2025, and stood at 79 days for the stub period ended February 28, 2026. They are expected to further reduce to around 40 days from FY 2026 onwards. As a percentage of revenue, trade payables declined from 13.77% in FY 2023 to 9.13% in FY 2025 and are projected to remain below 7% to 8% during FY 2026–27.

Overall Impact on Working Capital Cycle

The Cash Conversion Cycle was 147 days in FY 2023 and 148 days in FY 2024, rose to 153 days in FY 2025, and remained at 153 days for the stub period ended February 28, 2026, driven mainly by higher inventory holding days and an increase in trade payables days. Looking ahead, the cash conversion cycle is expected to stabilize at approximately 150 days in FY 2026–27, as the Company continues to align its inventory planning, credit terms, and payment cycles with its operating scale. Overall, the cash conversion cycle has remained within a narrow band of 147 to 153 days over the period under review, reflecting consistent working capital management as the business has grown..

Working capital as a percentage of revenue was 38.16% in FY 2023, increased to 41.48% in FY 2024, and moderated to 37.21% in FY 2025. It is projected to remain in the range of 38% of revenue in FY 26–27, broadly stable in percentage terms but higher in absolute value, in line with the scale-up in operations.

The Company's capex and shift to end-to-end manufacturing have supported capacity expansion and improved inventory efficiency. However, higher receivables linked to sales growth and strategic reduction in trade payables to capture supplier discounts have increased net working capital requirements. Accordingly, the Company proposes to utilize a portion of the Net Proceeds of the Issue towards meeting its incremental working capital requirements.

Basis of Estimation of Working Capital Requirement

(Rs. In Lakhs)

Particulars	**Restated**			
	31.03.23	**31.03.24**	**31.03.25**	**28.02.2026**
I. Current Assets				
(a) Inventory				
i.Raw Material	2081.75	1345.87	2464.08	5040.58
ii.Work In Progress	84.66	113.86	325.95	33.17
iii.Finished goods	743.44	875.95	924.46	911.3
iv.Consumable, Stores and packing materials	52.23	35.79	179.50	107.01
(b) Trade Receivables	1403.45	2831.81	3822.52	4926.92
(c) Short Term Loans and Advances	416.17	739.59	1077.32	1437.05
(d) Other Current Assets	4.99	5.34	6.77	25.42
Total Current Assets (Other than Cash and Cash Equivalents) (I)	**4786.69**	**5948.20**	**8800.61**	**12481.45**
II. Current Liabilities				
(a) Trade Payables	1229.95	1220.76	1567.44	3272.26
(b) Other Current Liabilities	129.51	212.04	521.38	403.84
(c) Short term provisions	18.92	19.70	324.86	415.74
Total Current Liabilities (II)	**1378.38**	**1452.50**	**2413.67**	**4091.84**
Net Working Capital Requirement III (I-II)	**3408.31**	**4495.71**	**6386.94**	**8389.61**
Existing Funding Patterns				
A.Short Term Borrowings	*2,274.99*	*2,826.20*	*3,603.38*	*4432.66*
B.Funded through internal accruals	*1,133.33*	*1,669.51*	*2,783.56*	*3956.95*
Total Funding	**3,408.31**	**4,495.71**	**6,386.94**	**8389.61**

Assessment of Future Working Capital for the FY 27

(Rs. in Lakhs)

Particulars	Projected
	31.03.27
I. Current Assets	
(a) Inventory	
i.Raw Material	3,502.49
ii.Work In Progress	463.32
iii.Finished goods	1,314.05
iv.Consumable, Stores and packing materials	255.14
(b) Trade Receivables	5,833.42
(c) Short Term Loans and Advances	1,645.00
(d) Other Current Assets	7.00
Total Current Assets (Other than Cash and Cash Equivalents) (I)	**13,020.42**
II. Current Liabilities	
(a) Trade Payables	2,000.00
(b) Other Current Liabilities	375.00
(c) Short term provisions	325.00
Total Current Liabilities (II)	**2,700.00**
Net Working Capital Requirement III (I-II)	**10,320.42**
Existing Funding Patterns	
A. Short Term Borrowings	*3,750.00*
B. Funded through internal accruals/ Net worth	*4978.77*
C. Usage from IPO Proceeds	*1591.65*
Total Funding	**10,320.42**

Existing Working Capital

Key Assumptions for Working Capital

Particulars	31.03.23	31.03.24	31.03.25	28.02.26	31.03.27	Holding Basis
	A	A	A	A	P	
Current Assets						
Inventory Days						
i. Raw Material	109	62	76	121	70	Raw materials days are calculated by dividing raw materials by the cost of goods sold and multiplying the result by 365 *(or 334 for the stub period ending February 2026).*
ii. Work In Progress	4	5	10	1	9	Work-in-progress days are calculated by dividing work-in-progress by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*
iii. Finished goods	39	40	28	22	26	Finished goods days are calculated by dividing finished goods by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*
iv. Consumable, Stores and packing materials	3	2	6	3	5	Consumable stores and packing materials days are calculated by dividing consumable stores and packing materials by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*
Trade Receivables Days	57	95	81	85	80	Trade receivable days are calculated by dividing trade receivables by revenue and multiplying by 365 *(or 334 for the stub period ending February 2026).*
Other Current Assets Days	0	0	0	0	0	Other current assets days are calculated by dividing other current assets by revenue and multiplying by 365 *(or 334 for the stub period ending February 2026).*
Current Liabilities						

Trade Payables Days	65	56	48	79	40	Trade payable days are calculated by dividing trade payables by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*
Other Current Liabilities Days	7	10	16	10	7	Other current liabilities days are calculated by dividing other current liabilities by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*
Short term provisions Days	1	1	10	10	6	Short-term provisions days are calculated by dividing short-term provisions by the cost of goods sold and multiplying by 365 *(or 334 for the stub period ending February 2026).*

Key Assumptions & Justifications for increase / decrease in holding norms

Particulars	Assumptions & Justifications
Current Assets	
Inventory	
i. Raw Material	Raw material holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 109 days, 62 days and 76 days respectively. The holding period saw a reduction in F.Y. 2023-24 due to improved procurement planning and inventory management, followed by an increase in F.Y. 2024-25 on account of higher stocking to meet production requirements. The Company anticipates maintaining raw material holding days at around 70 days in 2026-27.
ii. Work In Progress	Work-in-progress inventory holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 4 days, 5 days and 10 days respectively. The increase in F.Y. 2024-25 was primarily due to higher production cycle times. The Company expects to maintain work-in-progress holding at around 9 days in F.Y. 2026-27.
iii. Finished goods	Finished goods holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 39 days, 40 days and 28 days respectively. The decrease in F.Y. 2024-25 was driven by improved demand forecasting and faster order fulfilment. The Company expects finished goods holding days to remain at around levels of 26 days each for F.Y 2026-27.
iv. Consumable, Stores and packing materials	Consumables, stores and packing materials holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 3 days, 2 days and 6 days respectively. The temporary increase in F.Y. 2024-25 was on account of advance bulk purchases. The Company expects the holding period to normalize at 5 days for F.Y 2026-27.
Trade Receivables	Trade receivable days increased from 57 in FY 2022 to 95 in FY 2023, before easing to 81 in FY 2025. The sharp rise was primarily due to the company's decision to extend more lenient credit terms to drive sales growth and capture market share. While this strategy boosted revenues, it also led to higher working capital needs and longer cash conversion cycles. From FY 2024 onwards, the company introduced tighter collection practices, resulting in a moderation of receivable days. Looking ahead, the company intends to maintain receivable days at around 80, balancing customer support through flexible credit terms with the need to preserve strong cash flows for future growth.
Short-term Loans and Advances	Short-term loans and advances primarily comprise advances to suppliers, employees, and other operational advances. The balances stood at ₹416.17 lakhs, ₹739.59 lakhs, and ₹1,077.25 lakhs as at March 31, 2023, March 31, 2024, and March 31, 2025, respectively, reflecting a gradual increase in line with the expansion of operations. As at Feb. 28,2026, the balance was ₹1437.05lakhs, The Company expects these levels to remain stable, with marginal growth to ₹1,645.00 lakhs for FY 2026-27, respectively, in line with the overall increase in business volume.
Other Current Assets	Other current assets primarily comprise prepaid expenses and other recoverable. The balance of other current assets stood at ₹4.99 lakhs, ₹5.34 lakhs, and ₹6.77 lakhs as at March 31, 2023, March 31, 2024, and March 31, 2025, respectively, indicating a marginal increase in line with business expansion. For the stub period ended Feb. 28, 2026, the balance was ₹25.42 lakhs. The Company projects this to remain broadly stable at ₹7.00 lakhs for FY 2026-27, reflecting consistency in operational and administrative requirements. The level of other current assets is not material in relation to total current assets and is expected to remain steady over the projection period.
Current Liabilities	
Trade Payables	Trade payables holding days stood at 65 days, 56 days, and 48 days for FY2022, FY2023, and FY2025 respectively, reflecting a steady reduction over the years. This decline was primarily driven by improved cash flow management and a strategic shift towards quicker settlement of dues to strengthen supplier relationships. Going forward, the company plans to further reduce the trade payables period to around 40 days, capitalizing on early payment discounts offered by vendors. This move is aimed at enhancing

	profitability by lowering procurement costs, while continuing to maintain healthy supplier relationships and ensuring a more efficient cash flow cycle to support future growth.
Other Current Liabilities	Other Current Liabilities mainly include statutory dues, expenses payable to employees, interest accrued, and advances to suppliers of goods and capital machinery. Other current liabilities holding days for the F.Y. 2022-23, 2023-24 and 2024-25 were 7 days, 10 days and 16 days respectively. The increase in holding period over the years was primarily on account of timing of payments and accruals. The Company expects to maintain the holding period at around 7 days in F.Y. 2026-27.
Short term provisions	Short-term provisions include provision for income tax and provision for gratuity. Our short-term provisions holding period for the F.Y. 2022-23, 2023-24 and 2024-25 were 1 day, 1 day and 10 days respectively. The holding period has remained low due to timely settlements and efficient financial planning. Further, the Company anticipates maintaining the short-term provisions holding period at around 6 days for F.Y 2026-27.

As per the certificate dated July 09,2026, issued by our Statutory Auditors, V.V. Bhalla & Co., Chartered Accountants, have compiled and confirmed the working capital estimates and working capital projections.

3. Prepayment or repayment of a portion of certain outstanding borrowings availed by our Company

We propose to utilise an amount of Rs.2085.00 Lakhs from the Net Proceeds towards repayment or prepayment, of certain borrowings listed in the table below of which certain of the borrowings pertains to term loans availed by our Company. The NOC has been received from the lenders. The Net Proceeds utilized towards repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company and **will not be utilised for repayment of loan from promoter, promoter group or any related party, from the issue proceeds, whether directly or indirectly.** We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion in new projects. Our Company may avail further loans after the date of this Red Herring Prospectus and/or draw down further funds under existing loans. In addition, we believe that the strength of our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

In the event our Board deems appropriate prior to filing the Red Herring Prospectus. We may choose to repay, or pre-pay certain borrowings availed by us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing this Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. The amount allocated for the estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ prepaid in part or full by our Company in the subsequent fiscal. The selection of borrowings proposed to be repaid/prepaid by us shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (iv) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders and (v) provisions of any law, rules, regulations governing such borrowings. The following table provides details of certain borrowings availed by us which are outstanding as on August 11, 2026, out of which we may repay or prepay, in full or in part, any or all of the borrowings from the Net Proceeds:

(Rs. in Lakhs)

S. No.	***Lender Name***	***Type of Loan***	***Date of Sanction Letter***	***Date of First Disbursement***	***Purpose of Loan***	***Amount Sanctioned (₹ in Lakhs)***	***Tenure (months)***	***Interest Rate***	***Loan Amount Availed and Utilized (₹ in Lakhs)***	***Amount Outstanding 11.08.2026 (₹ in Lakhs)****	***Repayment from IPO Proceeds^***	***Terms & Conditions including Pre-payment Penalty***
1	*Aditya Birla Finance Limited*	*Unsecured Loan*	*14.09.2023*	*14.09.2023*	*Purchase of Fixed Assets*	*50.00*	*36*	*15.5%*	*50.00*	*3.42*	*3.42*	*-*
2	*Fedbank Financial Services Limited*	*Unsecured Loan*	*22.08.2023*	*22.08.2023*	*Purchase of Fixed Assets*	*30.00*	*36*	*15%*	*30.00*	*1.03*	*1.03*	*-*
3	*ICICI Bank Limited*	*Unsecured Loan*	*13.09.2023*	*13.09.2023*	*Purchase of Fixed Assets*	*50.00*	*36*	*15%*	*50.00*	*1.68*	*1.68*	*-*
4	*IDFC Bank Limited*	*Unsecured Loan*	*13.09.2023*	*13.09.2023*	*Purchase of Fixed Assets*	*76.50*	*36*	*15.5%*	*76.50*	*5.24*	*5.24*	*-*
5	*IndusInd Bank Limited*	*Unsecured Loan*	*07.09.2023*	*07.09.2023*	*Purchase of Fixed Assets*	*50.00*	*36*	*15.5%*	*50.00*	*1.61*	*1.61*	*-*
6	*L & T Financial Limited*	*Unsecured Loan*	*18.09.2023*	*18.09.2023*	*Purchase of Fixed Assets*	*50.10*	*36*	*16%*	*50.10*	*1.73*	*1.73*	*-*
7	*Tata Capital Financial Services Limited*	*Unsecured Loan*	*24.02.2025*	*24.02.2025*	*Working Capital*	*60.00*	*36*	*15.5%*	*60.00*	*35.09*	*35.09*	*-*
8	*Yes Bank Limited*	*Unsecured Loan*	*28.02.2025*	*28.02.2025*	*Working Capital*	*50.00*	*36*	*15.5%*	*50.00*	*29.11*	*29.11*	*-*
9	*Bajaj Finance Limited*	*Unsecured Loan*	*21.02.2025*	*21.02.2025*	*Working Capital*	*30.98*	*36*	*17%*	*30.98*	*18.28*	*18.28*	*-*
10	*Cholamandalam Investment and Finance Company Limited*	*Unsecured Loan*	*20.02.2025*	*20.02.2025*	*Working Capital*	*35.00*	*37*	*17%*	*35.00*	*20.66*	*20.66*	*-*

11	*Godrej Finance Limited*	*Unsecured Loan*	*20.02.2025*	*20.02.2025*	*Working Capital*	*40.80*	*48*	*16%*	*40.80*	*29.20*	*29.2*	*-*
12	*Hero FinCorp Limited*	*Unsecured Loan*	*26.02.2025*	*26.02.2025*	*Working Capital*	*40.42*	*36*	*16.5%*	*40.42*	*23.78*	*23.78*	*-*
13	*IIFL Finance Limited*	*Unsecured Loan*	*18.02.2025*	*18.02.2025*	*Working Capital*	*30.35*	*36*	*17%*	*30.35*	*16.58*	*16.58*	*-*
14	*Kisetsu Saison Finance (I) Private Limited*	*Unsecured Loan*	*25.02.2025*	*25.02.2025*	*Working Capital*	*28.40*	*30*	*16.5%*	*28.40*	*13.74*	*13.74*	*-*
15	*Piramal Finance Limited*	*Unsecured Loan*	*04.03.2025*	*04.03.2025*	*Working Capital*	*30.31*	*36*	*17%*	*30.31*	*17.89*	*17.89*	*-*
16	*Poonawalla Fincorp Limited*	*Unsecured Loan*	*17.02.2025*	*17.02.2025*	*Working Capital*	*40.79*	*36*	*17%*	*40.79*	*24.07*	*24.07*	*-*
17	*Shriram Finance Limited*	*Unsecured Loan*	*21.02.2025*	*21.02.2025*	*Working Capital*	*50.00*	*36*	*16.5%*	*50.00*	*29.43*	*29.43*	*-*
18	*HDFC Bank Limited*	*Secured Loan*	*20.12.2023*	*20.12.2023*	*Purchase of Fixed Assets*	*1,200.00*	*96*	*2.37% + Repo Rate*	*1,200.00*	*974.42*	*974.42*	*-*
19	*HDFC Bank Limited*	*Secured Loan*	*01.06.2022*	*01.06.2022*	*Working Capital*	*100.00*	*89*	*2.35% + Repo Rate*	*100.00*	*52.05*	*52.05*	*-*
20	*HDFC Bank Limited*	*Secured Loan*	*05.06.2024*	*05.06.2024*	*Working Capital*	*385.00*	*82*	*2.58% + Repo Rate*	*385.00*	*296.53*	*296.53*	*-*
21	*HDFC Bank Limited*	*Secured Loan*	*21.07.2023*	*21.07.2023*	*Working Capital*	*200.00*	*84*	*2.25% + Repo Rate*	*200.00*	*127.07*	*127.07*	*-*
22	*HDFC Bank Limited*	*Secured Loan*	*19.10.2022*	*19.10.2022*	*Working Capital*	*200.00*	*84*	*2.09% + Repo Rate*	*200.00*	*107.73*	*107.73*	*-*
23	*HDFC Bank Limited*	*Secured Loan*	*29.04.2023*	*29.04.2023*	*Working Capital*	*100.00*	*60*	*2.67% + Repo Rate*	*100.00*	*39.57*	*39.57*	*-*
24	*HDFC Bank Limited*	*Secured Loan*	*03.09.2025*	*03.09.2025*	*Purchase of Fixed Assets*	*200.00*	*84*	*2.75% + Repo Rate*	*157.00*	*154.41*	*154.41*	*-*
25	*HDFC Bank Limited*	*Secured Loan*	*15.02.2022*	*15.02.2022*	*Purchase of Fixed Assets*	*150.00*	*90*	*2.21% + Repo Rate*	*150.00*	*74.57*	*60.68*	*-*
	Total					***3278.65***			***3235.65***	***2098.89***	***2085.00***	*-*

There are no defaults in respect of payment of interest and/or principal of the loan in the prior 3 years.

**In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Company has obtained a certificate dated August 12, 2026, from our Statutory Auditor V.V. Bhalla & Co., Chartered Accountants, certifying the utilization of each loan for the purpose for which it was availed and the amount outstanding as on August 11, 2026.*

^ However, this amount may not be accurate as on the date when the Net Proceeds are deployed towards repayment of the borrowings, due to factors such as increase in the outstanding amount due to accrued interest or decrease in the outstanding amount due to repayment of instalments.

@ We hereby confirm that any prepayment penalty / charges arising on account of such repayment / prepayment of loans shall be met entirely from the Company's internal accruals / internal resources, and that no part of the IPO proceeds shall be utilized for the said purpose.

General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

As per Regulation 230 of the SEBI (ICDR) Regulations, 2018 the amount for general corporate purpose, as mentioned in the object of the issue in the draft offer documents shall not exceeds Fifteen per cent of the amount being raised by the issuer or Rs 10 crores whichever is less.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceeds 15% of the amount raised by our Company through this Issue or Rs 10 crores whichever is less and shall be in compliance with all applicable laws & regulations.

Issue Related Expenses

The estimated expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges, and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakh. The break-up of the same is as follows:

(Rs. In Lakh)

Particulars	**Amount**	**% of total estimated expenses**	**% of total Issue size**
Lead manager(s) fees including underwriting commission, advisors and other experts.	[●]	[●]	[●]
Brokerage, selling commission and upload fees.	[●]	[●]	[●]
Registrars to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Peer Review Auditor	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others, if any include Bankers to the Issue, Depository, certifications, miscellaneous, etc.	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

Notes:

Selling commission payable to the SCSBs on the portion of Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:

*Portion for Individual Bidders**	*0.10% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.10% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No processing/uploading charges shall be payable by our Company and the Selling Shareholder to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of NSE.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including

their sub-syndicate members), RTAs or CDPs from Individual Investors and Non-Institutional Investors (excluding UPI Bids) and submitted to the SCSBs for blocking as follows:

*Portion for Individual Bidders and Non- Institutional Bidders**	*₹ **10** per valid application (plus applicable taxes)*

**Based on valid ASBA Forms*

Processing fees payable to the SCSBs for capturing member of the Syndicate /Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non- Institutional Investors with bids above ₹500,000 would be ₹ 10 plus applicable taxes, per valid application.

Brokerage/ Selling Commission on the portion for Individual Investors and Non-Institutional Investors which are procured by the members of the Syndicate (including their sub-syndicate members), RTAs, CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows: -

Selling commission on the portion for Individual Bidders using the UPI mechanism, Non- Institutional Bidder which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

*Portion for Individual Bidders**	***0.10** % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	***0.10** % of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined:

i. *For Individual Bidders & Non-Institutional Bidders (up to ₹ 5.00 lakhs) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.*

ii. *For Non-Institutional Bidders (Bids above ₹ 5.00 lakhs) on the basis of the Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.*

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Uploading Charges (excluding UPI Bids):

Payable to members of the Syndicate (including their sub-Syndicate Members), on the applications made using 3-in-1 accounts, would be ₹10 plus applicable taxes, per valid application bid by the member of the Syndicate (including their sub-Syndicate Members),

Payable to the Registered Brokers on the portion for Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing would be ₹10/- per valid ASBA Form (plus applicable taxes).

Bid Uploading charges payable to the SCSBs on the portion of QIB and Non-Institutional Investors (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking and uploading would be ₹10 per valid application (plus applicable taxes)

Notwithstanding anything contained in (i) & (ii) above the total uploading fees and processing fees payable shall not exceed ₹ 2 lakhs (plus applicable taxes) and in case if the total uploading fees and processing fees exceed ₹ 2 lakhs (plus applicable taxes) then the uploading fees and processing fees will be paid on pro-rata basis.

The Bidding/uploading charges payable to the Syndicate/Sub-Syndicate Members, Registered Brokers, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate /Registered Brokers/ RTAs / CDPs (uploading charges)	*₹ 10 per valid application (plus applicable taxes)*
Axis Bank Limited	*Free upto 35,000 applications and over and above 35000 applications ₹6.5 per valid application (plus applicable taxes). The Sponsor Bank will be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for IIs and NIIs bids up to ₹ 5 lakhs will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022,read with SEBI master circular no. SEBI/HO/MIRSD/POD- 1/P/CIR/2023/70 dated May 17, 2023.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary, if any

Schedule of Implementation

We propose to deploy the Net Proceeds for the previously mentioned purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(Rs. in Lakh)

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment of the Net Proceeds
		2027
(a) Capital Expenditure	367.50	367.50
(b) Working Capital	1591.65	1591.65
(c) Debt Repayment	2085.00	2085.00
Total (a + b + c)	**4044.15**	**4044.15**

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

Deployment Of Funds

The Company has received the Sources and Deployment Funds Certificate dated July 09, 2026, from V.V. Bhalla & Co., Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs.17.91 Lakhs. Details of the deployment of funds for debt repayment as on, May 11,2026 as per the certificate dated July 09, 2026, from V.V. Bhalla & Co., Chartered Accountants are as follows:

(*Rs. in Lakh*)

Particulars	**Source of fund**	**Amount**
Issue Expenses	Internal Accrual	17.91

Total	**17.91**

Appraisal by Appraising Agency

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Interim Use of Funds

Pending utilization for the purposes described above, we shall keep the funds in a separate monitoring account with Standard Chartered Bank Limited, a scheduled commercial bank included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time and in compliance with all applicable laws & regulations, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

Monitoring Utilization of Funds

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018, if the issue size, excluding the size of the offer for sale by selling shareholders, exceeds ₹5,000 Lakhs, the issuer shall make arrangements for the use of proceeds of the issue to be monitored by a credit rating agency registered with the Board.

Further, as per Regulation 262(5), in an issue where the issuer is not required to appoint a monitoring agency under this regulation, the issuer shall submit a certificate of the statutory auditor for utilization of money raised through the public issue (excluding offer for sale by selling shareholders) to EMERGE exchange(s) while filing the quarterly financial results, till the issue proceeds are fully utilized.

Additionally, as per Regulation 262(6), in an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds ₹500 Lakhs, the issuer shall submit a certificate of the statutory auditor to EMERGE exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

As the Proceeds of the Issue exceeds benchmark ₹5,000 lakh, under the SEBI (ICDR) Regulations, 2018, it is mandatory for us to appoint a monitoring agency. The Company has appointed a monitoring agency to monitor the utilization of Issue proceeds at the RHP stage. The monitoring agency will oversee the utilization of funds as per the prescribed norms. Additionally, the Audit Committee of our Board will continue to monitor the utilization of Issue proceeds and the utilization of the Net Proceeds will be monitored by our Board and management through its Audit Committee. Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall disclose to the Audit Committee, on a half-yearly basis, the application of the proceeds of the Issue. On an annual basis, our Company will prepare a statement of funds utilized for purposes other than those stated in this Prospectus and present it to the Audit Committee. Such disclosures shall be made until the proceeds of the Issue have been fully utilized. This statement will be certified by the Statutory Auditors of our Company.

Pursuant to Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company shall submit a certificate from the Statutory Auditors to the exchange while filing the quarterly financial results, confirming the utilization of money raised through the Issue until the proceeds are fully utilized. Additionally, as one of the objects of the Issue is working capital and the amount raised for this purpose exceeds ₹500 lakh, our Company shall submit a certificate from the Statutory Auditors to the exchange while filing the quarterly financial results, certifying the utilization of funds for working capital in the same format as disclosed in this Prospectus until the proceeds raised for this purpose are fully utilized.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, our Group Companies or Key Managerial Personnel. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Directors, our Promoters, the members of our Promoter Group, the Key Managerial Personnel or our Group Companies in relation to the utilization of the Net Proceeds of the issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the issue as set out above, except in the normal course of business and as disclosed in the sections titled "***Our Promoters and Promoter Group***" and "***Our Management***" as mentioned on page 176 and 159 of this Red Herring Prospectus.

BASIS FOR ISSUE PRICE

*Investors should read the following summary with the "**Risk Factors**", the details about our Company under the "**Our Business**" and its financial statements under the "**Restated Financial Information**" beginning on page 17, page 123 and page 182 respectively of this Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment. All Accounting Ratios have been adjusted for the outstanding shares as on date of this Red Herring Prospectus.*

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

A. Qualitative Factors

Some of the qualitative factors, which form the basis for computing the price, are:

(a) A state-of-the-art manufacturing facility with advanced technology.
(b) Strategically located manufacturing unit enabling operational efficiency and cost advantages.
(c) Extensive experience and proven track record of the promoters.
(d) Experienced, aligned, and professional management team driving growth and governance.
(e) Long-standing and robust relationships with customers and suppliers.
(f) Established relationships with key clients ensuring recurring business.
(g) Comprehensive quality assurance and control systems to maintain product excellence.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "***Our Business***" beginning on page 123 of this Red Herring Prospectus.

Quantitative factors

The information presented in this section is derived from our Restated Financial Statements. For details, see "***Restated Financial Information***" on page 182 . Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

1. Basic & Diluted Earnings Per Share (EPS)*:

Financial Year	Basic/ Diluted EPS	Weight
	(Rs.)	(x)
2024-25	8.51	3
2023-24	1.41	2
2022-23	0.74	1
Weighted Average EPS (Rs.)	**4.86**	**6**
February 28 2026*	9.20	-

**Not Annualised*

Notes:

1. *The figures discussed above are based on the Restated Financial Statements of the Company.*
2. *The face value of each Equity Share is Rs.10.*
3. *EPS calculation has been done in accordance with Accounting Standard 20-Earning Per Share issued by The Institute of Chartered Accountant of India.*
4. *Basic and Diluted EPS= Restated profit for the year attributable to equity shareholders of the company divided by total weighted average number of Equity Shares outstanding at the end of the year.*
5. *Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.*

* (as adjusted for changes in capital).

2. Price to Earning (P/E) Ratio in relation to Price band of Rs. [●] to Rs. [●] per Equity Share

Particulars	EPS (In Rs.)	P/E Ratio at Floor Price (no. of times) *	P/E Ratio at Cap Price (no. of times) *
P/E ratio based on the Basic & Diluted EPS, as restated for FY 24-25	8.51	[●]	[●]
P/E ratio based on the Weighted Average EPS	4.86	[●]	[●]

** To be updated at Prospectus stage.*

3. Industry Price / Earning (P/E) Ratio

Currently, our Company has only one listed competitor, i.e. company engaged in comparative lines of business:

Particulars	P/E Ratio
Highest	4.69
Lowest	4.69
Average	4.69

Notes: P/E ratio has been computed based on the closing market price of equity shares on NSE as on June 17,2026, divided by the diluted EPS for the year ended March 31, 2026

4. Return on Net Worth (RONW)

Financial Year	RONW	Weight
	(%)	(x)
2024-25	37.42%	3
2023-24	10.49%	2
2022-23	6.21%	1
Weighted Average RONW	**23.24%**	**6**
February 28,2026*	28.33%	-

**Not Annualised*

Notes:

1. *The figures disclosed above are based on the Restated Financial Statements of our Company.*
2. *Return on net worth %= Restated profit attributable to equity shareholders of the company divided by net worth of the company as at the end of the year.*
3. *Net worth = Aggregate value of Equity Shares capital and other equity created out of profits, securities premium account and debit and credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the restated summary statement, but does not include reserves created out of revaluation of assets and write-back of depreciation.*
4. *Weighted average = Aggregate of year-wise weighted RONW divided by the aggregate of weights i.e. (RONW x Weight) for each year/Total of weights.*

5. Net Asset Value (NAV)*

Financial Year	NAV per Equity Share
	(Amounts in Rs.)
2024-25	22.75
2023-24	13.40
2022-23	11.99
NAV after the Issue (Cap Price) **	[●]
NAV after the Issue (Floor Price) **	[●]

Financial Year	NAV per Equity Share
February 28 2026*	32.47

**Not Annualised*

Notes:

1. *Net asset value per equity share is calculated as net worth as of the end of relevant period divided by the weighted average number of Equity Shares outstanding at the end of the year.*
2. *Net worth = Aggregate value of Equity Shares capital and other equity created out of profits, securities premium account and debit and credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the restated summary statement, but does not include reserves created out of revaluation of assets and write-back of depreciation.*
3. *Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.*

***** (as adjusted for changes in capital).

****** *To be updated at Prospectus stage.*

6. Comparison of Accounting Ratios with listed industry peers

Name	CMP	Face Value	Revenue	Basic EPS	Diluted EPS	Price to earnings	RONW	NAV per Equity Shares
Madhur Knit Crafts Limited*	[●]	10	17163.50	8.51	8.51	[●]	37.42%	22.31
Peer Group								
Kaytex Fabrics Ltd	60	10	16283.46	12.79	12.79	4.69	14.96%	79.27

** Financial information for the year ended March 31,2025*.

Source: All the financial information for listed industry peers mentioned above is on a Consolidated basis as available sourced from the financial Reports of the peer company uploaded on the NSE website for the year ended March 31, 2026

Notes:

1. *P/E Ratio has been computed based on the closing market price of Equity Shares on the NSE website on June 17, 2026, divided by the Diluted EPS.*
2. *RONW is computed as net profit after tax divided by the net worth. Net worth has been computed as the sum of share capital and reserves and surplus.*
3. *NAV is computed as net worth divided by the outstanding weighted number of Equity Shares during the period.*
4. *Listed peer are as identified by the management and relied upon by us, based on the following reasoning:*

a. *Similar to our company, Kaytex Fabrics Limited operates as a fabric manufacturer. They also manage the complete production process; from yarn to finished fabric.*

B. Price determination through Book-Building Process

The Issue Price of Rs. [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***", "***Management Discussion and Analysis of Financial Position and Results of Operations***" and "***Restated Financial Information***" on pages 17 ,123 ,191 and 182 , respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "***Risk Factors***" and you may lose all or part of your investments.

The Issue is a Book Built Issue and the pre-issue and price band for the same shall be published 2 working days before opening of the Issue in all editions of the English newspaper Financial Express, all editions of Hindi newspaper Jansatta and Regional newspaper Nawan Zamana where the registered office of the company is situated, each with wide circulation.

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book- building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameter.

C. Key Financial & Operational Performance Indicators (KPIs)

The KPIs disclosed and certified by the management have historically been utilized by our Company to evaluate and interpret business performance. These metrics assist in analysing the growth of various verticals and enable comparisons with industry peers.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 24, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that these KPIs are consistent with those previously disclosed to investors within the three years preceding the date of filing this RHP. Further, the KPIs herein have been certified by VV Bhalla and Co, Chartered Accountants, by their certificate dated July 09, 2026.

(iv) A list of our KPIs for the stub period ended on February 28,2026 and for the financial years ended 31 March 2025, 31 March 2024 and 31 March 2023.

(Amounts in Rs. Lakhs)

Key Performance Indicator	Madhur Knit Crafts Limited			
	28-Feb-26	31-Mar-25	31-Mar-24	31-Mar-23
GAAP Financial Measures				
Revenue from operations	19,469.05	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	*	58.36%	21.33%	15.41%
PAT	1,235.23	1,103.25	170.43	90.31
PAT Margin (%)	6.34%	6.43%	1.57%	1.01%
Net Worth	4,360.75	2,948.52	1,624.24	1,453.80
Debt	7354.14	6,719.98	5,778.53	3,417.53
Current Ratio	1.49	1.48	1.41	1.33
Debt-Equity Ratio	1.69	2.28	3.56	2.35
Non-GAAP Financial Measures				
EBITDA	2567.62	2,327.52	804.40	551.11
EBITDA Margin (%)	13.19%	13.56%	7.42%	6.17%
ROE (%)	28.33%	37.42%	10.49%	6.21%
ROCE (%)	31.11%	33.49%	13.09%	13.78%
Cash Profit after tax	1,478.00	1,340.45	349.00	254.78
Operating Cash flow	443.50	-255.82	-367.70	-4.78
Interest coverage Ratio	3.43	3.40	1.46	1.25
Operational Measures				
Trade Receivable Days	85	81	95	57
Trade Payable Days	79	48	56	65
Inventory Days	147	120	109	155
Cash Conversion Cycle	153	153	148	147

**Year on year comparison for the stub period not made.*

Notes:

- *Revenue from operations is the total revenue generated by our Company from the sale of products.*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*

- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.*
- *Operating Cash Flow is the restated cash flow of our operations.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 334 for the stub period ending February 2026).*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February 2026).*
- *Interest Coverage Ratio is calculated as Earning before interest and tax divided by Interest Expense for relevant financial period.*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.*

(iv) Explanation for KPI metrics

KPI	Description
GAAP Financial Measures	
Revenue from operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
Revenue Growth Year on Year	Revenue Growth measures the percentage increase or decrease in a company's revenue compared to the same period in the previous year.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Debt	Its shows the total borrowings that the company needs to repay over time.
Current Ratio	Current Ratio indicates the company's ability to meet its short-term obligations.
Debt-Equity Ratio	Debt- Equity Ratio shows the proportion of debt used to finance the company relative to equity. A higher ratio indicates higher financial risk.
Non-GAAP Financial Measures	
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
ROE (%)	ROE provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Cash Profit after tax	Cash Profit After Tax is the profit a company earns after paying taxes but adjusted to include non-cash expenses (like depreciation and amortization). It reflects the actual cash-based profitability rather than just accounting profit.
Operating Cash flow	Operating cash Flow reflects the company's ability to generate sufficient cash to maintain and grow operations, pay off debts, and reinvest in the business.
Operational Measures	
Trade Receivable Days	Trade receivable days show the average number of days a company takes to collect payments from its customers for goods or services sold on credit.
Trade Payable Days	Trade payable days indicate the average number of days a company takes to pay its suppliers for goods purchased on credit.
Cash Conversion Cycle	Cash Conversion Cycle helps in measures the time (in days) it takes for a company to convert its investments in inventory and other resources into cash flows from sales. It reflects the efficiency of a company's working capital management.

(v) Key Financial & Operational Performance Indicators (KPIs) in comparison to industry peers

(Rs. in Lakhs)

Key Performance Indicator	Madhur Knit Crafts Limited				Kaytex Fabrics Ltd			
	28-Feb-2026	31-Mar-25	31-Mar-24	31-Mar-23	28-Feb2026	31-Mar-25	31-Mar-24	31-Mar-23
GAAP Financial Measures								
Revenue from operations	19,469.05	17,163.50	10,838.45	8,932.70	NA	15,278.73	12,494.14	9,918.84
Year-on-year growth in Revenue from Operations	-*	58.36%	21.33%	15.41%	NA	22.29%	25.96%	20.58%
PAT	1,235.23	1,103.25	170.43	90.31	NA	1,690.47	1,130.80	559.14
PAT Margin (%)	6.34	6.43%	1.57%	1.01%	NA	11.06%	9.05%	5.64%
Net Worth	4,360.75	2,948.52	1,624.24	1,453.80	NA	5,007.20	3,354.73	2,113.65
Debt	7,354.14	6,719.98	5,778.53	3,417.53	NA	3,814.82	3,550.84	2,701.11
Current Ratio	1.49	1.48	1.41	1.33	NA	1.71	1.80	1.58
Debt-Equity Ratio	1.69	2.28	3.56	2s.35	NA	0.76	1.06	1.28
Non-GAAP Financial Measures								
EBITDA	2567.62	2,327.52	804.4	551.11	NA	3,006.22	2,242.60	1,278.83
EBITDA Margin (%)	13.11%	13.56%	7.42%	6.17%	NA	19.68%	17.95%	12.89%
ROE (%)	28.33%	37.42%	10.49%	6.21%	NA	33.76%	33.71%	26.45%
ROCE (%)	31.11%	33.49%	13.09%	13.78%	NA	37.07%	34.28%	27.52%
Cash Profit after tax	1,478.00	1,340.45	349	254.78	NA	2,113.02	1,469.48	751.22
Operating Cash flow	443.50	-255.82	-367.70	-4.78	NA	1,297.22	90.16	653.16
Interest coverage Ratio	3.43	3.40	1.46	1.25	NA	NA	NA	NA
Operational Measures								
Trade Receivable Days	85	81	95	57	NA	85	83	95
Trade Payable Days	79	48	56	65	NA	77	62	73
Inventory Days	147	120	109	155	NA	137	125	73
Cash Conversion Cycle	153	153	148	147	NA	145	146	95

**Year on year comparison for the stub period not made.*

Notes:

- *• Revenue from operations is the total revenue generated by our Company from the sale of products.*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*
- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.*
- *Operating Cash Flow is the restated cash flow of our operations.*
- *.Interest Coverage Ratio is calculated as Earning before interest and tax divided by Interest Expense for relevant financial period.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 334 for the stub period ending February, 2026).*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.*

The KPIs of our Company have been disclosed in the sections *"Our **Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** starting on pages 123 and 191, respectively.

(iv) We confirm that all Key Performance Indicators (KPIs) disclosed to investors over the past three years preceding the date of filing this Red Herring Prospectus (RHP) have been fully disclosed under the 'Basis for Issue Price' section of this document. These KPIs provide a comprehensive view of our operational and financial performance, ensuring consistency and transparency for prospective investors.

(v) The Audit Committee of the Company has reviewed and verified the KPIs disclosed in this document. The Committee confirms that these KPIs are consistent with those previously disclosed to investors within the three years preceding the date of filing this RHP. Furthermore, the Audit Committee ensures that the data has been audited and accurately reflects the company's performance, providing a reliable basis for determining the issue price.

D. Weighted Average cost of Acquisition

a. Price per share of our Company based on the primary issue of Shares

Other than mention below, there has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

S. No	Date of Allotment	Type of Issue	No. of Shares allotted	Face Value (INR)	Issue Price (INR)	Nature of Consideration	Nature of Allotment	Total Consideration
1	28.02.2026	Preferential	2,72,307	10	65	Cash	Preferential Allotment	1,76,99,955.00
Weight Average Cost of Acquisition-							65	

b. Price per share of our Company based on the secondary sale / acquisition of Shares

Other than mention below , there have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- issue share capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.-No such transactions during the 18 month preceding the signing date of this Red Herring Prospectus.

Date of Allotment	Type of Issue	No. of Shares allotted	Face Value (INR)	Issue Price (INR)	Nature of Consideration
NA	**NA**	**NA**	**NA**	**NA**	**NA**

c. Floor price and cap price as compared to weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) (b) and (c), shall be disclosed in the following manner:

Past Transaction	Weighted Average Cost of Acquisition (Rs.)	Floor Price Rs. [●]*	Cap Price Rs. [●]*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	65.00	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NA	[●]	[●]

Note:
**To be updated at Prospectus stage*

e) Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (b) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2025 , 2024, and 2023.

[●]*
**To be included on finalization of Price Band.*

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
M/s. Madhur Knit Crafts Limited,
Village Seera road, Ludhiana

Sub: Statement of Possible Special Tax Benefits Available to M/s. Madhur Knit Crafts Limited ("the Company") and its shareholders under direct and indirect tax laws

Dear Sirs,

We refer to the proposed initial public offering of Equity Shares (the "Offer") of the Company. We hereby confirm the enclosed herewith the annexure prepared and issued by the Company ("Statement"), showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962, the Customs Tariff Act, 1975, and Foreign Trade Policy 2023 (collectively the "Taxation Laws") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2026-27relevant to the financial year 2025-26for inclusion in the Red-herring Prospectus/ Prospectus ("Offer Document") for the proposed offer of Equity Shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management.. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits have been/would be met
3. the revenue authorities courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the offer document for the proposed public offer of Equity Shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the offering of Equity Shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).

Yours sincerely,

For VV Bhalla & Co.
Chartered Accountants
Firm Registration No: 002928N

Pankaj Bhalla
Partner
Membership No: 534281
Peer Review No: 017423

UDIN: 26534281NTCPBC1671
Date: 09th July, 2026
Place: Ludhiana

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Direct Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2025 i.e., applicable for Financial Year 2025-26relevant to the Assessment Year2026-27, presently in force in India

A. SPECIAL TAX BENEFITS TO THE COMPANY

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it will opt for Section 115BAA for the assessment year 2026-27

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Act for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain income(s)

A domestic company receiving dividend is eligible to claim deduction under section 80M of the Act on fulfilling certain conditions.

Where shares are held as capital assets for more than 12 months immediately preceding its date of transfer, then as per section 112A of the Act, long-term capital gains arising from transfer of an equity share through the recognized stock exchange, should be taxed at 12.5% (plus applicable surcharge and cess), without indexation benefit, subject to fulfillment of prescribed conditions under the Act. Tax shall be levied on capital gains exceeding INR 1,25,000.

Where shares are held as capital assets for 12 months or less, (as per Section 111A of the Act), short term capital gains arising inter alia from transfer of an equity share through the recognized stock exchange, should be taxed at 20% (plus applicable surcharge and cess) subject to fulfillment of prescribed conditions under the Act.

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be as per the provisions of the Act and it is further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the relevant country subject to entitlement.

Indirect Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017/ Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications (collectively the "GST act"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2023 ("FTP") (collectively referred as "Indirect Tax laws").

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company under indirect tax laws.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

Apart from above, the Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax laws.

SECTION IV: ABOUT THE COMPANY
OUR INDUSTRY

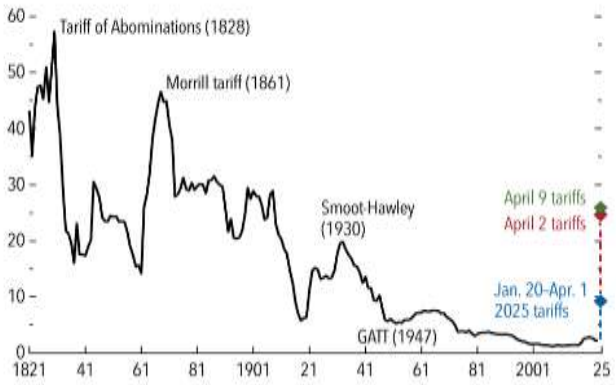
Disclaimer:

*The information presented in this section has been extracted from publicly available information, data, and statistics. This information, data, and statistics have been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue has verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "**Risk Factors**" and "**Financial Statements**" and related notes beginning on pages 17 and 182 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.*

Global Outlook:

Following an unprecedented series of shocks in the preceding years, global growth was stable yet underwhelming through 2024 and was projected to remain so in the January 2025 World Economic Outlook (WEO) Update. However, the landscape has changed as governments around the world reorder policy priorities. Since the release of the January 2025 WEO Update, a series of new tariff measures by the United States and countermeasures by its trading partners have been announced and implemented, ending up in near-universal US tariffs on April 2 and bringing effective tariff rates to levels not seen in a century (Figure ES.1). This on its own is a major negative shock to growth. The unpredictability with which these measures have been unfolding also has a negative impact on economic activity and the outlook and, at the same time, makes it more difficult than usual to make assumptions that would constitute a basis for an internally consistent and timely set of projections.

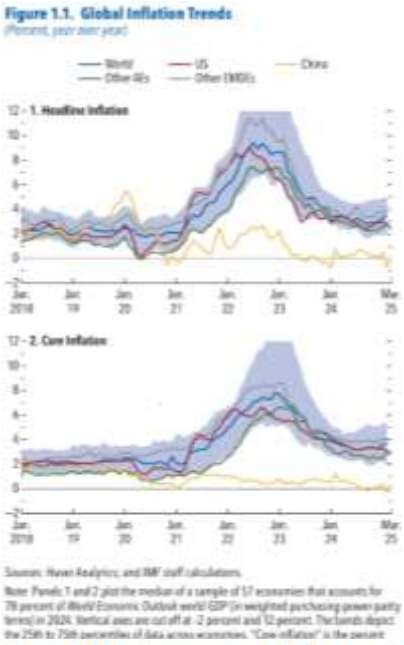
Figure ES.1. US Effective Tariff Rates on All Imports
(Percent)



The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity. Under the reference forecast that incorporates information as of April 4, global growth is projected to drop to 2.8 percent in 2025 and 3 percent in 2026—down from 3.3 percent for both years in the January 2025 WEO Update, corresponding to a cumulative down grade of 0.8 percentage point, and much below the historical (2000–19) average of 3.7 percent.

In the reference forecast, growth in advanced economies is projected to be 1.4 percent in 2025. Growth in the United States is expected to slow to 1.8 percent, a pace that is 0.9 percentage point lower relative to the projection in the January 2025 WEO Update, on account of greater policy uncertainty, trade tensions, and softer demand momentum, whereas growth in the euro area at 0.8 percent is expected to slow by 0.2 percentage point. In emerging market and developing economies, growth is expected to slow down to 3.7 percent in 2025 and 3.9 percent in 2026, with significant downgrades for countries affected most by recent trade measures, such as China. Global headline inflation is expected to decline at a pace that is slightly slower than what was expected in January, reaching 4.3 percent in 2025 and 3.6 percent in 2026, with notable upward revisions for advanced economies and slight downward revisions for emerging market and developing economies in 2025.

Intensifying downside risks dominate the outlook. Ratcheting up a trade war, along with even more elevated trade policy uncertainty, could further reduce near- and long-term growth, while eroded policy buffers weaken resilience to future shocks. Divergent and rapidly shifting policy stances or deteriorating sentiment could trigger additional repricing of assets beyond what took place after the announcement of sweeping US tariffs on April 2 and sharp adjustments in foreign exchange rates and capital flows, especially for economies already facing debt distress. Broader financial instability may ensue, including damage to the international monetary system. Demographic shifts and a shrinking foreign labor force may curb potential growth and threaten fiscal sustainability. The lingering effects of the recent cost-of-living crisis, coupled with depleted policy space and dim medium-term growth prospects, could reignite social unrest. The resilience shown by many large emerging market economies may be tested as servicing high debt levels becomes more challenging in unfavorable global financial conditions. More limited international development assistance may increase the pressure on low-income countries, pushing them deeper into debt or necessitating significant fiscal adjustments, with immediate consequences for growth and living standards. On the upside, a de-escalation from current tariff rates and new agreements providing clarity and stability in trade policies could lift global growth. The global economy is at a critical juncture. Signs of



decade (Figure

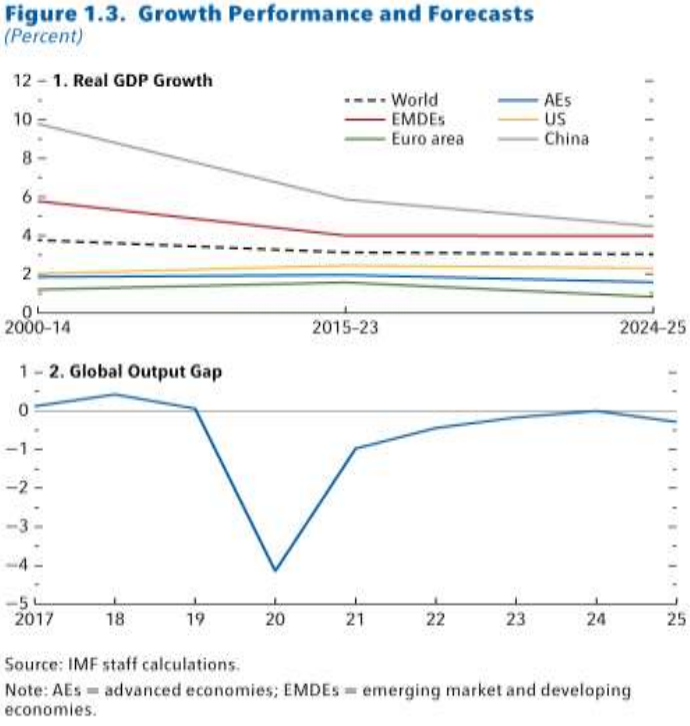
Labor pandemic and global

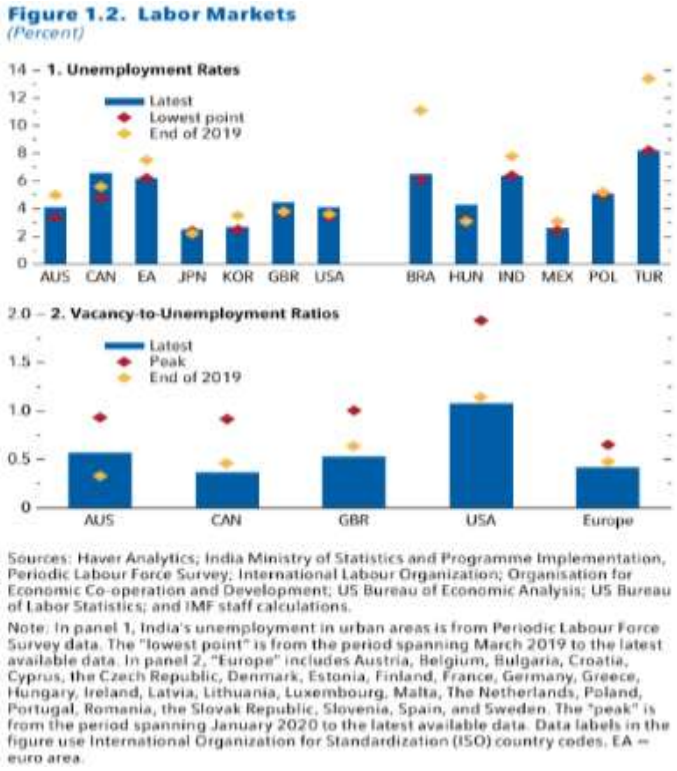
Recent quarter of (WEO) managers' investor to a have been have risen. upward in targets.

stabilization were emerging through much of 2024, after a prolonged and challenging period of unprecedented shocks. Inflation, down from multi highs, followed a gradual though bumpy decline toward central bank targets 1.1).

markets normalized, with unemployment and vacancy rates returning to pre- levels (Figure 1.2). Growth hovered around 3 percent in the past few years, output came close to potential (Figure 1.3).

data on real activity have been disappointing, with GDP growth in the fourth 2024 trailing the forecasts in the January 2025 World Economic Outlook Update. High-frequency indicators such as retail sales and purchasing surveys point to slowing growth. In the United States, consumer, business, and sentiment was optimistic at the beginning of the year but has recently shifted notably more pessimistic stance as uncertainty has taken hold and new tariffs announced. In labor markets, hiring has slowed in many countries, and layoffs Meanwhile, progress on disinflation has mostly stalled, and inflation has edged some cases, with an increasing number of countries exceeding their inflation Services inflation, though still on a downward trend, remains above levels





prior to the inflation surge, and core goods inflation has seen an uptick since November 2024. Trade has held up, but this is mostly because of an increase in Chinese exports and US imports at the end of 2024, with consumers and businesses likely front-loading ahead of tariffs that were anticipated back then and now are in place.

Domestic imbalances and policy gaps give rise to unbalanced growth while opening up potential fragilities. In some countries, such as China, growth in 2024 has been mainly supported by external demand. On the contrary, in the United States, private

consumption—
as a share of GDP has
fiscal deficit remains

Most countries are not
gaps are more
accommodative even
US economy was
on strong domestic
of 2.8 percent in 2024,
average. However, in
Consumer spending
subdued in February
with the decrease
consumption toward
recurring policy shifts
of the cyclical position
cyclical rebound, but
exception of Germany,
peaked in its largest
uncertainty have raised
consumption growth
Europe).
back of persistently
main growth driver,
countries, particularly
Germany versus Spain.
sector and its
finances, have been
economy, signs of a
gathering. This
demand, even as
property market

Table 1.1. Overview of the *World Economic Outlook* Reference Forecast
(Percent change, unless noted otherwise)

		Projections	
	2024	2025	2026
World Output	**3.3**	**2.8**	**3.0**
Advanced Economies	**1.8**	**1.4**	**1.5**
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Germany	-0.2	0.0	0.9
France	1.1	0.6	1.0
Italy	0.7	0.4	0.8
Spain	3.2	2.5	1.8
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Canada	1.5	1.4	1.6
Other Advanced Economies[2]	2.2	1.8	2.0
Emerging Market and Developing Economies	**4.3**	**3.7**	**3.9**
Emerging and Developing Asia	5.3	4.5	4.6
China	5.0	4.0	4.0
India[3]	6.5	6.2	6.3
Emerging and Developing Europe	3.4	2.1	2.1
Russia	4.1	1.5	0.9
Latin America and the Caribbean	2.4	2.0	2.4
Brazil	3.4	2.0	2.0
Mexico	1.5	-0.3	1.4
Middle East and Central Asia	2.4	3.0	3.5
Saudi Arabia	1.3	3.0	3.7
Sub-Saharan Africa	4.0	3.8	4.2
Nigeria	3.4	3.0	2.7
South Africa	0.6	1.0	1.3
Memorandum			
World Growth Based on Market Exchange Rates	2.8	2.3	2.4
European Union	1.1	1.2	1.5
ASEAN-5[4]	4.6	4.0	3.9
Middle East and North Africa	1.8	2.6	3.4
Emerging Market and Middle-Income Economies	4.3	3.7	3.8
Low-Income Developing Countries	4.0	4.2	5.2
World Trade Volume (goods and services)	**3.8**	**1.7**	**2.5**
Imports			
Advanced Economies	2.4	1.9	2.0
Emerging Market and Developing Economies	5.8	2.0	3.4
Exports			
Advanced Economies	2.1	1.2	2.0
Emerging Market and Developing Economies	6.7	1.6	3.0
Commodity Prices (US dollars)			
Oil[5]	-1.8	-15.5	-6.8
Nonfuel (average based on world commodity import weights)	3.7	4.4	0.2
World Consumer Prices[6]	**5.7**	**4.3**	**3.6**
Advanced Economies[7]	2.6	2.5	2.2
Emerging Market and Developing Economies[8]	7.7	5.5	4.6

Source: IMF staff estimates.

traditionally the major contributor to GDP growth—
reached its highest point during the 2020s, and the
historically large.

fully back to their inflation targets yet, but output
dispersed. In quite a few cases, fiscal policy remains
as monetary policy maintains a restrictive stance. The
operating above its potential in 2024, relying heavily
demand. Private consumption grew at an annual rate
in excess of its 2.4 percent historical (2000–19)
2025, signs of a potential reversal have emerged.
declined by 0.6 percent in January and remained
after expanding by 0.6 percent in December 2024,
likely reflecting a normalization of private
more sustainable levels and the negative impact of
on economic sentiment. This signals a deterioration
of the US economy. The euro area has been in a
domestic demand has been subdued and, with the
the contribution of consumption growth may have
economies. Weak consumer sentiment and elevated
precautionary saving while weighing down
(October 2024 Regional Economic Outlook:
Manufacturing activity has remained weak on the
higher energy prices, while services have been the
contributing to divergence among European
those relying more heavily on these sectors, notably
For China, prolonged weakness in the real estate
ramifications, including those for local government
key. When the pandemic seized the Chinese
downturn in the credit-fueled property market were
homegrown vulnerability has depressed domestic
policymakers have searched for measures to tackle
oversupply and bolster confidence. Indeed, consumer
confidence in China, after a decade of moving closely with that in the rest of the world, plunged in early 2022 and has not recovered. Rising trade tensions and new tariffs over the past years have also disproportionately affected the Chinese economy. The rebalancing of growth drivers from investment and net exports toward consumption has paused amid continuing deflationary pressures and high household saving. Construction and real estate activity remains subdued, whereas industry, trade, and transport have been robust.

The swift escalation of trade tensions has generated extremely high levels of policy ambiguity, making it more difficult than usual to establish a central global growth outlook. Therefore, this WEO presents a range of global growth projections. First is a "reference fore cast" based on measures announced as of April 4. This is what is presented in the tables of this report and the WEO database. Second, a pre–April 2 forecast (with a cutoff date of late March) incorporates all prior policy announcements and economic developments since the October 2024 WEO. Third, a post–April 9 model-based forecast is used to quantify the implications of the announced pause and associated additional exemptions, as well as the escalating tariff rates between China and the United States.

(Source: IMF - World Economic Outlook April 2025)

Indian Macro Introduction:

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP for FY25 is estimated at US$ 3.8 trillion with growth rate of 9.9%, compared to US$ 3.5 trillion in FY24. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY25. In FY25, India's exports stood at Rs. 37.31 lakh crore (US$ 433.56 billion), with Engineering Goods (26.88%), Petroleum Products (13.86%) and electronic goods (8.89%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing.

In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

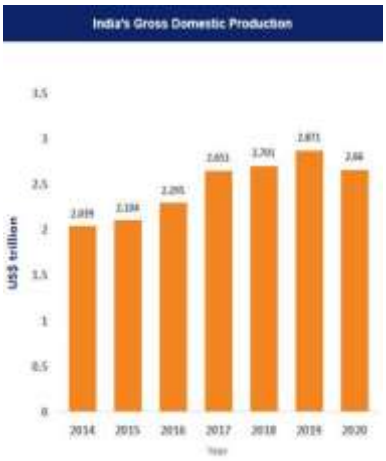
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size:

Real GDP for FY25 is estimated at Rs. 187.95 lakh crores (US$ 2.2 trillion) with growth rate of 6.5%, compared to Rs. 176.51 lakh crore (US$ 2.06 trillion) for FY24. As on Jan 2025, there are 118 unicorn startups in India, with a combined valuation of over Rs. 3.0 lakh crore (US$ 354 billion).

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. The Current Account Deficit (CAD) stood at Rs. 98,095 crore (US$ 11.5 billion) for Q3 of FY25 as compared to Rs. 88,712 crore (US$ 10.4 billion) in Q3 of FY24. This was largely due to increase in merchandise trade deficit.



Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US$ 1 trillion by 2030.

Recent Developments:

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- The HSBC India Manufacturing PMI increased to 58.4 in April 2025, up from 58.1 in March 2025, based on preliminary estimates. This rise signifies improved operating conditions and represents the most rapid growth pace observed in the past year. Contributing factors include a notable surge in new export orders, which experienced their most significant increase in over fifteen years, alongside a faster expansion in overall new business activity.
- In Q1 CY25, private equity (PE) and venture capital (VC) investments stood at Rs. 1,16,861 crore (US$ 13.7 billion) across 284 deals.
- India saw a robust 10.35% growth in passengers carried by domestic airlines at 431.98 lakh in FY25, from 391.46 lakh in FY24, according to the Directorate General of Civil Aviation (DGCA).
- As of April 18, 2025, India's foreign exchange reserves stood at Rs. 58,57,537 crore (US$ 686.70 billion).
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.84 lakh crore (US$ 21.57 billion) in February 2025.
- Between April 2000–December 2024, cumulative FDI equity inflows to India stood at Rs. 89.88 lakh crore (US$ 1.05 trillion).
- In February 2025, the overall IIP (Index of Industrial Production) stood at 151.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 141.9, 148.6 and 194.0, respectively.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.
- Foreign Institutional Investors (FII) inflows in FY25 were close to Rs. 1.27 lakh crore (US$ 14.89 billion), while Domestic Institutional Investors (DII) bought Rs. 6.00 lakh crore (US$ 70.34 billion) in the same period.
- India's wheat procurement rose 34% YoY, reaching 22.36 MT as of April 28, 2025, with target of 31 MT in sight. Strong MSP, bonuses, and robust crop output boost sales to government agencies, ensuring food security and potential for open market intervention.

Government Initiatives:

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US$ 383.93 billion) and Rs. 48.21 lakh crore (US$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

Road Ahead:

India's economy grew by 6.2% in Q3 FY25. Signs of recovery are now visible, with growth expected to rise to 7.6% in Q4 FY25—indicating a possible turnaround in the coming months. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10.0 % to Rs. 11.21 lakh crore (US$ 131.42 billion) over Rs. 10.18 lakh crore (US$ 119.34 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

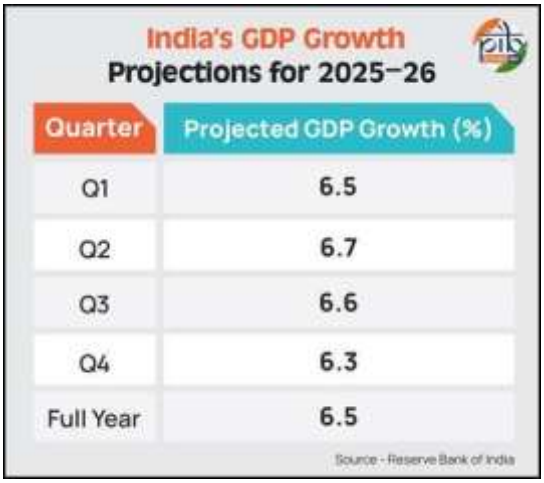
India's total exports of goods and services rose by 5.5% to a record Rs. 69.8 lakh crore (US$ 820.9 billion) in FY25, compared to Rs. 65.8 lakh crore (US$ 773.0 billion) in FY24.

With a reduction in port congestion, supply networks are being restored. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: IBEF)

- India's real and nominal GDP are expected to grow at 6.4% and 9.7% respectively in FY25 as per 1st Advanced Estimates.
- India's nominal GDP is projected to grow by 10.1% in FY26.
- Supported by the Supply-side measures from the Government retail inflation remained within inflation-band of 4±2 per cent in FY 2024-25 (April-December).
- RBI projects inflation at 4.6% in Q1 and 4.0% in Q2 of FY26.
- Fiscal Deficit targeted at 4.8 per cent of GDP for FY 2024-25 (RE 2024-25), on track to attain below 4.5 % in FY 2025-26.
- Capital expenditure of Rs. 11.21 lakh crore (3.1 per cent of GDP) earmarked in FY 2025-26.
- India's merchandise exports grew at 1.6 % (YoY basis) while services exports recorded growth of 11.6 % (YoY basis) in April-December 2024.
- India's Current Account Deficit (CAD) moderated to 1.2 % of GDP in Q2 FY25 against 1.3 % of GDP in Q2 FY24.
- Revenue Deficit is on declining trend, expected to reduce from 4.8 per cent of GDP in FY 2024-25 to 4.4 per cent of GDP in FY 2025-26.
- Central Government Debt to GDP ratio is estimated to decline to 56.1 in FY 2025-26 from 57.1 in FY 2024-25.
- FDI inflow witnessed revival in FY 2024-25, increased from USD 42.1 billion (in April-October of FY 2023-24) to USD 48.6 billion (in the same period of FY 2024-25).
- India's foreign exchange reserves estimated at USD 640.3 billion at the end of December 2024, sufficient to cover about 90 per cent of the country's external debt.

(Source: pib.gov.in)



The Reserve Bank of India has projected real GDP growth at 6.5 per cent for 2025–26, maintaining the same rate as estimated for 2024–25, following a strong expansion of 9.2 per cent in the preceding year. The quarterly projections stand at 6.5 per cent in Q1, 6.7 per cent in Q2, 6.6 per cent in Q3, and 6.3 per cent in Q4. This marks a downward revision of 20 basis points from the February estimate, reflecting heightened global volatility. Agriculture remains on a positive footing, supported by healthy reservoir levels and robust crop production, which is expected to sustain rural demand. Manufacturing is showing early signs of revival amid improved business sentiment, and the services sector continues to demonstrate resilience.

On the investment side, activity is gaining pace on the back of higher capacity utilisation, continued government focus on infrastructure, and strong balance sheets of banks and corporates. Easing financial conditions have also aided this recovery. While services exports are likely to remain steady, merchandise exports could face headwinds from global uncertainties and trade disruptions. Looking ahead, the RBI has projected real GDP growth at 6.7 per cent for 2026–27, suggesting continued recovery momentum.

Inflation Outlook

Headline inflation eased during January and February 2025, driven by a sharp decline in food prices. With uncertainties around the rabi crop largely resolved, and second advance estimates indicating record wheat output and higher pulse production than last year, food inflation is expected to soften further. This favourable trend is supported by robust kharif arrivals and a sharp fall in inflation expectations over the next three and twelve months, as reflected in recent surveys. The decline in crude oil prices has further strengthened the disinflationary outlook. Accordingly, Consumer Price Index (CPI) inflation for 2025–26 is projected at 4.0 per cent, with quarterly estimates at 3.6 per cent in Q1, 3.9 per cent in Q2, 3.8 per cent in Q3, and 4.4 per cent in Q4.

While the inflation outlook appears stable, global uncertainties and the possibility of weather-related supply shocks continue to pose upside risks to the inflation path. The Reserve Bank of India has assumed a normal monsoon in framing its projections, and it considers the risks to be evenly balanced at this stage.

External Sector Snapshot

- **Robust Services and Remittances:** Services exports remained strong in January–February 2025, led by software, business, and transportation services. Net services and remittance receipts are expected to remain in large surplus, cushioning the merchandise trade deficit.
- **Sustainable Current Account Deficit:** The current account deficit (CAD) for both 2024–25 and 2025–26 is projected to stay well within sustainable levels, supported by resilient external inflows.
- **Mixed Investment Flows:** While gross FDI remained strong due to stable macroeconomic fundamentals, net FDI moderated because of higher repatriations and outward investments. Net FPI inflows touched USD 1.7 billion in 2024–25, driven by debt inflows despite equity outflows.
- **Healthy Forex Reserves:** As of April 4, 2025, India's foreign exchange reserves stood at USD 676.3 billion, offering an import cover of nearly 11 months and reflecting the strength of the external sector.

Liquidity and Financial Market Conditions

- **Liquidity Shortage and RBI Intervention:** In January 2025, the banking system faced a shortage of funds, known as a liquidity deficit. To address this, the Reserve Bank of India (RBI) provided up to ₹3.1 lakh crore on 23rd January through the Liquidity Adjustment Facility (LAF) – a tool that allows banks to borrow money from the RBI for short periods to manage temporary mismatches in cash flow.
- **Improved Liquidity Position:** The RBI later infused about ₹6.9 lakh crore into the system, and increased government spending in late March helped further. These actions improved the situation, and by 7th April 2025, the system had a liquidity surplus of ₹1.5 lakh crore – meaning there was more money available in banks for lending and investment.
- **Softening of Market Rates:** With more liquidity available, the Weighted Average Call Rate (WACR) – the average interest rate at which banks lend to each other overnight – declined and hovered close to the repo rate, which is the interest rate at which the RBI lends money to commercial banks. This indicates stable short-term borrowing costs.
- **Lower Funding Costs in Debt Market:** The difference between interest rates on Commercial Papers (CPs) and Certificates of Deposit (CDs) – short-term borrowing instruments used by companies and banks – and the 91-day Treasury Bill – a short-term government security – reduced. This narrowing of spreads means that borrowing became cheaper in financial markets. The RBI has stated it will continue to monitor these conditions and take action as needed to maintain sufficient liquidity.

(Source: PIB, RBI)

Indian Textile Industry:

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

According to a top credit rating agency, the organised retail apparel sector is projected to achieve revenue growth of 8-10% in FY25, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons.

The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver. In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.
(Source: IBEF)

The textile and apparel industry contributes 2.3% to our GDP, 13% to industrial production, and 12% to exports. India exported textile items worth US$ 34.4 billion in 2023-24, with apparel constituting 42% of the export basket, followed by raw materials/semi-finished materials at 34% and finished non-apparel goods at 30%. It is also the second largest employment generators, after agriculture, with over 45 million people employed directly, including many women and the rural population. As further evidence of the inclusive nature of this industry, nearly 80% of its capacity is spread across Micro, Small and Medium Enterprises (MSME) clusters in the country.

The sector also has perfect alignment with the Government's overall objectives of Make in India, Skill India, Women's Empowerment, Rural Youth Employment and inclusive growth. The industry produces about 22,000 million pieces of garments per year, with the market size projected to reach US$ 350 billion by 2030, from the current $174 billion.

(Source: PIB)

Market Size:

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US$100 billion.

Textile manufacturing in India has been steadily recovering amid the pandemic. The manufacturing of textiles Index for the month of June 2024 is 106.

Global apparel market is expected to grow at a CAGR of around 8% to reach US$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US$ 1.2 trillion by 2030. India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reached US$ 23.32 billion in 2032 from US$ 10.78 billion in 2023.

The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US$ 1.17 million in 2022-23.

India's textile industry is on the brink of expansion, with total textile export projected to reach US$ 65 billion by FY26.

India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics. Total FDI inflows in the textiles sector stood at US$ 4.56 billion between April 2000 - September 2024.

Government Initiatives:

- The Indian government has come up with several export promotion policies for the textile sector. It has also allowed 100% FDI in the sector under the automatic route.
- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.
- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e-Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.
- In June 2023, the Government approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in the textile sector.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US$ 536.4 million). Out of this, Rs. 900 crore (US$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US$ 7.33 million) for Integrated Processing Development Scheme.
- Ministry of Textiles has sanctioned 19 research projects totalling approximately Rs. 21 crore (US$ 2.52 million) across various domains of Technical Textiles under the National Technical Textiles Mission.
- The Textile Ministry's allocation increases by 19%, rising from Rs. 4,417.03 crore (US$ 512 million) in 2024–25 to Rs. 5,272 crore (US$ 611 million) in 2025–26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- Defense Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms.
- The Government of India has increased the basic custom duty to 20% from 10% on 501 textile products to boost Make in India and indigenous production.

- In February 2024, an agreement was signed during the Bharat Tex event between the Textiles Committee, the Government e-Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) from the Department of Public Enterprises. This agreement is focused on encouraging the use of upcycled products created from textile waste and scrap.
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.

Advantages of Textile Industry in India:

- Robust Demand – Cotton production in India is projected to reach 7.2 million tonnes by 2030, driven by increasing demand from consumers. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 350 billion by 2030, with exports expected to reach US$100 billion. The total exports during April-October of FY25 stand at US$ 21.3 billion (Rs. 1,84,105 crore), with RMG (41%), Cotton Textiles (33%), and Man-Made Textiles (15%) as key contributors.
- Competitive Advantage – India enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers. In June 2022, Union Minister of Commerce and Industry, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs in the country. The sector provides employment to over 45 million people and produces about 22,000 million pieces of garments per year.
- Policy Support – 100% FDI (automatic route) is allowed in textiles. Production-Linked Incentive (PLI) Scheme worth Rs. 10,683 crore (US$ 1.44 billion) for manmade fibre and technical textiles over a five-year period. The Indian government has notified uniform goods and services tax rate at 12% on Man-Made Fabrics (MMF), MMF yarns and apparel, which came into effect from January 1, 2022. 1,83,844 beneficiaries trained across 1,880 centers under Samarth.
- Increasing Investments – In June 2023, Government approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in textile sector. Total FDI inflows in the textiles sector stood at US$ 4.56 billion between April 2000 - September 2024.

(Source - IBEF)

Opportunities:

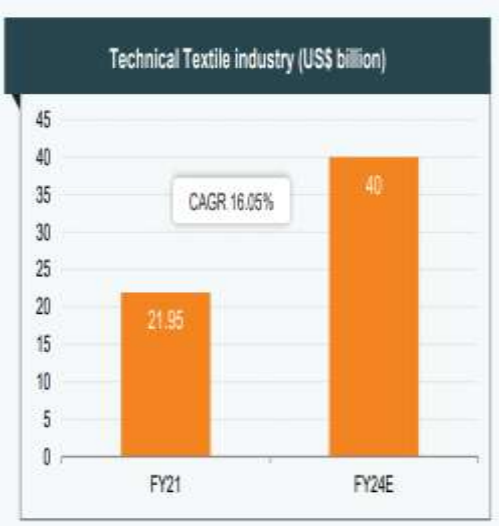
Immense growth potential –
- The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand.
- The textile and apparel industry is expected to grow to US$ 190 billion by FY26.

Union Budget 2025-26 –
- The Textile Ministry's allocation increases by 19%, rising from Rs. 4,417.03 crore (US$ 512 million) in 2024–25 to Rs. 5,272 crore (US$ 611 million) in 2025–26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.
- A five-year Cotton Mission is launched with an allocation of Rs. 600 crore (US$ 69.6 million) to boost extra-long staple (ELS) cotton productivity through science and technology support.
- The initiative promotes global agronomy best practices and clean cotton production to secure a steady raw material supply, reduce imports, enhance competitiveness, and improve farmer incomes.
- Two types of shuttle-less looms—Rapier looms (below 650 m/min) and Air Jet looms (below 1,000 m/min)—are fully exempted from customs duty (reduced from 7.5% to nil) to lower production costs and modernize technical textiles.
- The Basic Customs Duty on knitted fabrics is revised from "10% or 20%" to "20% or Rs. 115 per kg, whichever is higher," aimed at curbing cheap imports and supporting domestic manufacturers.
- Support for the handicrafts sector is strengthened by extending the duty-free export period to one year (extendable by three months) and adding nine new duty-free input items to reduce costs for exporters and promote traditional arts.
- Enhanced credit access and revised MSME classification, along with initiatives like the Bharat Trade Net digital platform, are introduced to support the predominantly MSME-driven textile industry.
- The budget allocates Rs. 1,148 crore (US$ 133.1 million) for the PLI Scheme to boost domestic manufacturing and exports, and Rs. 635 crore (US$ 73.6 million) for the Amended Technology Upgradation Fund Scheme to modernize textile machinery.

Foreign Investments –
- The Government is taking initiatives to attract foreign investment in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France.
- According to the new Draft of the National Textile Policy, the Government is planning to attract foreign investment and creating employment opportunities for 35 million people.
- India can become the one-stop sourcing destination for companies from Association of Southeast Asian Nations (ASEAN) as there exist several opportunities for textile manufacturing companies from 10-nation bloc to invest in India.

(Source - IBEF)

Technical textile industry – a new arena of growth in India:



- Technical textiles have been grouped into 12 categories: Agrotech, Meditech, Mobiltech, Packtech, Sportech, Buildtech, Clothtech, Hometech, Protech, Geotech, Oekotech and Indutech. Technical textile industries' major service offerings include thermal protection and blood-absorbing materials, seatbelts and adhesive tapes. Healthcare and infrastructure sectors are two major drivers of the technical textile industry.
- The Government has assigned 207 Harmonized System Nomenclature (HSN) to promote India's technical textile industry. As of November 2021, 377 technical textile products were developed according to the Bureau of Indian Standards (BIS).
- In June 2023, the Government has approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in the textile sector. 20 R&D Projects have been approved under the National Technical Textiles Mission in Geotech, Protech, Indutech, Sustainable Textiles, Sportech, Buildtech and Speciality Fibres.
- Under National Technical Textile Mission (NTTM), 74 research proposals valuing US$ 28.27 million (Rs. 232 crore) have been approved in the category of speciality fibre and technical textile. 31 new HSN codes have been developed in this space.
- The Indian government has notified a uniform GST rate of 12% on manmade fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect on January 1, 2022.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US$ 10 billion over the next three years.
- The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and the 5th largest technical textiles market in the world.
- The technical textiles market for automotive textiles is projected to increase to US$ 3.7 billion by 2027, from US$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US$ 2 billion in 2020 to US$ 3.3 billion in 2027.
- India's sportech industry is estimated around US$ 1.17 million in 2022-23.
- The central government has set a target to export Rs. 87,450 crore (US$ 10 billion) worth of technical textiles under its National Technical Textiles Mission.
- The Government of India has earmarked a corpus of Rs. 1,000 crore (US$ 127.72 million) dedicated to research and development of the technical textiles sector.
- Government introduced six additional courses for technical textiles in its skill development programme called Samarth.
- Exports for 247 technical textile items stood at Rs. 5,946 crore (US$ 715.48 million) between April-June (2023-24).

(Source - IBEF)

Scheme for 'Promoting of usage of Geotechnical Textiles' in NER:

Launched in 2014 with an outlay of Rs. 427 crore, the Scheme for 'Promoting of usage of Geotechnical Textiles' in NERaimed to enhance infrastructure in North Eastern States.Under the scheme, road projects, water reservoir projects, and slope stabilization projects were undertaken. It successfully improved infrastructure lifespan, reduced maintenance costs, and prevented water loss.The scheme was closed in FY 2023-24

Scheme for Research & Development in Textiles industry including Jute:

Scheme approved in the 12th Five Year Plan (2014-15 to 2018-19) with an outlay of Rs. 149 Crore having three major components viz.:

Component-I: Research and Development projects to be undertaken by reputed research agencies including TRAs, research laboratories, universities, industry associations etc. engaged in research in the textiles and allied sector (Outlay: Rs. 50 crore).

Component-II: Promotion of R&D in jute sector; transfer of technologies and dissemination activities in jute sector (Outlay: Rs. 80 crore)

National Technical Textile Machines

With a view to boost Technical Textiles in the country, National Technical Textiles Mission (NTTM) was created for a period from 2020 21 to 2025-26 with a fund outlay of Rs.1480 crore.The fund allotted is for research and development both fundamental and applied research in technical textile sector; and increasing penetration level of technical textiles through promotion and market development activities; create skilled and educated manpower in the field of technical textiles. The Mission has four components:

Component-I (Research, Innovation and Development):
This component promotes both (i) fundamental research at fibre level and (ii) application- based research in technical textiles. The total outlay for this component is Rs.l000 crore.A total of 168 research projects with cumulative cost of Rs. 509 crores (approx.) covering specialty fibres and composites, geo textiles, agro textiles, protective textiles, medical textiles, defence textiles, sports textiles, and environment friendly textiles have been approved under NTTM. Further, guidelines to support indigenous development of high end Machinery, equipment, tools and testing equipment for technical textiles in India and establish indigenous platform for domestic design, development and manufacturing has been issued. This guideline permits grant of fund to both Public and Private entities. 02 projects valuing Rs. 5.6 Crore (approx.) (Government Contribution) have been approved under these guidelines. Guidelines to support Start-ups in technical textiles with support upto Rs. 50 lakhs in the form of grant-in-aid have been issued. Further, 13 projects worth Rs. 5.96 cr (approx.) have been approved.

Component –II (Promotion and Market Development):
Under Component II of NTTM, with a view to promote Technical Textiles in the country various National / International conferences/ event/ workshops have been organized by the Ministry, which aimed to create awareness and demand for promotion and market development of Technical Textiles. A Demonstration Centre of Agro-tech at Navsari Agricultural University, Gujarat with The Synthetic and Art Silk Mills' Research Association (SASMIRA), Mumbai is also being set-up to demonstrate advantages of Agrotetxtiles. To ensure Quality and Standardization of the Technical Textile items, 68 items have been brought under regulation through issuance of Quality Control Order (QCO) in various segments, namely, 20 Geo-tech, 12 Protective Textiles items, 20 Agro Textiles items, 6 Medical Textiles items, 09 items under Ropes & Cordages and 01 item under Indutech textiles. 239 HSN Codes have been classified and notified as technical textiles in Appendix – V under ITC (HS) 2017, Schedule-I (Import Policy). Development of more than 600 BIS standards for Technical Textiles till date including 200+ standards for Technical Textiles since the inception of NTTM

Component – III (Export Promotion):

The component aims at export promotion of technical textiles ensuring ~10-12% average growth in exports per year. The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) [now MATEXIL] has been assigned the role of the Export Promotion Council for promotion of Technical Textiles.

Component- IV (Education, Training, Skill Development) :
With a goal to enhance the level of education of prospective Indian Engineers in Technical Textiles and to ensure adequate volume of talent is developed in the segment; (a) General Guidelines for Enabling of Academic Institutes in Technical Textiles- for Private & Public Institutes have been issued under NTTM in consultation with line Ministries. These Guidelines will enablepublic and private institutes in Development of New Technical Textiles Degree Programme (UG & PG), updating existing conventional degree programmes with new papers of Technical Textiles, up gradation of lab facilities and training of faculty towards developing eco system in technical textiles.32such proposals worth Rs. 191 Crores are approved under the ibid guidelines for up gradation of lab facilities and training of faculty towards developing eco-system in technical textiles.

Home textiles racing on favorable economic conditions:

- The Indian home textiles exports spurred from US$ 5.3 billion in CY17 to US$ 8 billion in CY22 at a CAGR of 7.1%.
- India's home textile industry expanded at a CAGR of 8.3% during 2014-21 and reached US$ 8.2 billion in 2021 from US$ 4.7 billion in 2014.
- India accounts for 4% of the global home textiles trade. The growth in home textiles is driven by growing household income, increasing population and growth of end use sectors like housing, hospitality, healthcare, etc.
- India's home textile exports increased at a healthy rate of 9% in FY21, despite the pandemic.
- Indian textile players have undertaken various initiatives to boost textile sales:
  - In May 2021, Indo Count Industries Ltd. (ICIL), announced an investment of Rs. 200 crore (US$ 26.9 million) to expand its production capacity.
  - For FY22, Welspun India has set aside Rs. 600 crore (US$ 80.62 million) for capital expenditure to complete expansion projects in its flooring, advanced textile and home textile business verticals.

- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL), announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion would involve a total investment of Rs. 65 crore (US$ 8.63 million).

- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.
- Home textile companies In India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.
- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.

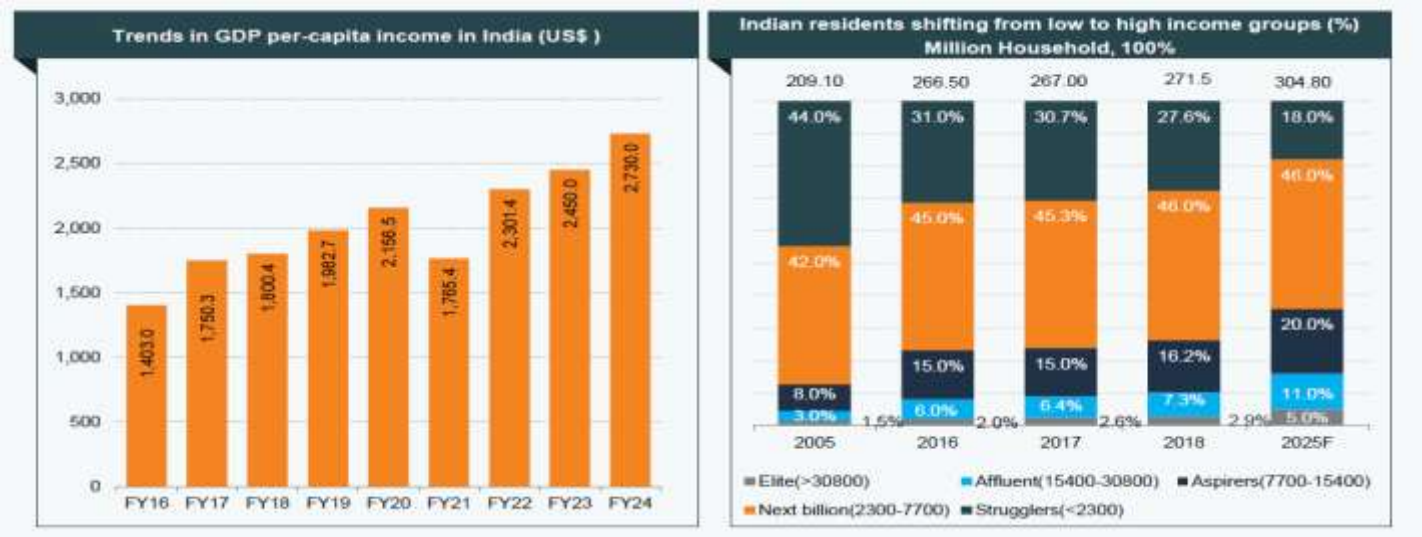
(Source - IBEF)

Steady growth in the textile manufacturing to aid growth:

- Textile manufacturing in India has been steadily recovering amid the pandemic.
- The seven mega textile parks announced in the Union Budget 2022-23 should attract investments.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs.8,675 crore (US$1.04 billion) in other parts of the state.
- While the government is working towards upliftment of technical and MMF textile companies by upscaling its infrastructure, it is also interesting to note that textiles will be added to the educational curriculum in the near future.
- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.
- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the government has plans to come up with a second PLI scheme for the garments and textile sector because the first scheme received a great response.

(Source - IBEF)

Rising incomes and a growing middle-class drive the demand:



- Rising income has been a key determinant of domestic demand for the sector; with income rising in the rural economy as well. The upward push on demand from rising income is set to continue.
- India's per capita income is likely to grow by nearly 70% to US$ 4,000 by FY 2030 from US$ 2,450 in fiscal 2023.
- Rising industrial activity would support the growth in per capita income.

(Source - IBEF)

Export have posted strong growth over the years:

Textile Exports (Between April-March (2022-23))

Commodities	Value (US$ million)
RMG of all Textiles	16,191
Cotton Yarn/Fabs./Made-ups/ Handloom Products	10,946
Manmade Yarn/Fabs./Made-ups	4,949
Handicrafts excl. Hand-made Carpet	1,689
Carpet	1,366
Jute Mfg. including Floor Covering	438

- During (April-March) 2022-23, the total exports of textiles stood at US$ 36.68 billion.
- Exports of textiles (RMG of all textiles, cotton yarns/fabrics/made-ups/handloom products, man-made yarns/ fabrics./made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US$ 44.4 billion in FY22.
- India's ready-made garment (RMG) exports are likely to surpass US$ 30 billion by 2027, growing at a CAGR of 12-13%.
- In July 2021, the government extended the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for exports of apparel/garments and made-ups until March 2021. This helped boost exports and enhance competitiveness in the labour-intensive textiles sector.
- In August 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs, Food and Public Distribution, Mr. Piyush Goyal, said that steps need to be taken to boost production capacities of the handloom sector from existing Rs. 60,000 crore (US$ 8.06 billion) to 125,000 crore (US$16.80 billion) in three years. He added that target must be set to increase exports of handloom items from existing Rs. 2,500 crore (US$ 335.92 million) to Rs. 10,000 crore (US$ 1.34 billion). He also announced that a committee would be constituted consisting of all weavers, trainer equipment makers, marketing experts and other stakeholders to recommend ways and means to achieve these objectives and enhance overall progress of the handloom sector.

(Source - IBEF)

India is the 6th largest exporter of Textiles & Apparel in the world. The share of textile and apparel (T&A) including handicrafts in India's total exports stands at a significant 8.21% in 2023-24. India has a share of 3.91% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are USA and EU and with around 47% share in total textile and apparel exports. The textile and apparel sector has witnessed significant export growth due to government incentives and trade agreements.

The government has taken several steps to enhance exports in textiles and apparels, including:

Rebate of State and Central Taxes and Levies (RoSCTL): On 7th March 2019, Government approved Rebate of State and Central Taxes and Levies (RoSCTL) Scheme to rebate all embedded State and Central taxes/levies on export of Apparel/Garments and Made-ups to provide support and enhance competitiveness of these sectors.

Production Linked Incentive (PLI) Scheme for Textiles: Under this scheme, as per the Quarterly Review Reports (QRRs) released on 31.03.2024, the turnover achieved was Rs. 1,355 crore including export of Rs.166 crore.

Free Trade Agreements: India has so far signed 14 Free Trade Agreements (FTAs) including recently concluded agreement with United Arab Emirates (UAE), Australia and TEPA (Trade and Economic Partnership Agreement) with EFTA (European Free Trade Association) countries comprising Switzerland, Iceland, Norway & Liechtenstein. India has 6 Preferential Trade Agreements (PTAs) with various trading partners. India is presently engaged in FTA negotiations with some of its trading partners notable among these FTAs are India-UK Free Trade Agreement, India- EU Free Trade Agreement, and India-Oman FTA.
Quality Control Orders: The Ministry has actively taken up notification of standards for textile products in co-ordination with Bureau of Indian Standards and Quality Control Orders (QCOs) are issued to regulate quality and curb sub-standard imports.

Textile Advisory Group on Man-Made Fibre (MMF): The Ministry has constituted a "Textile Advisory Group on Man-made Fibre (MMF)" comprising stakeholders of the country's entire Man-Made Fibre (MMF) including viscose to deliberate and make recommendations on the issues and concerns of the sector.

Exports Promotion Councils (EPCs): There are eleven Exports Promotion Councils (EPCs) representing various segments of the textiles & apparel value chain from Fibre to finished goods as well as traditional sectors like handloom, handicrafts and carpets. These Councils work in close cooperation with the Ministry of Textiles and other Ministries to promote the growth and export of their respective sectors in global markets.

(Source: PIB)

Road Ahead:

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US$ 3.7 billion by 2027, from US$ 2.4 billion in 2020.

Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US$ 2 billion in 2020 to US$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US$ 209 billion by 2029.

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OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "**Forward-Looking Statements**" for a discussion of the risks and uncertainties related to those statements and the section "**Risk Factors**" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the Twelve-month period that ended on March 31 of that year. In this section, a reference to the "Company" or "we", "us" or "our" means Madhur Knit Crafts Limited.*

*The financial information used in this section, unless otherwise stated, is derived from our restated financial information, as restated and prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations as included in this Red Herring Prospectus, including the information contained in the sections titled "**Risk Factors**" and "**Restated Financial Information**" beginning on pages 17 and 182 respectively.*

A. Primary Business

Madhur Knit Crafts Limited ("the Company") was originally incorporated on August 21, 1997, as a private limited company under the provisions of the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. In January 2025, the Company was converted into a public limited company pursuant to a shareholders' resolution passed at the Extra-Ordinary General Meeting held on January 22, 2025, and was consequently renamed Madhur Knit Crafts Limited.

The Company was founded by Mr. Arun Gupta along with his brothers – Mr. Rajesh Gupta, Mr. Ravi Gupta, and Mr. Vishnu Gupta – with the objective of becoming a textile manufacturer focused on product development and process efficiency. While incorporated in 1997, commercial operations commenced in 2013 with a focus on manufacturing blankets. Since then, the Company has grown into a diversified textile business offering a wide range of fabrics and garments. Although the Company has ventured into technical textiles, including paint roller fabrics that require precision processes such as chemical coating and lamination, revenue from these segments remains minimal, with the bulk of operations driven by consumer textile products.

Site photograph of our Registered Office & Manufacturing Unit

The Company's operations are strategically located in Ludhiana, a well-established textile hub, providing access to a reliable network of suppliers, raw materials (such as yarns), logistics service providers, and national distribution channels. This location ensures supply chain stability, smooth procurement, and timely dispatch of finished goods.

Over the years, the Company has transitioned from minimal processing to a fully integrated yarn-to-cloth manufacturing model, focusing on complete value addition from converting yarn into finished cloth and producing high-quality textile products.

Significant capital expenditures have been made in recent years to establish modern production facilities, enhancing production capacity, operational efficiency, and product quality. These investments have optimized production processes, reduced labor-intensive operations, and minimized maintenance costs. The Company's production infrastructure includes advanced machinery such as a PLC-controlled multi-chamber system with thermal oil heating (8 chambers), brushing machines, fabric embossing 3D punching machines, bonding machines, dyeing machines (4 units), shearing and printing machines, and a hydraulic lift for material handling.

The Company operates from a state-of-the-art manufacturing facility equipped with textile machinery imported from Korea, Taiwan, and China, supporting a wide range of processes including knitting, dyeing, printing, brushing, polishing, sueding, and stentering. These capabilities allow the Company to deliver diverse product solutions while maintaining quality standards in line with ISO 9001:2015 certification.

At Madhur Knit Crafts Limited, we are committed to maintaining high standards of environmental, health, and safety compliance across all operations. Our in-house Effluent Treatment Plant (ETP) treats wastewater generated during dyeing and processing to remove harmful contaminants before it is safely reused in select operations and for supporting natural vegetation. These practices reduce freshwater consumption and promote sustainable water management, reflecting the Company's commitment to responsible and eco-conscious manufacturing.

B. Incorporation, promoters, and registered office details

Madhur Knit Crafts Limited was originally incorporated as Madhur Knit Crafts Private Limited on August 21, 1997, under the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh. In January 2025, following a shareholders' resolution passed at the Extraordinary General Meeting held on January 22, 2025, our Company was converted into a public limited company and renamed Madhur Knit Crafts Limited. A fresh Certificate of Incorporation was issued by the Registrar of Companies, Chandigarh. The Corporate Identification Number of our Company is U17301PB1997PLC020381, and its registered office is located at Village Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India – 141007.

Our Company was founded by Mr. Arun Gupta, Mr. Rajesh Gupta, Mr. Ravi Gupta, and Mr. Vishnu Gupta. The present promoters of our Company are Arun Gupta, Piyush Gupta, and Chirag Gupta.

C. Plant and Machinery, Technology, Process

S. No	Machine*	No of Units	Description
1.	**Circular Knitting Machine**	9	Used to produce seamless knitted fabrics with high GSM flexibility, ideal for winterwear and fleece products.
2.	**Dyeing Machine**	1	High-pressure dyeing units ensure uniform coloration and durability across synthetic and blended fabrics.

3.	**Warp Knitting Machines** 	7	Enable production of strong, dimensionally stable fabrics for technical textile applications.
4.	**Flatbed Printing Machines** 	1	Used for printing patterns as per client-provided design printing in small to medium batch sizes.
5.	**Rotary Printing Machines :** 	1	Ideal for high-speed, continuous printing of repetitive designs on blankets and bulk fabrics.
6.	**Stenter Machines :**	2	Used for heat-setting and width stabilization, improving texture, shrinkage control, and final finish.

**Above mention list of machinery is only for illustrative purposes and not exhaustive in nature and are used for substantial transformation of the products and are critical for business operations. All machinery is owned by the Company, we do not operate any leased machinery.*

D. Information regarding licenses or patents or contracts

For detailed information regarding licenses or patents or material contracts, see chapter titled "***Government and Other Approvals***" on page 213.

E. Key markets that our company caters to

Our Company caters to end consumers with products such as blankets and winter textiles, providing high-quality, durable, and comfortable fabrics. It also supplies knitted fabrics suitable for apparel, fashion, and home textile segments, targeting retailers, wholesalers, and direct-to-consumer channels.

Madhur Knit Crafts serves industrial enterprises, manufacturers, and other institutional clients requiring customized textile solutions. Following a made-to-order production strategy, the Company initiates manufacturing only upon receipt of confirmed customer orders. This approach minimizes overproduction, avoids excess inventory, and ensures efficient use of raw materials. By aligning procurement and production with actual market demand, the Company optimizes working capital deployment, achieves high resource utilization, and maintains better financial control, particularly during peak or seasonal cycles, while consistently meeting specific quality and design requirements for its clients.

While primarily focused on the domestic Indian market, our Company leverages Ludhiana's status as a textile hub to ensure efficient supply chain management, reliable procurement of raw materials, and seamless distribution across the country.

F. Marketing description

Our Company markets its products and services through a combination of direct customer engagement, participation in established distribution networks, and long-term relationships with institutional buyers and intermediaries. Its sales approach is structured to address both consumer and industrial textile markets. Consumer-facing products such as blankets and winter wear are marketed primarily through wholesalers, distributors, and retailers located across key textile markets in India, while industrial and technical textiles are marketed to specialized customers through direct channels.

Our Company maintains a customer acquisition model based on repeat orders, customer references, and established networks in Ludhiana and other textile clusters. Marketing activities are supported by product samples, participation in trade exhibitions, and regular interactions with distributors and industrial clients to demonstrate product quality and performance.

For job work services, our Company markets its spare production capacity to third-party textile companies seeking cost-efficient outsourcing of processes such as dyeing, knitting, or finishing. This is facilitated by word-of-mouth referrals, existing customer relationships, and proximity to other textile businesses in Ludhiana.

Our Company's location enables regular physical interaction with customers, timely delivery, and alignment with seasonal demand cycles, thereby integrating marketing activities with operational and logistical strengths.

G. Collaborations

As on date of this Red Herring Prospectus, there are no collaboration by our Company.

F. Infrastructure and capacity utilization

Year	Installed Capacity (Annual in KGs)	Capacity Utilisation (Annual in KGS)	% of Capacity Utilisation
2022-2023	24,00,000	18,94,542	78.9
2023-2024	37,50,000	30,07,564	80.2
2024-2025	75,00,000	48,38,190	64.5
April 2025 to February 2026	75,00,000	52,31,250*	69.75

**Not annualised.*

The capacity utilization is based on the certificate issued by a Chartered Engineer, dated June 23,2026

H. Employees

The total strength of manpower as on February 28 2026 is 177 employees including our Directors and KMP. Category wise details are as under:

Sr. No.	Departments	No. of employees
1.	Finance and Accounts	11
2.	Administration and HR	30
3	Sales and Marketing	4
4	Office Support and Services Department	13
5	Production – Fabric Processing	68
6	Production – Garment Manufacturing	34
7	Quality Control Department	2
8	Stores and Inventory Management	8
9	Engineering and Maintenance	7
	Total	**177**

The following table presents the number of employees who left our Company each year, providing insights into workforce attrition trends and helping us assess areas for improvement in employee retention and engagement strategies.

Particulars	February 28,2026	For the Financial Year 2025	For the Financial Year 2024	For the Financial Year 2023
Total Employees at start	123	104	100	171
New Employees in the Current Period	95	66	52	43
Employees Left	41	47	48	114
Total Employees in Current Period	177	123	104	100
Attrition Rate (%)	27.33%	41.4%	47.1%	84.1%

Details of Employees Provident Fund and Employees State Insurance Corporation along with contribution are as follows:

Particulars	February 28 2026		March 31 2025		March 31 2024		March 31 2023	
	No of Employees Registered	Amt Paid (Rs. in Lakhs)	No of Employees Registered	Amt Paid (Rs. in Lakhs)	No of Employees Registered	Amt Paid (Rs. in Lakhs)	No of Employees Registered	Amt Paid (Rs. in Lakhs)
Employees Provident Fund	9	2.04	9	2.30	15	4.02	23	4.00
Employees State	25	1.58	25	1.62	35	2.25	35	1.89

Insurance Corporation								

As certified by the Statutory Auditor of our Company, i.e., V. V. Bhalla & Co, Chartered Accountants, vide certificate dated July 09,2026.

I. Important events of our company

For further information please refer to the chapter "***Our History and Other Corporate Matters***" on page no 155 of the company.

J. Revenue break-up from top 10 customers

Please refer the financial highlights of this chapter "***Our Business***" of the Red Herring Prospectus.

K. Financial highlights

Set forth below is the bifurcation of our revenue from operations

a. in terms of our product category:

(Rs. in Lakhs)

Particulars	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
Blanket	1,199.71	6.20	589.04	3.43%	552.76	5.10%	754.15	8.44%
Knitted Cloth	17,197.23	88.30	14,625.60	85.21%	8,253.03	76.15%	5,474.74	61.29%
Garments	182.39	0.90	1,107.53	6.45%	1,442.98	13.31%	2,227.83	24.94%
Job work	691.39	3.60	733.39	4.27%	525.84	4.85%	444.79	4.98%
Scrap	198.34	1.00	107.94	0.63%	63.84	0.59%	31.19	0.35%
Total	**19,469.05**	**100%**	**17,163.50**	**100.00%**	**10,838.45**	**100.00%**	**8,932.70**	**100.00%**

b. in terms of Geography wise Bifurcation

(Rs. in Lakhs)

Particulars	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
Domestic Sales	19469.05	100%	17,163.50	100.00%	10,838.45	100.00%	8,927.76	99.94%
Export Sales	0.00	0.00%	0.00	0.00%	0.00	0.00%	4.94	0.06%

c. in terms of multiple locations and geographies of India:

(Rs. in Lakhs)

Name of the State	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
Punjab	19,115.34	98.18%	16,140.48	94.04%	10,117.28	93.35%	8,160.86	91.36%
Rest of India	353.71	1.82%	1,023.02	5.96%	721.18	6.65%	771.84	8.64%

d. in terms of our Top 10, Top 5, Top 3 Customers:

(Rs. in Lakhs)

Particulars	**February 28, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
Top 1 Customer	1,161.38	5.97%	833.41	4.86%	1,174.36	10.84%	642.93	7.20%

Top 3 Customers	3,332.04	17.11%	2,422.59	14.11%	2,646.69	24.42%	1,761.75	19.72%
Top 5 Customers	4,840.90	24.86%	3,689.06	21.49%	3,296.28	30.41%	2,719.79	30.45%
Top 10 Customers	6,645.92	34.14%	5,861.53	34.15%	4,492.75	41.45%	4,332.58	48.50%

e. in terms of New and Retained Customer

(Rs. in Lakhs)

Particulars	**February 28, 2026**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**In %**	**Amount**	**In %**	**Amount**	**In %**	**Amount**	**In %**
New Customers	6,512.67	33.45%	3,912.01	23%	2,920.68	26.95%	1,422.49	15.92%
Retained Customers	12,956.38	66.55%	13,251.49	77%	7,917.78	73.05%	7,510.20	84.08%

f. in terms of Customers:

Particulars	**February 28, 2026**	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
No of Customer	412	497	418	366

Set forth below is the bifurcation of our expenses:

a.In terms of Outsourcing Expenses:

(Rs. in Lakhs)

Particulars	**February 28, 2026**	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
Job Work	70.16	184.42	53.10	13.54
Grey Fabric	7097.17	6,256.35	5,370.33	5,717.51
Total	**7167.33**	**6440.77**	**5423.44**	**5731.05**
% of revenue	**36.81%**	**37.53%**	**50.04%**	**64.16%**

L. Brief key financial performance indicators

(Rs. in Lakhs)

Key Performance Indicator	**Madhur Knit Crafts Limited**			
	28-Feb-26	**31-Mar-25**	**31-Mar-24**	**31-Mar-23**
GAAP Financial Measures				
Revenue from operations	19,469.05	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	-*	58.36%	21.33%	15.41%
PAT	1,235.23	1,103.25	170.43	90.31
PAT Margin (%)	6.34%	6.43%	1.57%	1.01%
Net Worth	4,360.75	2,948.52	1,624.24	1,453.80
Debt	7,354.14	6,719.98	5,778.53	3,417.53
Current Ratio	1.49	1.48	1.41	1.33
Debt-Equity Ratio	1.69	2.28	3.56	2.35
Non-GAAP Financial Measures				
EBITDA	2,567.62	2,327.52	804.40	551.11
EBITDA Margin (%)	13.19%	13.56%	7.42%	6.17%
ROE (%)	28.33%	37.42%	10.49%	6.21%
ROCE (%)	31.11%	33.49%	13.09%	13.78%
Cash Profit after tax	1,478.00	1,340.45	349.00	254.78
Operating Cash flow	443.50	-255.82	-367.70	-4.78
Interest coverage Ratio	3.43	3.40	1.46	1.25

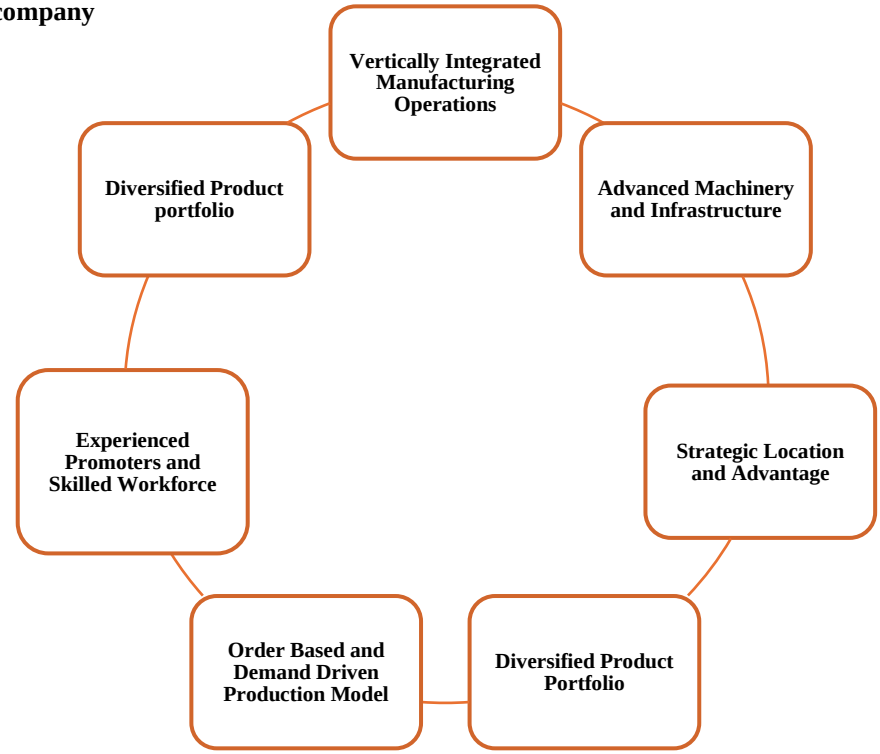
Operational Measures				
Trade Receivable Days	85	81	95	57
Trade Payable Days	79	48	56	65
Inventory Days	147	120	109	155
Cash Conversion Cycle	153	153	148	147

**Year on year comparison for the stub period not made.*

Notes:

- *Revenue from operations is the total revenue generated by our Company from the sale of products.*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*
- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Other Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.*
- *Operating Cash Flow is the cash flow of our operations.*
- *Interest Coverage Ratio is calculated as Earning before interest and tax divided by Interest Expense for relevant financial period.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 334 for the stub period ending February, 2026).*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.*

M. Strengths of our company



1. Vertically Integrated Manufacturing Operations

Madhur Knit Crafts Limited operates a fully integrated manufacturing facility that brings together all major textile processing stages, knitting, dyeing, printing, stentering, brushing, raising, and finishing, within a single production hub. This integrated setup allows our Company to manage the manufacturing process in-house, reducing dependency on external vendors, supporting production timelines, and enabling customization for made-to-order and technical textile products.

2. Advanced Machinery and Infrastructure

Our Company has strategically invested in state-of-the-art, high-speed textile machinery imported from technologically advanced countries such as Germany, Japan, South Korea, Taiwan, and China. These include circular knitting machines, high-pressure dyeing units, flatbed and rotary printers, stenter machines, and chemical coating units. This equipment supports mass production and the manufacture of textile products for specific performance requirements. The built-up manufacturing area of over 300,000 square feet ensures scalable operations, optimal layout planning, and high throughput efficiency.

3. Strategic Location Advantage

Situated in Ludhiana, Punjab, one of India's most prominent textile and hosiery hubs, Madhur Knit Crafts benefits from easy access to raw material suppliers, skilled labor, ancillary industries, and efficient logistics infrastructure. The proximity to local yarn distributors allows for just-in-time procurement, reduced lead times, and lower freight costs. Being located in a textile cluster provides access to local industry resources, vendor relationships, and market information.

4. Diversified Product Portfolio

Our Company's product range spans multiple textile categories including mink, woolen, fleece, and flannel blankets; knitted winterwear fabrics; and garment.. This diversification allows Madhur Knit Crafts to address both consumer and industrial markets, spread risk across multiple revenue streams, and respond flexibly to changing seasonal or economic conditions. The addition of technical textiles expands our Company's presence into an industrial segment with growing demand.

5. Order-Based and Demand-Driven Production Model

Our Company follows a made-to-order production strategy, wherein manufacturing is initiated only upon receipt of confirmed customer orders. This approach minimizes overproduction and avoids excess inventory, leading to efficient use of raw materials and optimized working capital deployment. The alignment of procurement and production with actual market demand ensures high resource utilization and better financial control, particularly during peak or seasonal cycles.

6. Robust Supplier and Distribution Network

Madhur Knit Crafts has cultivated a strong supplier base within Ludhiana and other textile-producing states, enabling consistent access to high-quality yarn and greige fabric. On the distribution side, our Company maintains a broad B2B network of dealers, wholesalers, and institutional. A limited retail footprint for finished products like blankets further enhances market coverage. This dual-channel structure ensures wide geographical reach and revenue diversification.

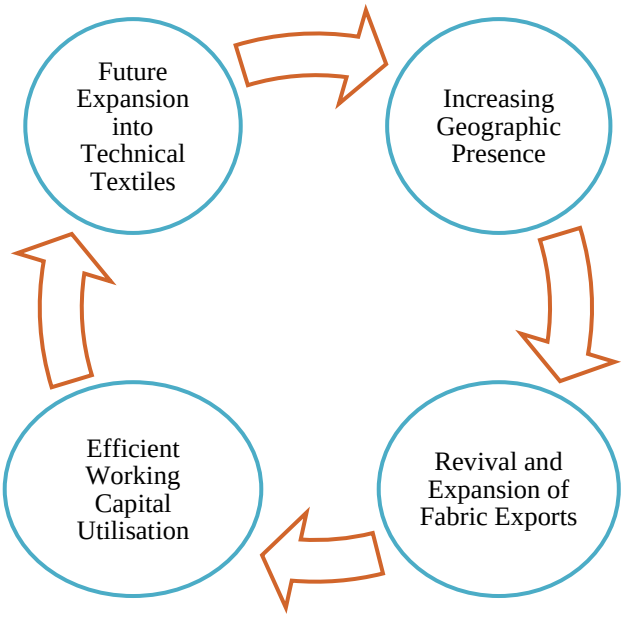
7. Experienced Promoters and Skilled Workforce

Our Company is promoted and led by Mr. Arun Gupta and his family, who bring decades of industry experience and strategic vision. Their long-standing presence in the textile sector has enabled our Company to establish strong vendor, distributor, and customer relationships. Supported by a professionally trained workforce and technical staff across all manufacturing and administrative functions, Madhur Knit Crafts is well-positioned to maintain high standards of productivity, innovation, and quality compliance.

8. Emphasis on Quality Assurance and Customization

Madhur Knit Crafts Limited places a strong emphasis on product quality, with quality checks conducted at every critical stage of the manufacturing process. Our Company is equipped to deliver fabrics tailored to specific customer requirements in terms of weight, blend, design, and finish. This capability allows us to serve B2B clients, including those in technical and performance textile categories. The Company's commitment to quality is reinforced by its ISO 9001:2015 certification, ensuring that all products meet stringent international standards.

N. Strategies of our company



1. Future Expansion into Technical Textiles to Boost Sales Volume

Our Company is pursuing expansion into the technical textiles segment, which caters to industrial applications and offers higher margin potential compared to traditional textile products. We aim to serve end-use sectors such as automotive, construction, home improvement, and healthcare, where demand for advanced performance fabrics is growing.

To support this diversification, our Company is investing in specialized machinery, chemical processing capabilities, and R&D, enabling the development of engineered textiles with properties such as high tensile strength, chemical resistance, thermal stability, and moisture control. This initiative is expected to enhance capacity utilization and strengthen our presence in both domestic and international markets.

While we have already ventured into technical textiles, including paint roller fabrics that require precision processes like chemical coating and lamination, the contribution from this segment remains limited at present. Our core operations continue to be driven by consumer textile products, with technical textiles representing a strategic growth avenue for the future.

2. Increasing Geographical Presence

As part of its long-term growth roadmap, Madhur Knit Crafts Limited intends to expand its market footprint across new domestic territories and global regions. The Company actively participates in trade fairs in the southern parts of India and seeks to further strengthen and broaden its presence in this region. To achieve this, the Company plans to actively target under-penetrated domestic markets through regional expansion of its B2B business network, and localized marketing initiatives. As part of this strategy, the Company also intends to introduce and sell its knitted apparel products more extensively in these southern markets.

3. Revival and Expansion of Fabric Exports

Recognizing the opportunity in global textile demand, Madhur Knit Crafts is strategically focused on reviving and expanding its fabric export operations**.** Our Company plans to allocate resources toward brand repositioning, export-specific marketing campaigns, and compliance readiness for international buyers. Key initiatives include enhancing customer service for overseas clients, optimizing lead times through efficient supply chain management, and building scalable distribution networks in export markets. By aligning with applicable quality standards and offering customized products, our Company intends to increase its presence in international trade.

4. Efficient Working Capital Utilisation to Avail Supplier Discounts

To enhance financial efficiency and improve supplier relationships, Madhur Knit Crafts Limited plans to optimize working capital utilization, particularly for yarn procurement. By ensuring faster turnaround of supplier payments, especially upfront payments, our Company becomes eligible for early payment discounts offered by vendors which is shall reduce raw material costs, maintain procurement consistency, and support production schedules.

N. Capacity and capacity utilisation

Please refer the section ***Infrastructure and capacity utilization*** *of this Chapter* ***Business Overview***

O. Products

<table>
<tr><th>Product Image</th><th>Description</th><th colspan="2">End-use industries</th></tr>
<tr><td rowspan="3"> </td><td rowspan="3">[1]Anti-pilling fabric is a type of textile that has been treated or engineered to resist the formation of small fibre balls (pills) on the surface caused by friction or washing. This Anti-pilling fabric is engineered to resist fibre ball formation during use. It is commonly used in garments like sweaters, sweatshirts, and active wear, as well as in blankets, upholstery, and technical textiles.</td><td> </td><td> </td></tr>
<tr><td>Fleece Jackets</td><td>Tracks Suits</td></tr>
<tr><td>
Home Textile Applications</td><td>
Bed Linen Sheets</td></tr>
<tr><td rowspan="3"> </td><td rowspan="3">Knitted fabrics are flexible, breathable textiles made by interlooping yarns using circular or flat knitting machines. Known for their softness, stretchability, and versatility, these fabrics are widely used in garments, home textiles, and industrial applications. At Madhur Knit Crafts Limited, we produce knitted fabrics tailored to seasonal and functional requirements.</td><td> </td><td> </td></tr>
<tr><td>Summer Shirts</td><td>Knitted Fabrics Blankets</td></tr>
<tr><td>
Knitted Industrial Gloves</td><td>
Knitted Cushion Covers</td></tr>
<tr><td> </td><td>[1]Sherpa Fabric is a type of textile designed to mimic the texture and insulating properties of natural sheepskin. It has a soft, fluffy, and fuzzy surface, which provides a cozy feel and is visually similar to fleece or wool.</td><td colspan="2">Sherpa fabric is used in jackets, blankets, hoodies, linings, and winter wear for its soft, fluffy texture that provides excellent warmth, comfort, and insulation.</td></tr>
<tr><td rowspan="2"></td><td rowspan="2">Blankets were the inaugural product line of our Company, marking the commencement of its commercial manufacturing operations. Designed for optimal thermal insulation and comfort, they cater to both winter and semi-winter</td><td>
Mink Blanket</td><td>
Fleece Blanket</td></tr>
</table>

	market segments. Manufactured using advanced textile processes, these blankets are manufactured to meet customer specifications for comfort and seasonal usage.		
		Woolen Blanket	**Flannel Blanket**

1.The Company classifies anti-pilling and sherpa fabrics under the knitted fabrics segment for the purpose of revenue bifurcation.

P. Raw materials

a. Description of the raw materials utilized for the products produced

Products	Description
Anti-pilling Fabric	The Company primarily uses polyester yarn, spun yarn, acrylic yarn, and various other man-made yarns, along with cotton and polyester-cotton blended yarns. The type and composition of yarn utilized varies according to specific customer requirements for each product, enabling the Company to deliver customized textile solutions tailored to client needs.
Knitted Fabrics	
Sherpa Fabric	
Blankets	
Paint Roller Fabrics	

b. is State Wise Bifurcation of Raw Materials Domestic purchased for the preceding three financial years

(Rs. in Lakhs)

Name of State	February 28, 2026		FY 24-25		FY 23-24		FY 22-23	
	Amt	In %	Amt	In %	Amt	In %	Amt	In %
Haryana	71.19	0.44%	59.75	0.45%	48.76	0.66%	0.00	0.00%
Punjab	15,959.01	99.29%	13251.13	98.76%	7275.98	98.17%	7397.92	99.42%
Uttarakhand	1.88	0.01%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Delhi	0.00	0.00%	7.88	0.06%	0.00	0.00%	0.00	0.00%
U.P.	36.18	0.23%	99.19	0.74%	87.20	1.18%	12.43	0.17%
Tamil Nadu	4.43	0.03%	0.00	0.00%	0.00	0.00%	2.10	0.03%
Rajasthan	0.00	0.00%	0.00	0.00%	0.00	0.00%	28.36	0.38%
Total	**16072.69**	**100.00%**	**13417.94**	**100.00%**	**7411.94**	**100.00%**	**7440.81**	**100.00%**

c. Details of the Top 10 Raw Material Suppliers

(Rs. in Lakhs)

Particulars	February 28, 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Top 3 Supplier	4,896.25	30.48%	4,662.27	34.70%	2,049.85	27.46%	4,785.30	29.70%
Top 5 Supplier	6,516.15	40.56%	5,748.91	42.79%	2,664.34	35.69%	3,185.33	42.60%
Top 10 Supplier	8,412.03	52.37%	7,286.64	54.23%	3,853.58	51.61 %	4,785.30	64.00%

d. **Details about raw material procurement**

Procurement Process for Yarn

Our company's operations commence with the procurement of yarn; the principal raw material used across our manufacturing verticals. Our Company is located in Ludhiana, a hub for winter and semi-winter textile products, which facilitates sourcing. The region offers a well-developed ecosystem for yarn trading, enabling easy access to quality raw materials and ensuring smooth procurement operations with minimal lead times or supply disruptions. Rather than relying on a single vendor, we have established a diversified supplier base, which enhances our operational resilience, especially during peak production periods. This multi-supplier model also strengthens our bargaining position and allows for flexible procurement volumes based on order flow.

To further optimize resource utilization, our procurement strategy is closely aligned with an order-based production system. Yarn purchases are initiated only upon the receipt of confirmed customer orders, ensuring raw material intake is directly tied to actual production requirements. This just-in-time approach minimizes excess inventory, reduces storage overhead, and improves working capital efficiency. By integrating procurement planning with production schedules, we are able to maintain tight control over input costs while supporting our Company's broader goals of financial discipline and operational agility.

1. Order-Based Requirement Identification

Yarn procurement is initiated only upon receipt of confirmed customer orders. The production planning team analyses the order specifications, including fabric type, blend, weight, and colour to determine the precise yarn requirements. This ensures alignment between procurement and production, eliminating the need for surplus inventory and reducing working capital deployment.

2. Supplier Coordination

Once requirements are finalized, the procurement team engages with a network of pre-approved local yarn distributors based in Ludhiana. These vendors are selected based on their reliability, quality consistency, and responsiveness. The team obtains quotations, checks for availability, and negotiates commercial terms where necessary.

3. Quality Assessment

For new suppliers or yarns with specialized specifications, sample lots are requested for thorough technical evaluation. These samples are tested against critical parameters including tensile strength, colorfastness, uniformity, and compatibility with the designated knitting process. Only materials that meet our Company's stringent quality standards are approved for procurement. In cases where the yarn does not meet the required criteria, it is formally returned to the supplier.

4. Purchase Order Placement

Following supplier selection and quality approval (if applicable), a formal purchase order is issued. This document outlines detailed specifications, quantities, agreed rates, delivery timelines, and payment terms. The purchase order also serves as a contractual agreement, ensuring transparency and accountability.

5. Inbound Logistics & Delivery

The logistics team coordinates with suppliers to ensure timely dispatch and delivery of yarn to our Company's manufacturing facility. Deliveries are scheduled in alignment with the production timeline to maintain smooth workflow continuity and prevent bottlenecks.

6. Material Verification

Upon arrival at the plant, the yarn undergoes a comprehensive quality check and verification process. The incoming material is inspected for conformity with the order specifications and approved sample standards. Batches that meet the required criteria are

cleared for immediate use in production. However, if the yarn fails to meet the quality standards, it is rejected and returned to the supplier, with discrepancies duly reported and addressed.

Q. Manufacturing Process

Manufacturing Process for Anti Pilling Fabrics

Step 1: Knitting

The process begins with knitting, where yarns are interlooped using circular or flat knitting machines to create fabric. This knitted fabric serves as the base material for further processing. The choice of yarn and knitting technique significantly influences the fabric's texture, strength, and stretch.

Step 2: Heat Setting

In this step, the knitted fabric is subjected to controlled heat in a stenter machine. Heat setting stabilizes the fabric dimensions, reduces shrinkage, and prepares the fabric structure for improved chemical absorption in later stages. It also helps reduce fabric distortion and curling, especially in synthetic and blended fibers.

Step 3: Sueding

The fabric undergoes sueding (also called peach finishing), where fine abrasive rollers gently brush the surface to raise short fibers, creating a soft, velvety texture. This enhances fabric comfort and appearance, and also improves the anchoring of antipilling agents applied later.

Step 4: Antipilling Chemical Coating

At this stage, the fabric is treated with antipilling agents, usually polymers or resins, that form a thin protective layer on fiber surfaces. These chemicals bind loose fibers and reduce the tendency of fibers to break and form pills when exposed to friction or abrasion during use.

Step 5: Drying

After coating, the fabric passes through a drying chamber (usually within the stenter or a separate dryer) to cure the antipilling treatment and remove moisture. Proper drying ensures that the chemical finishes bond securely with the fibers for lasting effectiveness.

Step 6: Compaction

The dried fabric is compacted using a compactor machine to control shrinkage and bring the fabric to the desired final width and thickness. This step also improves the fabric's feel and dimensional stability, ensuring increased consistency in the finished textile product.

Step 7: Quality Check & Finishing

The final fabric undergoes a rigorous quality control inspection, where it is checked for surface smoothness, pilling resistance, color consistency, and physical properties like GSM and width. The finished antipilling fabric is then rolled, packaged, and made ready for shipment or further conversion (e.g., into garments or industrial products).

Manufacturing Process for Knitted Fabrics

Step 1: Knitting

Yarn is converted into fabric through interlooping using circular or flat knitting machines. This creates the base structure of the textile known as greige fabric.

Step 2: Dyeing

The greige fabric is dyed using desired colors in dyeing machines, ensuring uniform color penetration and shade consistency throughout the fabric roll.

Step 3: Hydro (Hydro-Extraction)

Post-dyeing, excess water is removed from the fabric using a hydro-extractor machine that uses centrifugal force to reduce moisture content before further processing.

Step 4: Poly Dyeing

This step involves additional dyeing specifically for polyester-blended fabrics, ensuring proper color fixation and durability in synthetic fibers.

Step 5: Packing & Dispatch

The finished fabric is inspected, folded or rolled, packed according to client requirements, and dispatched for delivery.

Manufacturing process of Sherpa:

Step 1: Knitting

The process begins with knitting yarn into fabric, which forms the foundational layer of Sherpa material. Knitting is performed using circular or warp knitting machines that interloop the yarn into a stretchy, soft, and breathable textile. This knitted base provides flexibility, comfort, and a slight natural stretch, which are essential for Sherpa's intended applications like warm clothing and home furnishings.

Step 2: Dyeing

After the fabric is knitted, it moves on to the dyeing stage, where it is infused with color as per the order specification. This involves immersing the fabric in dye solutions and treating it under controlled temperatures. Dyeing helps achieve uniform coloration and is tailored to customer needs, ranging from natural shades like beige or white to vibrant colors. Proper dyeing is crucial not only for appearance but also for color fastness, ensuring that the fabric does not bleed or fade with use.

Step 3: Stenter (First Time)

Once dyed, the fabric is passed through a stenter machine, which stretches the material to align it and sets its width and structure using heat. This thermal process stabilizes the fabric and helps maintain dimensional accuracy. Essentially, it "locks in" the fabric's shape, preventing unwanted shrinkage or distortion later during brushing or printing. This is an important pre-treatment before additional enhancements.

Step 4: Printing

In the next step, the fabric undergoes printing, where various patterns or textures are applied depending on the final product's design. Specialized printing machines are used to create detailed motifs, logos, or textures on the surface. This can range from simple solid prints to complex multi-color designs. For Sherpa, printing may also mimic the look of natural fleece or add visual appeal for fashion garments and accessories.

Step 5: Ager (Color Fixation)

After printing, the fabric is placed in an Ager machine, where it is steamed at high temperatures. The purpose of this step is to fix the dyes and pigments applied during printing into the fibers of the fabric. Steaming locks the color and design, fixes dyes onto the fabric to minimize color loss during washing, bleed, or wear off easily during further processing or in end-use.

Step 6: Stenter (Second Time)

Post-steaming, the fabric is again passed through a stenter. This second round ensures that any dimensional changes caused during printing and steaming are corrected. It further improves fabric stability, softens the texture, and prepares it for mechanical surface treatments like brushing and raising. Maintaining fabric width and shape at this stage is critical for uniform processing in the next steps.

Step 7: Brushing

The fabric now enters the brushing stage, where wire-covered rollers gently brush the surface to raise its fibers. This gives the Sherpa fabric its signature soft and fluffy feel, similar to fleece. The brushing enhances warmth and comfort by increasing the air-trapping capacity of the fabric. This tactile improvement is vital for Sherpa's application in winterwear and soft home textiles.

Step 8: Raising

Following brushing, raising machines lift the fibers even more intensively. This is done using rollers equipped with fine hooks that pull up fibers from the base fabric, creating a plush, deep-pile texture that mimics wool or sheepskin. Raising further boosts the thermal insulation and luxurious softness Sherpa is known for. It's one of the most defining processes in the entire manufacturing chain.

Step 9: Poly Cutting

At this point, any excess polyester filaments or uneven threads are trimmed off using poly cutting machines. This step refines the look of the fabric and removes excess filaments to prepare fabric for finishing. It also prepares the fabric for final finishing processes. By removing loose or hanging fibers, poly cutting improves both the visual appeal and the usability of the material.

Step 10: Tumbler (Finishing)

The final process is tumbling, where the fabric is placed in a rotating machine to soften it even further. This mechanical action helps in relaxing the fibers, enhancing drape, and removing any remaining surface stiffness. It also completes the softening process for consistent texture. After tumbling, the Sherpa fabric is ready for dispatch, quality-checked, and packaged for shipment.

Step 11: Final Product Out for Dispatch

Once all the above steps are completed, the Sherpa fabric is rolled, labeled, and packed for delivery to customers. At this stage, the fabric is ready to be used in jackets, hoodies, baby blankets, home décor, and other cozy, warm products.

<u>Manufacturing process of blankets:</u>

Step 1: Knitting

The process begins with knitting yarn into a continuous sheet of fabric using circular or flat knitting machines. This knitted fabric forms the base structure of the blanket, offering flexibility and softness that are essential for comfort.

Step 2: Pre-Polishing

Before any printing or color work, the knitted fabric undergoes pre-polishing. This step helps in smoothing the surface by removing any minor inconsistencies, loose fibers, or roughness, which enhances the quality of subsequent printing and finishing.

Step 3: Printing

The fabric is then passed through high-speed textile printers where designs, patterns, or logos are applied using dyes or pigments. This could be done via screen printing or digital printing depending on the complexity and scale of the design.

Step 4: Ager (Color Fixation)

Once printed, the fabric goes into an Ager machine, a steam chamber that cures the dyes, helping them bond strongly to the fibers. This step ensures colorfastness, preventing colors from fading or washing out easily.

Step 5: Continuous Washing

After fixing the colors, the fabric is washed continuously to remove any excess dyes, chemicals, and impurities. This is done using a series of water baths and rollers to ensure thorough cleaning while maintaining fabric integrity.

Step 6: Hydro Extraction

In this stage, hydro machines extract moisture from the fabric at high speeds using centrifugal force. This step significantly reduces drying time and prepares the fabric for thermal drying.

Step 7: Drying

The partially dried fabric is then passed through hot air dryers or stenter machines to eliminate residual moisture. This ensures the fabric remains dimensionally stable and shrinkage is controlled.

Step 8: Brushing

The dried fabric is brushed using rotating wire rollers to lift the surface fibers, giving the blanket a soft, velvety texture. This enhances the tactile comfort and insulating quality of the fabric.

Step 9: Raising

This process is a deeper brushing step that lifts and fluffs up the fibers even further, increasing thickness, warmth, and a plush feel. It gives the blanket its cozy, luxurious texture.

Step 10: Polycut

During this stage, any unwanted polyester filaments or threads are precisely trimmed using blade machines. This step ensures the fabric looks clean and finished before the final touches.

Step 11: Polishing

A final polishing process smoothens the fabric further, enhancing its sheen, softness, and overall aesthetic appeal. This improves the blanket's appearance and visual finish.

Step 12: Brushing (Final Touch)

Another light brushing gives the fabric a uniform surface feel and adds extra softness. This step helps in achieving consistency in quality for consumer blankets.

Step 13: Piece Cutting

The polished and brushed fabric is now cut into specific sizes based on product requirements (single, double, king-size blankets, etc.) using precision cutting equipment.

Step 14: Stitching of Rib (Edge Finishing)

The edges of the cut pieces are finished with rib stitching or binding, usually with a contrasting or matching fabric strip. This not only enhances the appearance but also prevents fraying and increases durability.

Step 15: Packing

The finished blankets are carefully folded, quality-checked, labelled, and packed as per customer specifications (folded flat, rolled, vacuum-sealed, etc.) before being dispatched for delivery.

R. Distribution

Our Company employs a defined distribution model with planned dispatch procedures aimed at fulfilling both domestic and institutional demand across multiple textile segments. Our Company's distribution network is designed to ensure efficient movement of goods from factory to end-users while maintaining quality, lead time, and client satisfaction.

1. **Purchase Order (PO) Raised by Client**

   The client issues a formal purchase order detailing product specifications, quantities, delivery timelines, and commercial terms.

2. **Internal Order Verification & Acknowledgment**

   Our sales and planning team reviews the PO for technical feasibility, lead time alignment, and material availability. An order acknowledgment is sent to the client confirming acceptance.

3. **Quality Control & Inspection**

   Before dispatch, every batch undergoes rigorous quality inspection to ensure it meets the client's specifications and internal quality benchmarks.

4. **Packing & Documentation**

   Finished goods are packed as per customer instructions (e.g., bale, roll, vacuum-sealed). Necessary documentation, like invoices, delivery challans, and for exports, customs and compliance paperwork, is prepared.

5. **Dispatch & Logistics Coordination**

   The logistics team arranges transportation, using either in-house vehicles or third-party logistics providers, to ensure timely delivery. Tracking is shared with the customer where applicable.

6. **Delivery Confirmation & Client Sign-off**

   Upon successful delivery, the customer acknowledges receipt, and the transaction is recorded for billing and reconciliation.

In addition to institutional and wholesale clients, Madhur Knit Crafts Limited also distributes its finished blanket products to retailers through a network of authorized dealers and regional distribution partners. These retail-focused channels enable our Company to cater to seasonal and mass-market consumer demand, particularly during peak winter months. Our Company uses its logistics setup

and product availability to supply blankets to end consumers across multiple regions in line with its quality standards.

S. Marketing and promotion

Marketing Initiatives	Description
Client Engagement	Our in-house marketing team maintains structured engagement with clients, including scheduled visits to outstation clients every two months to strengthen relationships, collect feedback, and understand requirements in both existing and new markets.
Trade Shows & Exhibitions	The Company has participated in leading textile exhibitions and trade shows, including Yarnex Ludhiana for the last two years and a recent event in Tripur, to showcase its product portfolio and engage with customers and distributors.

Combining direct client servicing with event-based marketing, the Company aims to increase awareness among prospective clients and sustain its market presence.

T. Competition

Our Company operates in a highly competitive textile industry, facing competition from both organised and unorganised players across India. Competitors offer similar products, including blankets, and knitted fabrics, with strengths in areas such as product quality, pricing, innovation, production efficiency, and timely delivery.

While some segments of the textile industry may have moderate entry barriers, manufacturing specialized products such as blankets, knitted fabrics with specific blends requires significant capital investment, technical expertise, and access to advanced machinery, making entry into these segments challenging. Madhur Knit Crafts Limited benefits from its extensive industry experience, diversified product portfolio, and strong supplier and customer networks, which provide a competitive advantage in these high-barrier segments.

Key factors influencing our Company's competitive position include the ability to consistently meet seasonal and functional requirements, maintain high-quality standards through advanced manufacturing processes, invest in technology and innovation, and ensure reliability in supply and service. Our Company's strategic location in Ludhiana, a major textile hub, further strengthens its access to raw materials, logistics, and skilled workforce, enabling it to maintain operational efficiency and sustain growth in a dynamic market environment.

U. Technology

The business operations of our Company are not technology intensive. Our Company's processes are based on conventional textile manufacturing methods, and technological improvements are primarily derived from the procurement and use of state-of-the-art machinery as and when installed.

At the operational level, we utilize basic technology tools for human resource management, accounting, and inventory control. For attendance and workforce monitoring, we use biometric punching machines installed. Our accounting and inventory functions are managed through Tally Prime Gold.

V. Research & Development

Our Company does not undertake proprietary research and development, and its technological gains are largely attributable to equipment upgrades and process optimization.

W. Utilities

Our Company's registered office is located at Village Seerha, Satowal Road Near, Meharban Police Station, Rahon Road, Ludhiana-141007.

Our office is well equipped with requisite facilities, infrastructure facilities, computer systems, servers and other communication equipment, uninterrupted power supply, internet connectivity, and other processing facility, which are required for our business operations to function smoothly.

Power & electricity

Madhur Knit Crafts Limited's manufacturing facility operates with a sanctioned load of 1,299.101 KW, meeting its power requirements primarily through electricity purchased from Punjab State Power Corporation Limited (PSPCL). The facility also utilizes boilers that is capable of generating and thermopac as integral components of its energy infrastructure. Boilers generate steam required for various manufacturing processes, including dyeing and finishing, while thermopac efficiently convert steam into thermal and mechanical energy to support plant operations. This integrated setup ensures a reliable and continuous supply of energy, optimizes fuel consumption, and contributes to efficient power management across the manufacturing facility.

Water

Water is an essential resource in our production process, used in cooling systems, curing processes, and to maintain optimal temperatures for machinery and moulds. Madhur Knit Crafts Limited has made adequate arrangements with Punjab Water Regulation and Development Authority to meet its water requirements efficiently. The Company operates an in-house Effluent Treatment Plant that treats wastewater generated during dyeing and processing to remove contaminants. The treated water is safely reused in select manufacturing processes and for supporting natural vegetation, reducing freshwater consumption and promoting sustainable water management. These practices demonstrate the Company's commitment to efficient water utilization and environmentally responsible operations.

X. Insurance

Sr.	Insurer	Description of the property insured	Policy No.	Expiry Date	Sum Insured (Rs. in Lakhs)
1	The Oriental Insurance Company Limited-Basic Cover	Basic Cover-Burglary Standard	234000/48/2026/2919	23-12-2026	3,500.00
2	The Oriental Insurance Company	Machinery Breakdown	234000/44/2026/307	28-12-2026	1108.95
3	The Oriental Insurance Company	Electronic Equipment	234000/44/2026/306	28-12-2026	306.00
4	The Oriental Insurance Company Limited	Fire Insurance	234000/11/2026/956	23-12-2026	5250.00

5	Royal Sundaram General Insurance Co. Limited	Group Personal Accident Policy	AG00065996000101	08-06-2027	225.72 Temporary Total Disablement: Weekly compensation of 1% of Sum Insured, subject to a maximum of ₹10,000 per week for up to 104 weeks. Limited to 25% of gross monthly earnings. Medical Expenses Extension: Reimbursement of medical expenses up to 40% of admissible claim or 20% of Sum Insured, whichever is lower. Covers ambulance/medical evacuation expenses up to ₹1,500 per claim on submission of proof. Child Education: ₹10,000 per child, subject to a maximum of two children, payable in case of death of the insured under Benefit-1.
6	Royal Sundaram General Insurance Co. Limited	Employee Compensation Insurance	LWI0008067000100	09-06-2027	Maximum of 100 times the monthly wages of the employee at the time of accident subject to the Condition of Average as per the Employees Compensation Insurance Policy Wording
8	United India Insurance Company Limited	Vehicle Insurance	2007013126P100969795	19-04-2027	10.06
9	Liberty General Insurance Limited	Vehicle insurance	20132005042570005610000	16-09-2026	4.01
10	MAGMA General Insurance Limited	Vehicle Insurance	P0026100018/4101/102480	11-11-2026	12.47
11	United India Insurance Company Limited	Vehicle Insurance	2009013125P108657793	28-08-2026	58.17
12	Go Digit General Insurance Limited	Vehicle Insurance	D231257129/12112025	14-11-2026	7.93

The details of our total insurance coverage and our insurance coverage as a percentage of our total assets, as of 28th February 2026 has been set out below:

(In Rs. Lakhs)

Particulars	**As of February 28 2026**
Total Insurance Coverage(A) *	10199.42

Total Assets (B)	15997.43
Total Fixed Assets + Inventories (C)	9152.62
Total insurance coverage as a percentage of total assets (%)	63.76%
Total insurance coverage as a percentage of Fixed Assets and Inventories (%) (A/C)	111.44%

***** *As certified by certificate dated July09, 2026, from our Statutory Auditor V.V. Bhalla & Co., Chartered Accountants*

Y. Intellectual Property

Intellectual Property owned by our company

Sr. No.	Trade Mark/ Device Mark	TM Regn. No.	Class	Trademark Type	Date of Registration	Valid Up To
1.	La' Peneli Gracia	3572232	24	Wordmark	16-06-2017	16-06-2027
2.	La' Peneli Tulip	3572231	24	Wordmark	16-06-2017	16-06-2027
3.	La' Peneli Amour	3572230	24	Wordmark	16-06-2017	16-06-2027
4.	La' Peneli Amaze	3572229	24	Wordmark	16-06-2017	16-06-2027
5.	La' Peneli Solitaire	3572246	24	Wordmark	16-06-2017	16-06-2027
6.	La' Peneli ORO	3572241	24	Wordmark	16-06-2017	16-06-2027
7.	La' Peneli Penguino	3572240	24	Wordmark	16-06-2017	16-06-2027
8.	La' Peneli Perla	3572242	24	Wordmark	16-06-2017	16-06-2027
9.	La' Peneli Bonito	3572244	24	Wordmark	16-06-2017	16-06-2027
10.	La' Peneli Diamante	3572245	24	Wordmark	16-06-2017	16-06-2027
11.	La' Peneli Platino	3572243	24	Wordmark	16-06-2017	16-06-2027
12.	Penguin Kasturi	2384755	24	Wordmark	24-08-2012	24-08-2032
13.		3321673	24	Device	28-07-2016	28-07-2036
14.	Beamer	3487918	24	Wordmark	21-02-2017	21-02-2027
15.	Penguin Aanchal	2503892	24	Wordmark	28-03-2013	28-03-2033
16.	Penguin Raga	3572236	24	Wordmark	16-06-2017	16-06-2027
17.	Penguin	3741198	24	Wordmark	31-01-2018	31-01-2028
18.	Madhur	3741197	24	Wordmark	31-01-2018	31-01-2028
19.	Penguin Rock	3572237	24	Wordmark	16-06-2017	16-06-2027
20.	Penguin Rosas	3572238	24	Wordmark	16-06-2017	16-06-2027
21.	Penguin Roos	3572239	24	Wordmark	16-06-2017	16-06-2027
22.	Penguin Nice	3741201	24	Wordmark	31-01-2018	31-01-2028
23.	Penguin Success	3741199	24	Wordmark	31-01-2018	31-01-2028
24.		2155802	25	Device	06-06-2011	06-06-2031
25.	Dickie Bird	2153337	25	Wordmark	01-06-2011	01-06-2031
26.		3572234	24	Device	16-06-2017	16-06-2027
27.	KAT 969	2183998	25	Wordmark	02-08-2011	02-08-2031
28.	Dickie Bird	2251927	24	Wordmark	19-12-2011	19-12-2031
29.	La' Peneli Hello	3741195	24	Wordmark	31-01-2018	31-01-2028
30.	La' Peneli Fio	3741196	24	Wordmark	31-01-2018	31-01-2028
31.	La' Peneli Soft Plus	3868831	24	Wordmark	23-06-2018	23-06-2028
32.	La' Peneli Ombre	3868832	24	Wordmark	23-06-2018	23-06-2028
33.	La' Peneli Rainbow	4374944	24	Wordmark	11-12-2019	11-12-2029
34.	La' Peneli Colors	4374945	24	Wordmark	11-12-2019	11-12-2029
35.		4546598	25	Device	26-06-2020	26-06-2030

Intellectual Property applications filed by our Company

Sr. No.	Trade Mark/ Device Mark	Application No.	Class	Trademark Type	Date of Application	Status

1.		7088546	25	Device	28-06-2025	FORMALITIES CHK PASS
2.		7088547	24	Device	28-06-2025	FORMALITIES CHK PASS
3.		7088548	35	Device	28-06-2025	FORMALITIES CHK PASS
4.		7088549	25	Device	28-06-2025	FORMALITIES CHK PASS
5.		7088550	35	Device	28-06-2025	FORMALITIES CHK PASS
6.		7088551	24	Device	28-06-2025	FORMALITIES CHK PASS
7.	Penguin Asha	3469294	24	Wordmark	31-01-2017	OBJECTED

As of date of this Red Herring Prospectus, there are no intellectual property used by our Company but not owned by our Company / registered in Company's name.

Z. Properties

S.N.	Detail of property location	State	Lessor/ Owner	Lease Tenure	Lease Rent	Whether lessor is a related party	Type of Property	Validity
1.	Khasra No 26//6/2 (2-14), 7/2 (2-14), 8/2 (2-11), Village Seerah, Hadbast No. 72, Ludhiana	Punjab	Owned by Madhur Knit Crafts Limited	NA	NA	NA	Manufacturing Facility	NA
2.	Khasra No 26//5/1(5-12), 25//10/2 (0-16), Village Seerah, Hadbast No. 72, Ludhiana	Punjab	Owned by Madhur Knit Crafts Limited	NA	NA	NA	Manufacturing Facility	NA
3.	Khasra No 26//3 (6-18), Village Seerah, Hadbast No. 72, Ludhiana	Punjab	Owned by Madhur Knit Crafts Limited	NA	NA	NA	Manufacturing Facility	NA
4.	Khasra No 26//4 (6-18), Village Seerah, Hadbast No. 72, Ludhiana	Punjab	Owned by Madhur Knit Crafts Limited	NA	NA	NA	Manufacturing Facility	NA
5.	Khasra No. 18//23-18//24, Khatta No. 130/135, Village Seerah, Sattowal Road, Rahon Road, Ludhiana-141007.	Punjab	Rented from Sangeeta Gupta	11 Months	26,750/-	Yes	Manufacturing Facility and Registered Office.	01-01-2027
6.	Khasra No. 18/23-18/24, Khatta No. 110/114, Village Seerah, Sattowal Road, Rahon Road, Ludhiana-141007.	Punjab	Rented from M/s National Yarn Agency	11 Months	26,750/-	Yes	Manufacturing Facility and Registered Office.	01-01-2027

We confirm that the properties leased from related parties are at arm's length as certified by V.V. Bhalla & Co, Chartered Accountants vide certificate dated July 09, 2026.

The above property agreements are adequately stamped in accordance with the applicable laws.

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KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and are neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "***Government and Other Approvals***" beginning on page 213 of this Red Herring Prospectus.

INDUSTRY RELATED LAW

National Textile Policy, 2000

The National Textile Policy, 2000 ("NTP 2000") aims at facilitating the growth of the textile industry in order to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It also aims at equipping the textile industry with the ability to withstand pressure of import penetration and maintain dominant presence in the domestic market. The industry aims at developing a strong and vibrant textile industry that can produce quality products at acceptable prices. This objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 include technology upgradation, enhancement of productivity, increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include raw materials, clothing, export and knitting.

Textiles Committee Act, 1963

The Textiles Committee Act, 1963 was enacted to promote quality control, standardization, and research in the textile sector. The Act empowers the Textiles Committee, under the Ministry of Textiles, to carry out inspections, certification, and testing of textile products, including fabrics, garments, and technical textiles. It also undertakes research initiatives to improve production processes, enhance efficiency, and support innovation in textiles, thereby facilitating competitiveness in domestic and international markets.

National Technical Textiles Policy, 2020

The National Technical Textiles Policy, 2020, introduced by the Government of India, aims to promote the growth of technical textiles through research, innovation, and investment incentives. The policy covers specialized fabrics designed for industrial applications, including agrotech, meditech, protech, and buildtech segments. It encourages domestic production, technological advancement, and export of high-value-added technical textiles.

Production-Linked Incentive Scheme in Textiles Products

In November 2020, the Union Cabinet approved the Production-Linked Incentive (PLI) Scheme for Textiles with the objective of boosting domestic manufacturing capabilities and promoting exports of textile products. The scheme has an approved outlay of ₹10,683 crore over a period of five years and is implemented by the Ministry of Textiles. It aims to incentivize production across forty product categories under man-made fibres (MMF), including fabrics, garments, and technical textiles. The scheme provides financial incentives linked to incremental sales of eligible products, thereby encouraging investment in technology, capacity expansion, and value-added textile manufacturing.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards (BIS) Act, 2016 establishes the Bureau of Indian Standards as the National Standards Body of India, responsible for formulating and enforcing quality and safety standards across a wide range of goods, services, systems, and processes. The Act provides for both voluntary and mandatory certification schemes, including the BIS hallmark for precious metals

and the ISI mark for industrial and consumer products. It empowers the Bureau to issue quality control orders, conduct inspections, and take enforcement actions against non-compliance. The Act aims to ensure consumer safety, improve product quality, support industrial growth, and enhance the competitiveness of Indian goods in domestic and international markets. It applies to manufacturers, importers, and service providers whose products fall under BIS standards or mandatory certification schemes.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019 strengthens consumer rights and remedies by replacing the earlier 1986 Act and expanding its scope. It safeguards consumers against defective goods, deficient services, unfair trade practices, false or misleading advertisements, and online frauds. The Act introduces a Central Consumer Protection Authority (CCPA) with powers to investigate complaints, order recalls, impose penalties, and regulate misleading advertisements. It also provides for e-filing of complaints, mediation cells, and product liability provisions, holding manufacturers, service providers, and sellers accountable for harm caused by their products or services. The Act applies to all businesses—offline and online—that sell goods or services directly or indirectly to consumers, ensuring transparency, accountability, and quick redressal of grievances.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

The Micro, Small and Medium Enterprises Development Act, 2006 was enacted to promote, facilitate, and develop the competitiveness of micro, small, and medium enterprises (MSMEs) in India. It provides a legal framework for classification of enterprises based on investment in plant, machinery, or equipment and turnover, helping determine eligibility for government benefits, subsidies, and support programs.

The Act mandates that buyers of goods or services from MSMEs make payments within 45 days from the date of acceptance or deemed acceptance. In case of delayed payments, the buyer is liable to pay compound interest at three times the RBI bank rate, providing strong protection to MSMEs against delayed receivables.

The Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (MSEFC) in each state to resolve disputes relating to delayed payments through conciliation and arbitration. Awards passed by the MSEFC are enforceable as decrees of a civil court.

Additionally, the Act enables the Government to announce schemes for the promotion, development, and competitiveness of MSMEs, including credit facilities, technology upgradation, infrastructure support, skill development, and cluster-based development programs. It also empowers the Government to periodically review and revise the criteria for MSME classification to reflect economic conditions.

Overall, the MSMED Act, 2006 enhances the ease of doing business for small enterprises, protects them from unfair payment practices, and facilitates their participation in government procurement and incentive schemes.

The Boilers Act, 1923

"The Boilers Act, 1923" is an Act to consolidate and amend the law relating to steam boilers. The Act regulates the use of boilers in order to ensure the safety of human life and property. It provides for the registration of boilers, inspection by authorized inspectors, issuance of certificates for use, and stipulates penalties for operation of unregistered or unsafe boilers. (Section 2(b) of Boilers Act, 1923 defines a "boiler" as a closed vessel in which water is heated, steam is generated or super-heated under pressure). The Boilers Act, 1923 repealed and replaced the Indian Boilers Act, 1868.

Environment Protection Laws

The Environment (Protection) Act, 1986 and Environment (Protection) Rules, 1986

The Environment (Protection) Act, 1986 is an umbrella legislation enacted to provide a framework for protecting and improving the environment in India. It empowers the central government to set environmental quality standards, regulate industrial emissions and discharges, and impose restrictions on activities that may harm the environment. The accompanying Environment (Protection) Rules, 1986 prescribe detailed standards for air, water, and soil quality, waste disposal methods, and permissible emission or discharge levels for various industries. This Act grants authorities the power to issue directions, close polluting units, and impose penalties for non-compliance. It applies broadly to all industries and operations with potential environmental impact.

National Environmental Policy, 2006

The National Environmental Policy (NEP), 2006 is a strategic policy document aimed at guiding sustainable development in India. It emphasizes the integration of environmental protection into economic and social policies, conservation of natural resources, pollution control, and promotion of environmental awareness. While it is not a law in itself, NEP 2006 serves as a framework for the formulation of environmental regulations and sectoral action plans, encouraging businesses and government agencies to adopt cleaner technologies, minimize resource use, and ensure inter-generational equity.

Air (Prevention and Control of Pollution) Act, 1981

The Air Act, 1981 regulates and controls air pollution in India by establishing standards for emissions from industrial plants, vehicles, and other sources. It led to the creation of Central and State Pollution Control Boards (CPCB and SPCBs) responsible for monitoring air quality and issuing consent to establish and operate industrial units. The Act empowers authorities to take preventive and corrective measures, including the suspension of operations in case of violations. Industries emitting pollutants are required to install pollution control equipment and comply with emission norms to protect public health and the environment.

Water (Prevention and Control of Pollution) Act, 1974

The Water Act, 1974 aims to prevent and control water pollution while maintaining or restoring the wholesomeness of water bodies. It also established CPCB and SPCBs to set standards for wastewater discharge, monitor effluents, and grant consent for industrial and municipal operations. Industries are required to treat wastewater before discharging it into rivers, lakes, or sewers, and failure to comply may result in penalties or closure. The Act ensures that industrial and domestic activities do not compromise the quality of India's surface and groundwater resources.

Noise Pollution (Regulation and Control) Rules, 2000

These Rules, framed under the Environment (Protection) Act, 1986, aim to regulate and control noise levels to protect public health and the environment. They prescribe ambient noise standards for industrial, commercial, residential, and silence zones, defining silence zones as 100-meter areas around schools, hospitals, courts, and religious places with stricter limits. The Rules restrict the use of loudspeakers, public address systems, and firecrackers between 10 PM and 6 AM except with special permissions. State governments and pollution control boards are empowered to monitor compliance, enforce standards, and seize equipment causing excessive noise. Non-compliance attracts penalties under the Environment (Protection) Act, 1986. These provisions apply to individuals, institutions, industries, and event organizers responsible for noise sources.

Hazardous and Other Wastes (Management and Trans-boundary Movement) Rules, 2016

These Rules, notified under the Environment Protection Act, regulate the generation, storage, transport, treatment, and disposal of hazardous and other wastes, including waste imported into or exported out of India. They define hazardous waste categories, establish guidelines for safe handling, and mandate authorization from SPCBs for facilities handling such waste. The Rules encourage reuse, recycling, and recovery while ensuring that hazardous waste is managed in an environmentally sound manner to avoid soil, air, or water contamination. They also govern the trans-boundary movement of hazardous waste in compliance with the Basel Convention to prevent illegal dumping of toxic substances.

Plastic Waste Management Rules, 2016

The Plastic Waste Management Rules, 2016, notified under the Environment (Protection) Act, 1986, were introduced to regulate the manufacture, sale, usage, and disposal of plastic to reduce environmental pollution. These rules apply to plastic manufacturers, producers, brand owners, retailers, street vendors, and consumers.

The Rules mandate segregation, collection, and proper disposal of plastic waste through extended producer responsibility (EPR), which requires producers, importers, and brand owners to take back the plastic waste generated from their products and ensure its recycling or safe disposal. They ban the use of plastic carry bags below 50 microns in thickness, as thinner bags are difficult to collect and recycle.

Local bodies and Gram Panchayats are required to set up collection, segregation, and waste processing systems, while waste generators must ensure segregation of plastic at source. Retailers and street vendors are prohibited from providing plastic carry bags free of cost, encouraging the shift to reusable alternatives.

The Rules were later amended in 2018, 2021, and 2022 to introduce phased bans on single-use plastic items, mandatory EPR registration through a centralized portal, and stricter compliance monitoring to promote a circular economy.

In essence, these rules seek to minimize plastic pollution, encourage recycling, and promote environmentally sustainable alternatives while holding producers and users accountable for plastic waste management.

Employment & Labour Laws

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Act protects women from sexual harassment at the workplace and ensures safe working environments. It mandates every employer to establish an Internal Complaints Committee (ICC), conduct awareness programs, and implement strict policies to prevent harassment. It defines sexual harassment broadly, covering physical, verbal, and non-verbal conduct of a sexual nature. Non-compliance can lead to penalties, license cancellation, or reputational damage to the employer.

The Code on Wages, 2019

The Code on Wages, 2019 seeks to simplify, consolidate, and rationalize the provisions of four existing laws- *The Payment of Wages Act, 1936; The Minimum Wages Act, 1948; The Payment of Bonus Act, 1965;* and *The Equal Remuneration Act, 1976.* It aims to strengthen workers' rights while promoting simplicity and uniformity in wage-related compliance for employers. The Code establishes a uniform definition of wages and provides a single framework for regulating minimum wages, payment of wages, timely payment of salaries, and bonus entitlements for employees across both organized and unorganized sectors. It empowers the central and state governments to fix floor wages, mandates equal pay for equal work irrespective of gender, and prescribes penalties for delayed or unlawful deductions from wages.

The Industrial Relations Code, 2020

The Industrial Relations Code (IR Code) has been prepared after amalgamating, simplifying and rationalizing the relevant provisions of the *Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.* The Code acknowledges the fact that survival of worker depends upon survival of industry. In this backdrop, it simplifies laws related to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial disputes. The Code seeks to promote harmony between employers and workers by providing a clear legal framework for collective bargaining, resolution of industrial disputes, and conditions for strikes and lockouts. It introduces provisions for fixed-term employment, reduces the threshold for standing orders, and requires industrial establishments above a specified size to seek government approval before lay-offs, retrenchments, or closures. The Code also encourages dispute resolution through conciliation and arbitration to maintain industrial peace.

The Code on Social Security, 2020

The Code on Social Security incorporates existing nine Social Security Acts viz; *The Employee's Compensation Act, 1923; The Employees' State Insurance Act, 1948; The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; The Maternity Benefit Act, 1961; The Payment of Gratuity Act, 1972; The Cine-Workers Welfare Fund Act, 1981; The Building and Other Construction Workers' Welfare Cess Act, 1996 and; The Unorganised Workers' Social Security Act, 2008*. The Code extends social security to all workers- including unorganized, gig, and platform workers-covering life, health, maternity, and provident fund benefits, while introducing digital systems and facilitator-based compliance for greater efficiency. The Code mandates the creation of social security funds and allows aggregation of contributions from multiple sources. It also streamlines registration processes and compliance for employers while safeguarding employee welfare through broader coverage and digitized systems.

The Occupational Safety, Health and Working Conditions Code 2020

The Code has been drafted after amalgamation, simplification and rationalization of the relevant provisions of the 13 Central Labour Acts- *The Factories Act, 1948; The Plantations Labour Act, 1951; The Mines Act, 1952; The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; The Working Journalists (Fixation of Rates of Wages) Act, 1958; The Motor Transport Workers Act, 1961; The Beedi and Cigar Workers (Conditions of Employment) Act,*

1966; The Contract Labour (Regulation and Abolition) Act, 1970; The Sales Promotion Employees (Conditions of Service) Act, 1976; The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979; The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981; The Dock Workers (Safety, Health and Welfare) Act, 1986 and; The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

The Code specifies employer obligations regarding health checkups, working hours, leave policies, and safety equipment. It also provides for licensing of contractors, mandatory registration of establishments, and better protection for inter-state migrant workers. By streamlining regulatory compliance, the Code aims to improve employee welfare and productivity while reducing overlapping provisions. The Code balances the twin objectives of safeguarding worker rights and safe working conditions, and creating a business-friendly regulatory environment. This will spur economic growth and employment thereby, making India's labour market more efficient, fair, and future-ready.

State-specific Laws

Stamp Acts (Indian Stamp Act, 1899 and State Stamp Laws)

The Indian Stamp Act, 1899, along with corresponding state-specific Stamp Acts, regulates the imposition of stamp duty on legal, commercial, and financial documents to make them valid and legally enforceable. Stamp duty is payable on instruments such as agreements, deeds of transfer, conveyances, leases, share certificates, debentures, and loan instruments. The duty rate varies depending on the nature of the document and the state in which it is executed, since states have the power to amend or supplement the central law. Proper stamping is critical because unstamped or insufficiently stamped documents are inadmissible as evidence in court unless the deficiency is rectified with penalty. The law also empowers authorities to inspect documents, levy penalties for evasion, and prescribe procedures for adjudication of stamp duty disputes.

Professions, Trade, Callings and Employments Act (Professional Tax)

The Professions, Trades, Callings, and Employments Acts, enacted by individual states, provide for the levy and collection of professional tax on individuals engaged in any profession, trade, calling, or employment. This tax is applicable to salaried employees, self-employed individuals, professionals (such as doctors, lawyers, chartered accountants), and business owners. Employers are required to deduct professional tax from salaries and remit it to the state government, while self-employed persons must pay directly. The maximum tax amount is capped at ₹2,500 per annum as per Article 276 of the Constitution of India, though the slab rates vary by state. Failure to register, deduct, or pay professional tax attracts interest, penalties, and prosecution under the respective state law.

Electricity Act, 2003

The Electricity Act, 2003 consolidates and modernizes laws relating to the generation, transmission, distribution, trading, and use of electricity in India. The Act aims to promote competition in the power sector, protect consumer interests, and ensure the supply of electricity to all areas, including rural regions. It provides for the licensing of electricity businesses, the establishment of regulatory commissions at both central and state levels, and the introduction of open access for bulk consumers. The Act also lays down provisions for renewable energy promotion, measures to curb power theft, and mechanisms for tariff determination to balance economic viability with affordability.

Municipality Laws

Municipality laws are state-specific legislations that govern the establishment, powers, and functioning of urban local bodies such as municipal corporations, councils, and nagar panchayats. These laws regulate urban planning, construction approvals, sanitation, public health, water supply, waste management, property tax, and maintenance of civic infrastructure. They also ensure compliance with building codes, zoning regulations, and environmental norms to promote organized urban development. Non-compliance with municipality laws can result in penalties, demolition of unauthorized structures, or cancellation of business licenses.

Fire Prevention Laws

Fire prevention laws include national and state-level regulations designed to ensure fire safety in industrial, commercial, and residential establishments. These laws mandate compliance with building codes, installation of fire detection and suppression systems (such as sprinklers and extinguishers), provision of emergency exits, and regular safety audits. Typically, businesses must obtain a Fire NOC (No Objection Certificate) from the local fire department certifying that premises meet the prescribed safety norms. Such laws are critical to protect life, property, and business continuity by preventing fire-related hazards and ensuring emergency preparedness.

General Corporate

Companies Act, 2013

The Companies Act, 2013 governs the incorporation, management, and operation of companies in India. It consolidates and modernizes company law to ensure better corporate governance, accountability, and transparency. The Act prescribes requirements for formation of companies, maintenance of statutory records, filing of returns, appointment and duties of directors, shareholder rights, issue of securities, and auditing standards. It also provides for corporate social responsibility (CSR), class action suits, fraud prevention, and penalties for non-compliance. Regulatory oversight is exercised by the Ministry of Corporate Affairs (MCA) and the Registrar of Companies (RoC).

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 governs contracts for the sale and purchase of goods. It defines terms such as seller, buyer, delivery, price, and goods, and sets out conditions and warranties to ensure fairness in trade. The Act covers transfer of ownership, performance of the contract, remedies for breach, and rights of unpaid sellers. It protects buyers from defective goods and ensures that trade transactions follow consistent legal principles.

Registration Act, 1908

The Registration Act, 1908 provides for the registration of documents to ensure public notice and protect legal rights relating to immovable property, contracts, wills, and other legal instruments. Registration makes documents legally valid, admissible as evidence in court, and enforceable against third parties. The Act prescribes compulsory registration for deeds of sale, mortgages, leases exceeding a year, and property transfers. Sub-Registrars, under state governments, are authorized to register documents, collect stamp duty, and maintain public records.

Indian Contract Act, 1872

The Indian Contract Act, 1872 governs all contracts and agreements in India. It lays down the essentials of a valid contract such as free consent, lawful consideration, competence of parties, and enforceability by law. The Act defines different types of contracts (void, voidable, contingent) and specifies performance obligations, breach consequences, and remedies including damages and compensation. It forms the legal backbone of commercial and personal agreements.

Specific Relief Act, 1963

The Specific Relief Act, 1963 provides for specific performance of contracts, injunctions, and other equitable remedies. Instead of just monetary compensation, courts can direct a party to perform its contractual obligations, return property, or restrain wrongful acts. The Act is especially significant for contracts relating to immovable property, intellectual property, and unique goods, where monetary damages are inadequate. Amendments in 2018 made specific performance of contracts a rule rather than an exception.

Negotiable Instruments Act, 1881

The Negotiable Instruments Act, 1881 regulates promissory notes, bills of exchange, and cheques, which are widely used for commercial transactions. It defines their characteristics, transferability, and legal protections for holders in due course. The Act also lays down provisions for dishonour of cheques, penalties, and criminal liability for cheque bounce under Section 138. This law ensures trust and smooth functioning of financial instruments in commerce.

Taxation Related Laws

Income Tax Act, 2025 (Erstwhile Income Tax Act, 1961)

The Income Tax Act, 1961 is India's primary legislation governing the levy, computation, collection, and recovery of income tax on income earned by individuals, companies, firms, and other entities. It defines the scope of total income, various heads of income (such as salaries, business profits, capital gains, and income from other sources), and allowable deductions, exemptions, and rebates. The Act also specifies tax rates, advance tax provisions, Tax Deducted at Source (TDS), assessment procedures, penalties for non-compliance, and the powers of income tax authorities. The Act is updated annually through the Union Budget via the Finance Act to reflect changes in tax policy.

The 1961 Act has been replaced with the new Income Tax Act, 2025, succeeding the Income Tax Act, 1961 with effect from April 1, 2026, bringing a major structural simplification by reducing the law from 819 sections down to 536 streamlined sections and 16 schedules written in plain, accessible language. While tax slabs, rates, and penalty structures from the 1961 Act remain completely unchanged to maintain economic continuity, the 2025 Act modernizes administrative terminology by replacing the dual concepts of

"Previous Year" and "Assessment Year" with a single unified "Tax Year", updates search and seizure mechanisms to cover encrypted digital and cloud assets, and incorporates clear transitional provisions to govern pending proceedings from the 1961 regime without disruption. Hence, the new law, without any disruption in the old law, shall be applicable.

Central Goods and Services Tax (CGST) Act, 2017

The Central Goods and Services Tax (CGST) Act, 2017 forms the backbone of India's Goods and Services Tax (GST) regime. It provides for the levy and collection of GST on intra-state supplies of goods and services by the Central Government. The Act establishes a comprehensive framework for registration, classification, valuation, invoicing, input tax credit, filing of returns, audits, assessments, and enforcement actions. It also specifies penalties for non-compliance and mechanisms for dispute resolution. The CGST Act works alongside the State GST Acts and the Integrated GST (IGST) Act to ensure a unified indirect tax structure across India, replacing multiple cascading taxes like VAT, excise, and service tax.

Customs Act, 1962

The Customs Act, 1962 governs the import and export of goods in India and ensures proper levy and collection of customs duties. It lays down procedures for the clearance of goods through customs, including filing of bills of entry, shipping bills, and payment of duties. The Act provides for prohibitions and restrictions on import/export of specified goods, anti-smuggling measures, valuation of goods, warehousing provisions, and adjudication of disputes. It also empowers customs officers to conduct inspections, seizures, and arrests in cases of violations. The Customs Act plays a critical role in safeguarding India's economic interests, regulating foreign trade, and ensuring compliance with international trade obligations.

Foreign Investment Laws

Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 (FTDR Act) provides the legal framework for regulating and promoting foreign trade in India. It empowers the Central Government to make policies for facilitating imports and increasing exports to ensure balanced trade and economic growth. The Act authorizes the government to issue or regulate Importer-Exporter Codes (IECs), impose restrictions or prohibitions on trade of certain goods, and enforce compliance with trade regulations. It also enables the government to take corrective action against unfair trade practices, protect domestic industries, and maintain foreign exchange reserves.

Foreign Exchange Management Act, 1999 (FEMA) and Rules

The Foreign Exchange Management Act, 1999 (FEMA) replaces the earlier Foreign Exchange Regulation Act (FERA) to provide a liberalized and transparent framework for managing foreign exchange in India. FEMA facilitates external trade, cross-border payments, and orderly development of the foreign exchange market. It regulates current account and capital account transactions, overseas investments, foreign borrowings, and remittances by individuals and corporates. The Act empowers the Reserve Bank of India (RBI) to issue rules, directions, and approvals, while violations are treated as civil offenses rather than criminal acts, fostering a more business-friendly environment.

Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA)

The COFEPOSA Act, 1974 is aimed at conserving foreign exchange and preventing smuggling activities that adversely affect India's economy. The Act authorizes preventive detention of individuals suspected of engaging in smuggling or activities that could deplete foreign exchange reserves. While FEMA handles foreign exchange regulation through civil mechanisms, COFEPOSA provides a deterrent for serious economic offenses by allowing the government to detain offenders without trial for a limited period to safeguard national economic interests.

Foreign Direct Investment (FDI) Policies

India's Foreign Direct Investment (FDI) policies are framed by the Department for Promotion of Industry and Internal Trade (DPIIT) under the Ministry of Commerce and Industry, in consultation with the Reserve Bank of India (RBI). These policies determine the sectors in which foreign investment is permitted, under either the automatic route (no prior government approval required) or the government route (approval required). FDI policies also prescribe sectoral caps, entry conditions, and compliance requirements to ensure that foreign investments align with India's economic and security interests while promoting technology transfer, employment generation, and overall economic growth.

Intellectual Property Laws

Information Technology Act, 2000 (IT Act)

The Information Technology Act, 2000 provides a legal framework for electronic governance, digital signatures, and online transactions in India. It recognizes electronic records and digital signatures as legally valid, facilitating paperless communication and e-commerce. The Act prescribes penalties for unauthorized access, hacking, data theft, identity theft, and cyber fraud. It also empowers the government to regulate intermediaries, issue directions for blocking websites, and ensure cybersecurity. Amendments, including the IT (Amendment) Act, 2008, further strengthened provisions against cybercrime and introduced liability for intermediaries to maintain due diligence in preventing illegal content dissemination.

Indian Patents Act, 1970

The Patents Act, 1970 governs the granting of patents for inventions in India. It protects new and useful inventions by giving inventors exclusive rights to make, use, and sell their inventions for a specific period (currently 20 years from the filing date). The Act specifies criteria for patentability — novelty, inventive step, and industrial applicability — and excludes certain inventions (like atomic energy, traditional knowledge, or methods of agriculture). The Act also balances patent protection with public interest by incorporating provisions for compulsory licensing to ensure access to essential goods such as medicines during public health crises. Amendments aligned the Act with TRIPS (Trade-Related Aspects of Intellectual Property Rights) standards, making India's patent regime globally compliant.

Trademarks Act, 1999

The Trade Marks Act, 1999 regulates the registration, protection, and enforcement of trademarks in India. A trademark is any sign, logo, brand name, word, phrase, or symbol that distinguishes goods or services of one entity from others. The Act provides exclusive rights to trademark owners to use and license their marks, preventing misuse or infringement by unauthorized parties. It also recognizes service marks, collective marks, and certification marks, expanding the scope beyond traditional goods. The Act established the Trademark Registry and provides remedies for infringement through civil and criminal actions, including injunctions, damages, and penalties. Amendments have introduced online filing and simplified procedures to encourage IP protection.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief History and Background of the Company

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of "*Madhur Knit Crafts Private Limited*" bearing Corporate Identification Number U17301PB1997PTC020381 August 21, 1997 issued by the Registrar of Companies, Punjab, H.P & Chandigarh. Subsequently, the name of our Company was changed to "*Madhur Knit Crafts Limited*" and a fresh Certificate of Incorporation dated January 30, 2025 was issued by the Registrar of Companies, Chandigarh. As on date of this Red Herring Prospectus, the Corporate Identification Number of our Company is U17301PB1997PLC020381.

Changes in the registered office

The registered office of our Company is presently situated at Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007. The changes have been as follows:

Effective date of change	Details of the change in address of the registered office	Reasons for change
29/06/1998	Registered office address changed from A-59 Sunder Nagar, Ludhiana, Punjab to 87 Purani Kotwali, Chaura Bazar, Ludhiana, Punjab, 141008*	For administrative convenience
25/10/2023	Registered office address changed from 87 Purani Kotwali, Chaura Bazar, Ludhiana, Punjab, 141008 to C/O Madhur Knit Village Seera Rahon Road Ludhiana, Punjab,141001	For administrative convenience
31/01/2025	Registered office address changed from C/O Madhur Knit Village Seera Rahon Road Ludhiana, Punjab,141001 to Village –Seera, Sattowal Road, Rahon Road, Ludhiana, Punjab, 141007	For administrative convenience

**While conducting the physical inspection of the records available at the office of RoC (Chandigarh), we have observed that the company has changed its registered office as displayed above in the Form-18 filled for the F.Y. 1998-99, that Form-18 of change in situation of registered office of the company is not available with the company. As per ROC Search Report dated October 18, 2025 by B.K. Gupta & Associates, Company Secretaries.*

Major events & Milestones

Year	Events and Milestones
1997	Madhur Knit Crafts Private Limited was incorporated under the Companies Act, 1956 by its Promoter, Mr. Arun Gupta, with the objective of establishing our Company in the textile manufacturing sector.
2013	Our Company commenced its commercial operations with a focus on manufacturing blankets, thereby establishing a presence in the winter textile segment.
2021	To achieve strategic diversification, our Company expanded its product portfolio into fabrics and technical textiles, including value-added products such as chemically coated and laminated fabrics for industrial applications.
2022	Our Company undertook a structured capital expenditure program to enhance its manufacturing capabilities, automation, and infrastructure, supporting scalability and operational efficiency.
2023	Our Company achieved a key milestone by surpassing ₹100 Crores in annual revenue, driven by greater market penetration, product diversification, and consistent demand across its business verticals.
2024	As part of its technological upgradation strategy, our Company made a capital investment of approximately ₹10 Crores in acquiring and commissioning advanced textile machinery, thereby enhancing its production capabilities and quality standards.

2025	Our Company was converted into a public limited company and renamed Madhur Knit Crafts Limited, pursuant to a resolution passed by the shareholders, marking a new phase in its corporate journey.
2026	The company has undertaken a preferential allotment of 2,72,307 Equity Shares to investors, enhancing its financial strength and supporting its pre-IPO growth objectives.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., if any, in the last ten years

There has been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, in the last ten years.

Main Objects

Sr. No.	Main Objects
1.	To carry on the business of spinners, weavers, knitters, combers, manufacturers, producers processors importers exporters buyers sellers of and dealers in all kinds to yarns and fibers, whether synthetic artificial or natural, doublers, nylon acrylic, polyester rayon, silk, artificial silk, linen, cotton, wool jute and any other fiber or fibrous material whether synthetic artificial or natural, textile substance, allied product by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture production or process whether carried on by the Company or otherwise.
2.	To carry on the business of machine combers and recompress of all types offers and materials whether artificial or synthetic and to sort blend prepare scour scribble, comb dye, carbonize, spin, twist, double, wind, wrap, weave mind, finish, make up, buy, sell, import, export and deal in fibers, whether natural artificial or synthetic tops, yarn, woven, fabrics arid textile fabrics and to carry on the trade or business of combers, recompress, top makers, spinners/weavers-doublers, manufacturers, printers dyers and finishers, bleachers, carbonizes, water roofers of textile materials and fabrics of all kinds, merchants, agents importers exporters factor sell out of and dealers in wool, worsted shoddy woolen, silk, hair, alpaca, mohair, cotton, flax, jute hemp, artificial and synthetic fibers and all or any fibrous substances tops, wasters arid by-products or any textile products.
3.	To undertake ginning, spinning weaving, knitting, bleaching, dyeing, combing and pressing of all varieties of fibers and yarns, natural, artificial or synthetic, such as Cotton, Rayon, Nylon, polyester, acrylic, their products and waste of every description whether on the company's own account or for any person firm or company.
4.	To carry on the business of manufacturers importers and exporters, agents, wholesale and retail dealers of and in Jeans, Pants, Textile Goods Hosiery Goods, Cloth, Cotton Goods and Readymade Goods of every kind, nature and description for men, women, and children including Blankets, Shawls, Saris, Lois, Mufflers, Scares, Shirts, Trousers, Vests, underwear's, socks, panties, nighties, stockings. sweaters, brasseries coats, costumes, gloves laces and all other hosiery and textile goods.
5.	To carry on the business of manufacturers, producers processors importers exporters buyers, sellers of and dealers in all kinds of fabrics and textiles prepared or manufactured from nylon, polyester acrylic rayon silk linen, cotton wool, Jute or any other synthetic artificial or natural yarn and fibers and converters of synthetic artificial and natural fibers including fiber glass into materials like cloth lapse ropes, yams twins hosiers dress makers furriers clothiers and otters, and such other articles as may be conveniently produced or manufactured.
6.	To buy, sell, import, export or deal in any kind of goods or services either as manufacturer, trader, agents, consultants, service providers or otherwise in India or abroad.
7.	To carry on the business of manufacturing machinery or providing consultancy or to render designing and engineering services and provide technical know-how to run and maintain plants and machinery for manufacture of all or any of the above types of goods materials, raw materials thereof.

Amendments to Memorandum of Association (Details of amendments of last ten years)

Date of Shareholder's resolution	Particulars
Ordinary Resolution dated 15/02/2024	Increase in Authorised Share Capital from Rs 10,00,00,000 to Rs 15,00,00,000
Special Resolution dated 04/06/2024	Change in Format of MOA as per Table 'A' of Schedule I of Companies Act,2013
Special Resolution dated 22/01/2025	Add clause in the main object clause III (A) of MOA (Change in the name clause I pursuant to conversion into public company)
Special Resolution dated. 11/06/2025	Increase in Authorised Share Capital from Rs 15,00,00,000 to Rs 24,00,00,000

Details regarding holding company, subsidiaries and joint venture(s)

Our Company does not have any holding company, subsidiaries and joint venture(s) as on the date of filing this Red Herring Prospectus.

Pending Litigation involving the Group Company

Our Group Company is subject to certain ongoing litigations. For further details, please refer to chapter titled **"*Outstanding Litigations & Material Developments*"** on page 208 of this Red Herring Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation, location of projects

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets or capacity/facility creation, location of projects, see "***Our Business***" on pages 123, respectively.

Capital Raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus. For details of our Company's debt facilities, please refer to the section "***Restated Financial Information***" on page 182 of this Red Herring Prospectus.

Time and cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

There are no injunctions/ restraining orders that have been passed against the Company.

Defaults or rescheduling of borrowings with financial institutions/banks and conversion of loans into Equity Shares

Our Company has not defaulted in making payment of interest and repayment and there is no pending overdue with any lender as of the date of filing of this Red Herring Prospectus. Refer "***Risk Factors***" beginning on Page 17 of this Red Herring Prospectus for further information.

Furthermore, except as disclosed in "***Capital Structure***" beginning on Page 63 of this Red Herring Prospectus, none of the Company's loans have been converted into equity in the past.

Lock-Out or Strikes

Our Company, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Red Herring Prospectus, our employees are not unionized.

Shareholders of our company

Our Company has Sixteen shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus.

Agreements with key managerial personnel or senior management or directors or promoters or any other employee

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Collaboration Agreements

As on the date of this Red Herring Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

Shareholders' Agreements and Other Agreements

As on the date of this Red Herring Prospectus, there are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Non-Compete Agreement

Our Company has entered into a Non-compete Agreements with the promoters and promoter group, as on the date of filing of this Red Herring Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Our Company does not have any strategic partners as on the date of this Red Herring Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Red Herring Prospectus

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OUR MANAGEMENT

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Red Herring Prospectus, our Board consists of six (6) Directors, comprising three (3) Executive Director out of whom one (1) is Managing Director and two (2) are Whole Time Directors and three (3) are Non-Executive Independent Directors including one (1) Women Independent Director.

Board of Directors

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Red Herring Prospectus:

Sr. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship(s)
1.	**Arun Gupta** DIN: 00585772 Designation: Managing Director Date of Birth: November 04, 1965 Qualification: Senior Secondary Experience: 40 years Address: 87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India Occupation: Business Term of Office: 5 Years from June 11, 2025, liable to retire by rotation. Date of Expiration of Current Term: June 10, 2030 Period of Directorship: Since Incorporation	60	**List of Associated Companies** ● Vidya Udyog Private Limited ● Trimurti Textile Park Association **List of Associated LLPs** N/A
2.	**Piyush Gupta** DIN: 05141402 Designation: Whole Time Director and Chief Financial Officer Date of Birth: September 02, 1989 Qualification: Bachelor of Commerce (Hons.) Experience: 13 years Address: 87- K, Sarabha Nagar, Ludhiana, Punjab-141001, India Occupation: Business Term of Office: 5 Years from February 01, 2025, Liable to retire by rotation Date of Expiration of Current Term: January 31, 2030 Period of Directorship: Since December 08, 2011	36	**List of Associated Companies** ● Trimurti Textile Park Association **List of Associated LLPs** N/A
3.	**Chirag Gupta** DIN: 08330420 Designation: Whole Time Director Date of Birth: January 02, 1993	33	**List of Associated Companies** N/A **List of Associated LLPs**

Sr. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship(s)
	Qualification: Bachelor of Arts (Hons.) Experience: 6 years Address: 87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India Occupation: Business Term of Office: 5 Years from February 01, 2025, Liable to retire by rotation Date of Expiration of Current Term: January 31, 2030 Period of Directorship: Since January 15, 2019		N/A
4.	**Avinash Rai** DIN: 02028350 Designation: Independent Director Date of Birth: July 29, 1951 Qualification: Bachelor of Commerce Experience: 6 years Address: 19A, Country Homes East, Ludhiana-142027, Ludhiana, Punjab- India Occupation: Business Term of Office: 5 years Date of Expiration of Current Term: 30th January 2031 Period of Directorship: Since January 31, 2025	75	**List of Associated Companies** N/A **List of Associated LLPs** N/A
5.	**Sanjay Kapoor** DIN: 10957615 Designation: Independent Director Date of Birth: 13-03-1966 Qualification: Bachelor of Arts and PG Diploma in Business Management Experience: 29 years Address: H No. D-274, South City, Ayali Khurd, Ludhiana, Punjab-142027 Occupation: Professional Term of Office: 5 years Date of Expiration of Current Term: 30th January 2031 Period of Directorship: Since January 31, 2025	60	**List of Associated Companies** N/A **List of Associated LLPs** N/A
6.	**Gurpreet Kaur** DIN: 09356854 Designation: Independent Director Date of Birth: August 24, 1963 Qualification: Master of Commerce and Doctor of Philosophy (Commerce & Management Studies Experience: 37 years	62	**List of Associated Companies** ● Ceigall Jalbehra Shahbad Greenfield Highway Private Limited ● Ceigall Bathinda Dabwali Highways Private Limited ● Avon Cycles Limited

Sr. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship(s)
	Address: House no 36 , Ranjit Nagar , Ludhiana , Punjab 141012 Occupation: Professional Term of Office: 5 years Date of Expiration of Current Term: 10th January 2030 Period of Directorship: Since June 11 2025		• Ceigall India Limited **List of Associated LLPs** N/A

Brief Profile of the Directors

Arun Gupta is the Managing Director and is also the Promoter of the company and has been associated with the Company since incorporation. He completed his Higher Secondary from CBSE Board in 1983. He has done business mastery program from Business Coaching India, New Delhi in 2023. He possesses over four decades of experience in the textile and Yarn industry. As Managing Director, he is responsible for coordinating operations, managing planning and implementation, and overseeing the expansion and overall management of the company's business. His responsibilities include supervising daily operations, handling public relations, making strategic decisions, and maintaining relationships with clients, stakeholders, and shareholders. He has been serving as a Director in Vidya Udyog Private Limited since 2025 and Trimurti Textile Park Association since 2023. He was also a Director of Trimurti Hosiery Mills Private Limited from 1994 to 2023.

Piyush Gupta is a Whole Time Director and Chief Financial Officer of the Company and has been associated with the Company since December 08, 2011. He holds a Bachelor of Commerce (Hons.) from Punjab University in 2010. He has done business mastery program from Business Coaching India, New Delhi in 2023. He possesses over a decade of experience in financial planning and control, administrative management, budgeting, and strategic decision-making. As Chief Financial Officer, he is responsible for overseeing financial operations, internal controls, administrative frameworks, and aligning long-term financial strategy with business growth objectives. Prior to joining the Company, he worked as an intern at Vardhman Spinning & General Mills from May 7, 2009, to June 6, 2009, where he gained experience in production operations and financial systems. He has been serving as a Director in Trimurti Textile Park Association since 2023.

Chirag Gupta is a Whole Time Director and has been associated with the Company since January 15, 2019. He holds a degree in BA (Hons.) in Fashion Business Management from Pearl Academy in 2025, and He has done business mastery program from Business Coaching India, New Delhi in 2023. Currently, He manages operations and production, covering the entire production lifecycle including resource planning, quality control, process optimization, and supply chain coordination. Prior to joining the Company, he worked as Sales executive intern with Diesel (Jeans Brand), in New Delhi from 2013 to 2014 wherein he was assisting in retail sales operations and building customer relationships.

Avinash Rai, aged 74 years, has been serving as an Independent Director of our Company since January 31, 2025. He holds a bachelor's degree in commerce from Punjab University, Chandigarh, and brings with him over four years of board-level experience across diverse industries, including textiles, food, and real estate. Mr. Rai has held several leadership positions during his career. From September 30, 2008 to May 1, 2009, he served as Whole-Time Director at Aerens Entertainment Zone Ltd., where he was responsible for administering and executing large-scale real estate and retail projects. From April 2, 2010 to September 27, 2012, he was a Director at Punjab Small Industries and Export Corporation Limited, gaining valuable experience in liaising with central and state authorities, driving corporate strategy, leading high-performance teams, and implementing CSR and women empowerment initiatives. He was also associated with SEL Manufacturing Company Limited from May 2010 to November 2014, further enhancing his expertise in the textile sector. In addition, he briefly served as a Director at Vista Knitberry Fashions Limited (July 29, 2014 to October 30, 2014) and Beverly Food & Beverages Limited (June 9, 2014 to November 25, 2014).

Sanjay Kapoor, aged 60 Years, is an Independent Director of our Company since 31st January 2025. He holds a BA degree from Punjab University (1986) and a Post Graduate Diploma in Business Management (1988). He has over 27 years of diverse experience across the yarn and textile, FMCG, telecommunications and direct selling industries. He commenced his career in the yarn and textile sector, where he worked as a commission agent and trader for over 12 years, assisting in market development. He subsequently served as a distributor in the FMCG sector handling brands such as Bikano, Mahan Ghee, Cremica, Duke and Unibic, and later worked in the mobile and telecommunication sector. Since 1996, he has been associated with the direct selling industry and is currently engaged with Vestige Marketing Private Limited where he has been instrumental in developing markets across India and is actively involved in motivational speaking and leadership development.

Gurpreet Kaur, aged 62 years, is an Independent Director of our Company. She holds a Master's degree in Commerce from Punjab University (1985) and a Doctorate in Philosophy from Himachal Pradesh University (2012). She has over 35 years of experience in higher education and institutional management. She began her career as an Assistant Professor at Satish Chander Dhawan Government College on January 21, 1988, was promoted to Associate Professor on January 1, 2006, and subsequently appointed as Principal on February 9, 2021. She retired from this role on August 31, 2021. In addition to her academic career, she contributes actively to corporate governance. She has been serving as an Independent Director of Ceigall India Ltd. since 2021 and a Director at Avon Cycles Ltd. from February 4, 2023. She is also an Independent Director of Ceigall Malout Abohar Sadhu Wali Highways Private Limited, Ceigall Jalbehra Shahbad Greenfield Highway Private Limited, and Ceigall Bathinda Dabwali Highways Private Limited since 2025.

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Red Herring Prospectus, whose shares have been / were suspended from being traded on any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Nature of any family relationship between any of the Directors or directors and key managerial personnel / senior management

None of the Directors or Director and Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013 except as discussed below:

Sr. No.	Name of Director	Designation	Relationship with other Directors
1.	Arun Gupta	Managing Director	Father of Piyush Gupta and Chirag Gupta
2.	Piyush Gupta	Chief Financial Officer and Whole Time Director	Son of Arun Gupta Brother of Chirag Gupta
3.	Chirag Gupta	Whole Time Director	Son of Arun Gupta Brother of Piyush Gupta

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understandings with any shareholder, customer, supplier, or other entity pursuant to which any of our Directors, Key Managerial Personnel, or members of the senior management have been appointed. Further, none of our Key Managerial Personnel have been appointed pursuant to any such arrangement or understanding. Our Company also does not have any Key Managerial Personnel or other persons nominated by any shareholder or any other entity.

Service Contracts

None of our Directors have entered into any service contracts with our Company, other than in their individual capacity as Directors, and no benefits are payable to them upon termination of their employment, other than statutory benefits. Further, except for statutory benefits payable upon termination or retirement, no officer of our Company, including the Directors and Key Managerial Personnel, is entitled to any benefits upon cessation of employment with our Company.

Borrowing Power of the Board

In terms of the special resolution passed at an Annual General Meeting of our Company held on 22 September, 2025 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, the consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course

of business), may exceed the aggregate of the paid up capital of the Company and free reserve, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of INR 50 Crores.

Other Confirmations

As on the date of this Red Herring Prospectus:

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the NSE, during the term of their directorship in such company.
- None of the Directors are on the RBI List of wilful defaulters
- None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(lll) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Red Herring Prospectus.
- None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Compensation of Managing Directors, and/or Whole-time Directors

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Director(s):

Name	**Arun Gupta**
Designation	Managing Director
Date of Appointment / Change in Designation	He was originally appointed as a Director of the Company on its incorporation on August 21, 1997, and was subsequently re-designated as Managing Director from June 11, 2025.
Period	5 Years
Salary	Up to Rs. 24,00,000/- p.a.
Bonus	NA
Perquisite/Benefits	NA
Commission:	NA
Compensation/ remuneration paid during the F.Y. 2024-25	Nil[(1)]

Name	**Piyush Gupta**
Designation	Whole Time Director and Chief Financial Officer
Date of Appointment / Change in Designation	He was appointed as a Director since December 08, 2011 and later he re-designated as a Whole Time Director, liable to retire by rotation for a period of 5 years from February 01, 2025 and appointed as CFO since January 01, 2025.
Period	5 Years
Salary	Up to Rs. 24,00,000/- p.a.
Bonus	NA
Perquisite/Benefits	NA
Commission:	NA
Compensation/ remuneration paid during the F.Y. 2024-25	24.04 Lakhs[(2)]

Name	**Chirag Gupta**
Designation	Whole Time Director
Date of Appointment / Change in Designation	He was appointed as a Director since January 15, 2019 and later he re-designated as a Whole Time Director, liable to retire by rotation for a period of 5 years from February 01, 2025
Period	5 Years

Salary	Up to Rs. 24,00,000/- p.a
Bonus	NA
Perquisite/Benefits	NA
Commission:	NA
Compensation/ remuneration paid during the F.Y. 2024-25	24.04 Lakhs[(2)]

Notes:

(1) Arun Gupta had declined remuneration for serving as Managing Director of the Company during the FY 2024-2025.

(2) The excess salary paid to Mr. Piyush Gupta and Mr. Chirag Gupta was due to an accounting error during payroll disbursement and the Company has since clawbacked excess remuneration paid.

Payments or Benefits to Our Directors

Non-Executive Directors:

Non-Executive Directors of the company - both Independent and Non-Independent - may be paid sitting fee, commission, and any other amounts as may be decided by our board in accordance with the provisions of the Articles of Association, the Companies Act, and other applicable laws & regulations.

Contingent and deferred compensation payable to the Directors

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our directors

Our Company does not have any performance-linked bonus or a profit-sharing plan in which our directors have participated.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.
Our Company will not pay any remuneration to the Independent Directors of our company except the applicable sitting fee and reimbursement of expenses as per the Companies Act, 2013.

Shareholding of Directors of our company

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him/her for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Red Herring Prospectus:

Sr. No.	Name of Director	No. of Equity Shares	Percentage of the pre-offer paid up share capital (%)	Percentage of the post-offer paid up share capital (%)
1.	Arun Gupta	45,94,087	33.58%	[●]
2.	Piyush Gupta	22,86,046	16.71%	[●]
3.	Chirag Gupta	26,71,629	19.53%	[●]
Total		**95,51,762**	**69.82%**	[●]

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances. Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Except as stated in the chapter "***Our Management***" and "***Restated Financial Information***" beginning on page 159 and 182 respectively and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Book Running Lead Manager, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest in promotion of Our Company

Except Arun Gupta, Piyush Gupta, and Chirag Gupta, who are Promoters of our company, none of our directors have any interest in the promotion of our Company other than in ordinary course of business.

Interest in the property of Our Company

Our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in "***Related Party Transaction***" in the chapter titled "***Restated Financial Information***" beginning on page number 182 of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Bonus or profit-sharing plan for the directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Other indirect interest

Except as stated in the chapter titled "***Restated Financial Information***" beginning on page 182 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

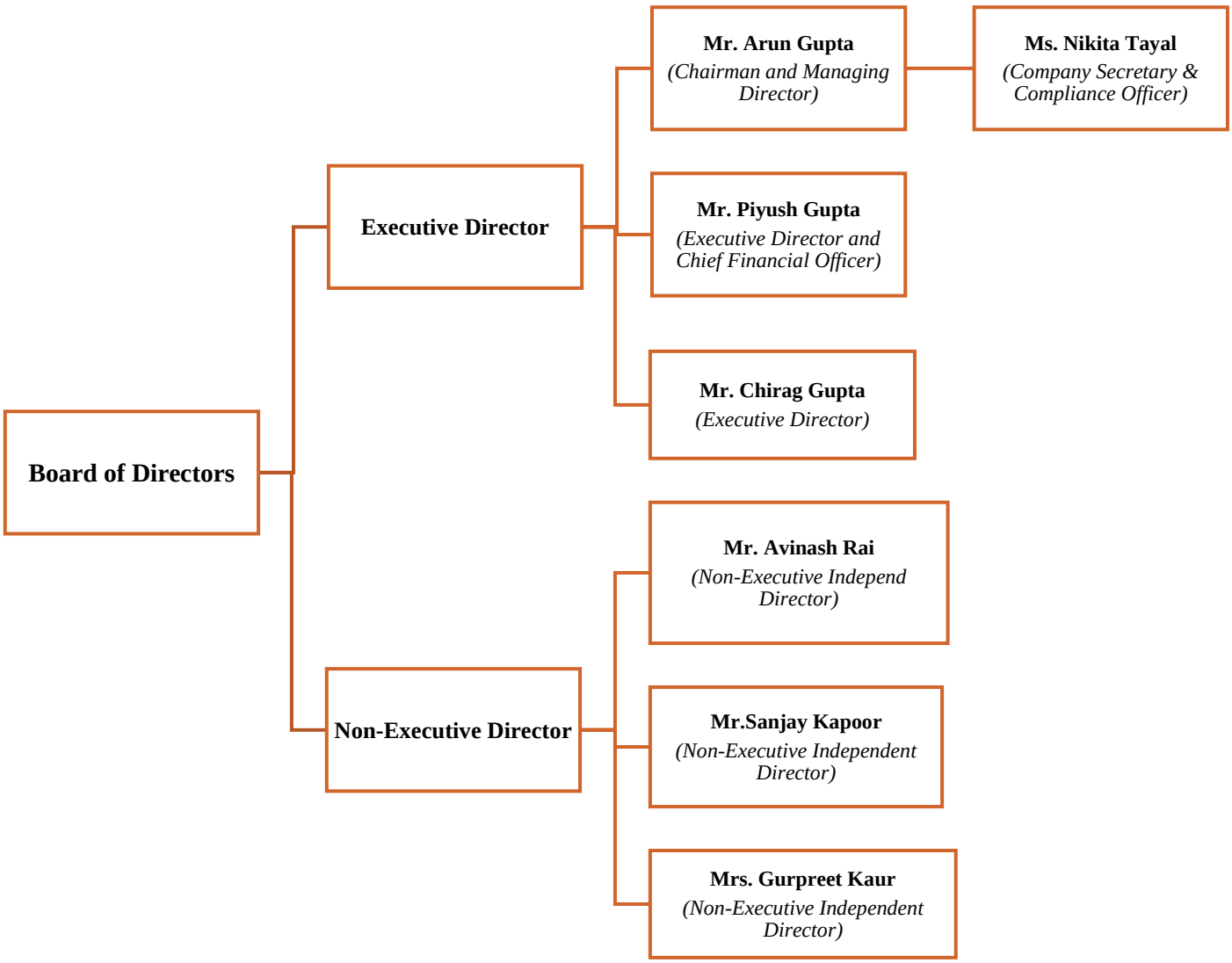
Changes in the Board of Directors During the Last Three Years

Save and except as mentioned below, there has been no change in directorships in the Last three years of our Company:

S. No	Name	Date of Appointment/ Cessation	Designation	Reason for the Change	Detailed Reason for Resignation
1.	Rajesh Gupta	November 02, 2023	Director	Resignation	Not available*
2.	Ravi Gupta	November 02, 2023	Director	Resignation	Not available*
3.	Madhur Gupta	November 02, 2023	Director	Resignation	Not available*

S. No	Name	Date of Appointment/ Cessation	Designation	Reason for the Change	Detailed Reason for Resignation
4.	Vani Gupta	October 25, 2023	Director	Appointment	-
5.	Nitasha Gupta	October 25, 2023	Director	Appointment	-
6.	Sangeeta Gupta	October 25, 2023	Director	Appointment	-
7.	Vishnu Gupta	March 11,2024	Director	Resignation	Due to personal reasons
8.	Piyush Gupta	January 01, 2025	CFO	Appointment	-
9.	Arun Gupta	January 01, 2025	CEO	Appointment	-
10.	Avinash Rai	January 31, 2025	Additional Independent Director	Appointment	-
11.	Sanjay Kapoor	January 31, 2025	Additional Independent Director	Appointment	-
12.	Piyush Gupta	February 01, 2025	Whole-Time Director	Redesignated	-
13.	Chirag Gupta	February 01, 2025	Whole-Time Director	Redesignated	-
14.	Gurpreet Kaur	June 11, 2025	Independent Director	Appointment	-
15.	Arun Gupta	June 11,2025	Managing Director	Redesignated	-
16.	Avinash Rai	June 11, 2025	Independent Director	Redesignated	-
17.	Sanjay Kapoor	June 11, 2025	Independent Director	Redesignated	-
18.	Arun Gupta	June 30, 2025	CEO	Resignation	He resigned from the post of CEO to take up the role and responsibilities of Managing Director.
19.	Sangeeta Gupta	August 11, 2025	Director	Resignation	Due to other preoccupations
20.	Vani Gupta	August 11, 2025	Director	Resignation	Due to other preoccupations
21.	Nitasha Gupta	August 11, 2025	Director	Resignation	Due to other preoccupations

Management Organizational Structure



Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges. As on date of this Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including a woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee

Audit Committee

The Audit Committee was reconstituted vide Board resolution dated June 12, 2025, pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Position in the Committee	Designation
Gurpreet Kaur	Chairman	Independent Director
Avinash Rai	Member	Independent Director
Piyush Gupta	Member	Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

- Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process.
- Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

The Audit Committee enjoys following powers:

- To investigate any activity within its terms of reference

- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise if it considers necessary
- The audit committee may invite such executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.
- Statement of deviations:
- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall cease to be a member of this committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was reconstituted at a meeting of the Board of Directors held on June 12, 2025, As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Position in the Committee	Designation
Sanjay Kapoor	Chairman	Independent Director
Avinash Rai	Member	Independent Director
Gurpreet Kaur	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The scope, functions, and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee shall include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.

(1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;
b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
c. consider the time commitments of the candidates.

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Nomination and Remuneration Committee is required to meet at least once in a financial year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee was reconstituted at a meeting of the Board of Directors held on June 12, 2025, As on the date of this Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

Sr. No.	Names of Member	Designation in Board	Designation in Committee
1	Sanjay Kapoor	Independent Non-Executive Director	Chairman
2	Chirag Gupta	Executive Director	Member
3	Piyush Gupta	Executive Director	Member

a. The role of Stakeholder Relationship Committee, together with its powers, is as follows:
b. Allotment and listing of our shares in future
c. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
d. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
e. Reference to statutory and regulatory authorities regarding investor grievances;
f. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
g. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The quorum for a meeting of the Stakeholders' Relationship Committee shall be two directors. The Committee shall meet as often as necessary and report to the Board on the status of redressal of complaints received from the shareholders of the Company. Decisions at the Committee meetings shall be taken by a majority of the members present, and in the event of an equality of votes, the Chairperson shall have a second or casting vote.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted at a meeting of the Board of Directors held on June 12, 2025, As on the date of this Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

Name of the Director	Position in the Committee	Designation
Arun Gupta	Chairman	Managing Director
Gurpreet Kaur	Member	Independent Director
Piyush Gupta	Member	Executive Director
Chirag Gupta	Member	Executive Director

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

a. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
b. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

c. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
d. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
e. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
f. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
g. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE EMERGE Platform of NSE . We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Sr. No.	Name, Designation, Educational Qualification & Term of office (with date of expiration of term) and details of service contracts including termination/retirement benefits, if any,	Age	Year of Joining	Compensation paid for F.Y. ended 2025 (Amount in Rs. Lakhs	Overall experience (in years)	Previous employment	Past business experience, and functions and areas of experience
1	**Name:** Arun Gupta **Designation:** Managing Director **Qualification:** Senior Secondary **Term of Office:** 5 years, from June 11, 2025 till June 10, 2030, liable to retire by rotation. **Service Contract:** NA	60Years	August 21, 1997	Nil	40 Years	NA	Please refer "***Brief profile of Directors"*** Table of this chapter
2.	**Name:** Piyush Gupta **Designation:** Whole Time Director and Chief Financial Officer **Qualification:** Bachelor of Commerce (Hons.)	36 Years	December 08, 2011	24.04	13 Years	NA	Please refer "***Brief profile of Directors"*** Table of this chapter

Sr. No.	Name, Designation, Educational Qualification & Term of office (with date of expiration of term) and details of service contracts including termination/retirement benefits, if any,	Age	Year of Joining	Compensation paid for F.Y. ended 2025 (Amount in Rs. Lakhs	Overall experience (in years)	Previous employment	Past business experience, and functions and areas of experience
	Term of Office: As a Whole Time Director, 5 Years from February 01, 2025, Liable to retire by rotation and appointed as CFO since January 01, 2025. **Service Contract:** NA						
3.	**Name:** Chirag Gupta **Designation:** Whole Time Director **Qualification:** Bachelor of Arts (Hons.) **Term of Office:** 5 Years from February 01, 2025, Liable to retire by rotation **Service Contract:** NA	33Years	January 15, 2019	24.04	6 years	NA	Please refer "***Brief profile of Directors"*** Table of this chapter
4	**Name:** Nikita Tayal **Designation:** Company Secretary **Qualification:** Bachelor of Laws (L.L.B.) and Company Secretary **Term of Office:** Permanent **Service Contract:** NA	30 Years	01/01/2025	0.77	5 Years	Citygold Credit Capital Limtied (NBFC)	Please refer "***Brief Profile of Key Managerial Personnel and Senior Management Personnel"*** Table of this chapter

Brief profile of Key Managerial Personnel and Senior Management Personnel

Arun Gupta, Please refer "***Brief profile of Directors"*** on Page number 159.
Piyush Gupta, Please refer "***Brief profile of Directors"*** on Page number 159.

Chirag Gupta, Please refer "***Brief profile of Directors"*** on Page number 159.
Nikita Tayal is the Company Secretary of the Company, having joined on January 1, 2025. She is a qualified Company Secretary (ICSI, 2018) and Law Graduate (LLB., Punjabi University, 2021) with a B.Com. degree from Panjab University (2016). She has prior experience working part-time with B.K. Gupta & Associates, Practicing Company Secretaries, where she handled matters relating to corporate laws, IBC, NCLT, and ROC compliances. From November 2019 to December 2024, she served as the Whole-time Company Secretary of Citygold Credit Capital Limited, a listed NBFC on MSEI, where she was responsible for statutory and regulatory compliances under ROC, SEBI LODR, PIT, SAST Regulations, RBI filings through COSMOS, and coordination with regulatory authorities including CDSL, NSDL, and RTA. Her experience also includes preparation of statutory documents, regulatory filings, legal drafting, and support in corporate restructuring, liquidation, and related proceedings.

Changes in Key Managerial Personnel and Senior Management personnel in the past 3 years

Following have been the changes in the Key Managerial Personnel during the last three years:

Sr. No.	Name of KMP	Date of appointment/ resignation	Designation (at the time of appointment/ resignation)	Reason	Detailed Reason for Resignation
1.	Piyush Gupta	January 01, 2025	Chief Financial Officer	Appointment	-
2.	Nikita Tayal	January 01, 2025	Company Secretary	Appointment	-
3.	Arun Gupta	January 01, 2025	Chief Executive Officer	Appointment	-
4.	Piyush Gupta	February 01, 2025	Whole-Time Director	Redesignated	-
5.	Chirag Gupta	February 01, 2025	Whole-Time Director	Redesignated	-
6.	Arun Gupta	June 11, 2025	Managing Director	Redesignated	-
7.	Arun Gupta	June 30, 2025	Chief Executive Officer	Resignation	He resigned from the post of CEO to take up the role and responsibilities of Managing Director.

Attrition Rate as compared to industry

The following tables set forth our KMP attrition rate as of the periods indicated:

Particulars	February 28, 2026	March 31, 2025 *	March 31, 2024	March 31, 2023
Employees from Previous Year	4	NA	NA	NA
New Employees in the Current Year	0	4	NA	NA
Left/Transferred & Retired Employees	0	0	NA	NA
Total Employees in Current Year	4	4	NA	NA
Attrition Rate	0%	0%	NA	NA

**The company has appointed KMP in the FY 24-25*

As certified by certificate dated July 09, 2026, from our Statutory Auditor V.V. Bhalla & Co., Chartered Accountants

Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel holds any Equity Shares in our Company as on the date of this Red Herring Prospectus, except as follows:

Sr. No.	Name	No. of Equity Shares held	Percentage of the pre-offer paid up share capital (%)	Percentage of the post-offer paid up share capital (%)
1.	Arun Gupta	45,94,087	33.58%	[●]
2.	Piyush Gupta	22,86,046	16.71%	[●]

Sr. No.	Name	No. of Equity Shares held	Percentage of the pre-offer paid up share capital (%)	Percentage of the post-offer paid up share capital (%)
3.	Chirag Gupta	26,71,629	19.53%	[●]
Total		**95,51,762**	**69.82%**	[●]

Interest of Key Managerial Personnel

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Bonus and/ or profit-sharing plan for the key managerial personnel

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

Contingent and deferred compensation payable to key managerial personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Payment of benefits to officers of our company (non-salary related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled "**Restated Financial Information**" and the chapter titled "**Our Business**" beginning on pages 182 and 123 of this Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Red Herring Prospectus.

Notes:

All the key managerial personnel and senior management personnel mentioned above are on the payrolls of our company as permanent employees.

There is no arrangements / understanding with major shareholders, customers, suppliers, or other pursuant to which any of the above mentioned personnel have been recruited.

None of our Key Managerial Personnel & Senior Managerial Personnel has been granted any benefits in kind form our company, other than their remuneration.

Retirement Benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

Details of the Service Contracts of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel have entered into any service contracts with our company except for acting in their individual capacity as KMP and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, the KMP's have been issued Appointment letters for their term of appointment.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

Loans given / availed by Directors / Key Managerial Personnel / Senior Management Personnel

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter – ***Restated Financial Information*** page 182 of this Red Herring Prospectus.

Employee Stock Option Plan / Employee Stock Purchase Scheme

The Company has not granted or issued any Employee Stock Options (ESOPs)/ Employee Stock Purchase Scheme to its employees, directors, or Key Managerial Personnel as on date.

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OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Arun Gupta, Piyush Gupta and Chirag Gupta are the promoters of our Company.

As on date of this Red Herring Prospectus, our promoters' shareholdings in our company are as follows:

S. No.	Name	Number of Equity Shares	Pre-Issue Shareholding as in % of Issued Capital
1.	Arun Gupta	45,94,087	33.58%
2.	Piyush Gupta	22,86,046	16.71%
3.	Chirag Gupta	26,71,629	19.53%

1. The face value of Equity share is Rs 10.

Details of our Promoters are as follows:

Individual Promoters:

Name	**Arun Gupta**
Date of Birth	November 04, 1965
Age	60 Years
Designation	Managing Director
Personal Address	87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India
Educational Qualification	Senior Secondary Education
Experience	40 Years of Experience in Working in Textile Industry.
Positions/ Post held in the Past	Originally, he was appointed as a director since the incorporation of the company, i.e., since August 21, 1997, and later his designation was changed to a Managing Director, liable to retire by rotation for a period of five years w.e.f. June 11, 2025.
Directorships Held in the Past	He was a director in Trimurti Hosiery Mills Private Limited from 1994 to 2023.
Other Ventures	Vidya Udyog Private Limited Trimurti Textile Park Association National Yarn Agency Arun Gupta HUF
Special Achievements	NA
Business & Financial Activities	The business and financial activities are carried out in the course of his profession as a Businessman.
PAN	ABZPG4892J

Name	**Piyush Gupta**
Date of Birth	September 02, 1989
Age	36 Years
Designation	Whole Time Director and Chief financial Officer
Personal Address	87 K, Sarabha Nagar, Ludhiana, Punjab-141001, India
Educational Qualification	Bachelor of Commerce (Hons.)
Experience	13 Years of Experience in Working in Textile Industry.
Positions/ Post Held in the Past	He was appointed as a Director since December 08, 2011 and later he redesignated as a Whole Time Director, liable to retire by rotation for a period of 5 Years w.e.f February 01, 2025 and appointed as CFO since January 01, 2025.
Directorships Held in the Past	NA

Other Ventures	K.C. Fabrics Trimurti Textile Park Association Piyush Gupta HUF
Special Achievements	NA
Business & Financial Activities	The business and financial activities are carried out in the course of his profession as a Businessman.
PAN	AKJPG0952E

Name	**Chirag Gupta**
Date of Birth	January 02, 1993
Age	33 Years
Designation	Executive Director
Personal Address	87-88 K, Sarabha Nagar, Ludhiana, Punjab-141001, India
Educational Qualification	Bachelor of Arts (Hons.)
Experience	6 Years of Experience in Working in Textile Industry.
Positions/ Post Held in the Past	He was appointed as a Director since January 15, 2019 and later redesignated as Whole Time Director, liable to retire by rotation for a period of 5 Years w.e.f February 01, 2025.
Directorships Held in the Past	NA
Other Ventures	K.C. Fabrics Chirag Gupta HUF
Special Achievements	NA
Business & Financial Activities	The business and financial activities are carried out in the course of his profession as a Businessman.
PAN	AXUPG3108N

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhaar Card Number, Passport Number and Driving License number of the Promoters will be submitted to the EMERGE Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Red Herring Prospectus.

Corporate Promoters:

Our Company does not have any corporate entity, alternative investment fund, or foreign venture capital investor registered with the Board identified as a promoter. The promoters of our Company are individuals only, and there are no institutional or corporate promoters associated with our Company.

Change in the control of our company

There has been no change in the management or control of our Company during the last five years preceding the date of this Red Herring Prospectus, the Present Promoters of our Company are Arun Gupta, Piyush Gupta, and Chirag Gupta. Initial subscribers to the MoA of our Company were Rajesh Gupta, Vishnu Gupta, Arun Gupta and Ravi Gupta. Piyush Gupta, and Chirag Gupta was not the original promoter of our Company, and they became Promoter, in terms of the SEBI ICDR Regulations.

For details of acquisition of shareholding by our Promoters, please see "Capital Structure**" on page 63.*

Interest of promoters

1. Our Promoters are interested in our Company: (i) to the extent that they have promoted our Company; (ii) to the extent of their direct or indirect shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which hold Equity Shares in our Company; and (iii) the dividend payable upon such shareholding and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives or such entities, if any. For further details, see "***Capital Structure – Details of Shareholding of our Promoters and members of our Promoter Group in our Company***" on page 63. "Additionally, our Promoters may be interested in transactions entered into by our Company with

them, their relatives, or other entities (i) in which our Promoters hold shares, directly or indirectly, or (ii) which are controlled by our Promoters.

2. Nature and extent of the interest of promoter(s), directors or group companies

a. Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

b. Interest in the property of Our Company

Our Promoters have no interest in any property acquired by our Company neither in the preceding three years from the date of this Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus.

For more information, refer to "***Our Business***" beginning on page number 123 of this Red Herring Prospectus and "*Note 32 - Related Party Transaction*" under section titled "***Restated Financial Information***"

c. Interest as member and directors of Our Company

Our Promoters hold 95,51,762 Shares aggregating to 69.82% of pre-issue Equity Share Capital in our Company and are therefore interested in the extent of his respective shareholding and the dividend declared, if any, by our Company. Except to the extent of his respective shareholding in our Company given in "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus, our Promoters hold no other interest in our Company.

Further, our individual Promoters namely, Arun Gupta, Piyush Gupta, and Chirag Gupta, who are also Directors and/or Key Managerial Personnel of our Company, may be deemed to be interested in the terms of their appointment as such, including in relation to benefits, remuneration, reimbursement of expenses, etc., payable to them, if any, in their capacity as Directors. For further details, see "***Our Management"*** on page 159.

d. Interest in any transaction in acquisition of land, construction of building and supply of machinery, etc.

Our Promoters also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Payment of benefits to our promoter and promoter group during the last two years

Except as disclosed in the section "*Note 32 -Related Party Transaction*" under section titled "***Restated Financial Information***" beginning on page number 182 of the Red Herring Prospectus, there has been no Payment or benefit to promoter during the two (2) years preceding the date of filing of this Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Red Herring Prospectus.

Material guarantees

As on the date of this Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Our promoter may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to "***Statement of Financial Indebtedness***" and "***Restated Financial Information***" on page 184 and 182 respectively of this Red Herring Prospectus.

Companies / firms from which the promoter have disassociated themselves in the last (3) three years

Our Promoters has not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus, except as discussed below:

S. No	Name of Promoter	Company Name	Date of disassociation	Reason for and circumstances leading to dissociation and terms of disassociation

1.	Arun Gupta	Trimurti Hosiery Mills Private Limited	02/11/2023	Cessation of Directorship due to pre-occupation

Other ventures of our Promoters

Other than as disclosed in "- ***Promoter Group – Entities forming part of our Promoter Group***" and "***Our Group Companies***" on pages 176 and 217 our Promoters are not involved in any other ventures. Further, our Promoters do not have any direct interest in any venture that is involved in the same line of activity or business as conducted by our Company.

Outstanding Litigations details pertaining to our Promoters

For details of legal and regulatory proceedings involving our Promoters, please refer to "***Outstanding Litigation and Material Developments***" beginning on page 208 of this Red Herring Prospectus.

Experience of our promoters in the line of business of our Company

Our promoters possess extensive experience in our industry. For information, refer to "***Our Management"*** beginning on page number 159 of this Red Herring Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to "***Restated Financial Information-Note 32-Related Party Transactions"*** beginning on page 182 of the Red Herring Prospectus.

Confirmations

Our Promoters and members of our Promoter Group have not been declared Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by Reserve Bank of India.

Our Promoters have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

As on the date of this Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Red Herring Prospectus, except as disclosed under "***Outstanding Litigation and Material Developments***" beginning on page 208 of this Red Herring Prospectus.

Our Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of our Promoter Group

The natural persons who are part of our Promoter Group, other than our Individual Promoters, are as follows:

Name of Promoter	Name of member of Promoter Group	Relationship with Promoter
Arun Gupta	Kastoor Chand Gupta	Father
	Sulochana Gupta	Mother
	Sangeeta Gupta	Spouse
	Rajesh Gupta	Brother
	Vishnu Gupta	Brother
	Ravi Gupta	Brother
	Piyush Gupta	Son

	Chirag Gupta	Son
	Om Prakash Chaudhary	Spouse's Father
	Late Smt. Revati Devi	Spouse's Mother
	Murli Dhar Choudhary	Spouse's Brother
	Ghanshyam Choudhary	Spouse's Brother
	Santosh Devi Jallan	Spouse's Sister
Piyush Gupta	Arun Gupta	Father
	Sangeeta Gupta	Mother
	Nitasha Gupta	Spouse
	Chirag Gupta	Brother
	Sarvada Gupta (Minor)	Daughter
	Prashast Gupta (Minor)	Son
	Pardeep Mittal	Spouse's Father
	Anita Mittal	Spouse's Mother
	Pankush Mittal	Spouse's Brother
Chirag Gupta	Arun Gupta	Father
	Sangeeta Gupta	Mother
	Vani Gupta	Spouse
	Piyush Gupta	Brother
	Yashasav Gupta (Minor)	Son
	Ajay Gupta	Spouse's Father
	Monika Gupta	Spouse's Mother
	Keshav Gupta	Spouse's Brother

Entities forming part of our Promoter Group

Sr. No.	Name of Entity	Type of Entity
1	Trimurti Hosiery Mills Private Limited	Company
2	Vidya Udyog Private Limited	Company
3	Trimurti Textile Park Association	Company
4	Star Vista Developers Private Limited	Company
5	Star Cottex Limited	Company
6	Sarvatra Jewels Pvt Ltd.	Company
7	K.C. Fabrics	Partnership Firm
8	Trimurti Apparels	Partnership Firm
9	Arun Gupta HUF	HUF
10	Piyush Gupta HUF	HUF
11	Chirag Gupta HUF	HUF
12	Kastoor Chand Gupta HUF	HUF
13	Ravi Gupta HUF	HUF
14	Vishnu Gupta HUF	HUF
15	Rajesh Gupta HUF	HUF
16	Starlight Hosiery Mills	Sole Proprietorship
17	Arun Gupta HUF	HUF
18	Palace Jewellers	Partnership Firm
19	RPA Developers	Partnership Firm
20	Star Vista Welfare Foundation	Company
21	Pardeep Kumar & Sons HUF	HUF
22	Pankush Mittal HUF	HUF
23	Samridhi Steels	Partnership Firm
24	Aurex Global LLC	International Body Corporate

DIVIDEND POLICY

As on the date of this Red Herring Prospectus, the Company does not have a formal dividend policy. The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, read with the rules notified thereunder, each as amended. We may retain all our future earnings, if any, for purposes to be decided by our Company, subject to compliance with the provisions of the Companies Act. The quantum of dividend, if any, will depend on a number of factors, including but not limited to profits earned and available for distribution during the relevant Financial Year/Fiscal, accumulated reserves including retained earnings, expected future capital/expenditure requirements, organic growth plans/expansions, proposed long-term investment, capital restructuring, debt reduction, crystallization of contingent liabilities, cash flows, current and projected cash balance, and external factors, including but not limited to the macro-economic environment, regulatory changes, technological changes and other factors like statutory and contractual restrictions.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. The amounts declared as dividends in the past are not necessarily indicative of our dividend amounts, if any, in the future. For more information on restrictive covenants under our current loan agreements, see "***Financial Indebtedness***" on page 184 .

Our Company has not declared any dividend on the Equity Shares of our Company in the last three Fiscals and the period from April 1, 2025 until the date of this Red Herring Prospectus

For further details, please refer to the section titled "***Restated Financial Information***" beginning on page 182 of this Red Herring Prospectus.

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SECTION V – RESTATED FINANCIAL INFORMATION

RESTATED AUDITED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Independent Auditors' Report and Standalone Restated Financial Statements for the stub period ended on February 28, 2026 and for the year ended March 31, 2023, March 31, 2024 March 31, 2025, of the Company	F 1- F 42

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To
The Board of Directors,
Madhur Knit Crafts Ltd (Formerly Known As 'Madhur Knit Crafts Private Ltd')
Village - Seera, Sattowal Road, Rahon Road, Ludhiana

Dear Sirs,

1 . We have examined the attached Restated Financial Information of Madhur Knit Crafts Limited (Formerly known as "Madhur Knit Crafts Pvt. Ltd") ("the Company"), comprising the Restated Statement of Assets and Liabilities as at 28th February 2026,March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss, the Restated Cash Flow Statement for Eleven month period ended 28th February 2026 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the Summary Statement of Significant Accounting Policies, the Notes and other explanatory information as forming part of the Restated Financial Information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 06th July 2026 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus ("DRHP/RHP/Prospectus") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2 . The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP/RHP/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Chandigarh in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in note 2(a) of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed SME IPO of equity shares the Company;

b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibility in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in Connection with the SME IPO.

4. These Restated Financial Information have been compiled by the management from:

a) the audited interim financial statements of the Company as at and for the Eleven month period ended 28th February 2026 and audited financial statements for the year ended March 31, 2025 and March 31, 2024, prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 06th July 2026, 2nd September 2025 and 20th September 2024; and

b) the audited special purpose financial statements of the Company as at and for the year ended March 31, 2023, audited by us, prepared in accordance with the basis of preparation as set out in Note 2(a) to such financial statements, which have been approved by the Board of Directors at their meeting held on 24th September, 2025

The financial statements of the Company as at and for Eleven month period ended 28th February 2026 and for the year ended March 31, 2025 and March 31, 2024 have been audited by us and the financial statements as at and for the year ended March 31, 2023 have been audited by previous auditors. We have audited the special purpose financial statements of the Company as at and for the year ended March 31, 2023 prepared by the Company in accordance with the basis of preparation as set out in Note 2(a) to such financial statements for the limited purpose of preparation of restated financial information as the management informed to us that it would not be possible to get examination report for the said year from the previous auditor.

5 For the purpose of our examination, we have relied on (i) Auditors' reports issued by us dated 06th july 2026 ,2nd September 2025 and 20th September 2024 on the audited financial statements of the Company as at and for Eleven month period ended 28th February 2026 and for the year ended March 31, 2025 and March 31, 2024 as referred in Paragraph 4(a) above (ii) Auditors' report issued by us dated 24th September 2025 on the audited special purpose financial statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4(b) above.

6 Based on our examination and according to the information and explanations given to us, we report that :

a) the Restated Financial Information has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively, if any, in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the Eleven month period ended 28th February 2026;

b) there are no qualifications in the underlying auditors' reports in respect of audited financial statements and audited special purpose financial statements as stated in paragraph 5 above, which requires any adjustment to the Restated Financial Information ; and

c) the Restated Financial Information has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7 We have also examined the following financial information, annexed to this report, which forms a part of restated financial information as mentioned in paragraph 1 above, relating to the Company for the for Eleven month period ended 28th February 2026 and financial period/year ended on 31st March 2025, 31st March 2024, and 31st March 2023, prepared by the Management and approved by the Board of Director of the Company and proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus ("Offer Document").

Note No.	Particulars
1	Corporate Information
2	Significant Accounting Policies
3	Share Capital
4	Reserve And Surplus
5	Long Term Borrowings
6	Deferred Tax Liabilities
7	Short Term Borrowings
8	Trade Payables
9	Other Current Liabilities
10	Provisons
11	Property, Plant & Equipments & Intangible Assets
12	Long Term Loans And Advances
13	Other Non Current Assets
14	Inventories

15	Trade Receivables
16	Cash And Bank Balances
17	Short Term Loans And Advances
18	Other Current Assets
19	Revenue From Operations
20	Other Income
21	Cost Of Material Consumed
22	Purchase Of Stock In Trade
23	Changes In Inventories Of Finished Goods, Work In Progress
24	Employee Benefit Expenses
25	Finance Costs
26	Other Expenses
27	Earnings Per Share
28	Value Of Import Calculated On C.I.F Basis
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30	Consumption Of Imported/Indigenous Consumption To Toal Consumption
31	Contingent Liabilities And Commitments (To The Extent Not Provided For)
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44	Statement Of Capitalisation

8 The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

9 This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10 We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11 Our report is intended solely for use of the Board of Directors for inclusion in the DRHP/RHP/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Chandigarh in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For V. V. Bhalla & Co.
Chartered Accountants
Firm's Registration No.002928N

CA Ved Vrat Bhalla
Partner
Membership No. 081941
UDIN :
26081941KXOJXC6924

Place : Ludhiana
Date: 06th July,2026

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Restated Statement of Assets and Liabilities

All amounts Rs. in Lacs unless otherwise stated

	PARTICULARS	NOTE NO.	AS AT 28th FEBRUARY 2026	AS AT 31 ST MARCH 2025	AS AT 31 ST MARCH 2024	AS AT 31 ST MARCH 2023
I	**EQUITY AND LIABILITIES**					
	1.SHAREHOLDERS' FUNDS					
	a) Share Capital	3	1368.24	1072.81	970.00	970.00
	b) Reserves & Surplus	4	2992.51	1875.71	654.24	483.80
	c) Money received against share warrants		-	-	-	-
			4360.75	**2948.52**	**1624.24**	**1453.80**
	2. SHARE MONEY APPLICATION PENDING ALLOTMENT	5				
	3. NON CURRENT LIABILITIES					
	a) Long Term Borrowings	6	2921.48	3116.60	2952.33	1142.54
	b) Deferred Tax Liabilities (Net)	7	168.49	162.45	189.12	193.92
	c) Other Long term liabilities		-	-	-	-
	d) Long term Provisions	11	22.22	14.13	15.40	15.08
			3112.19	**3293.17**	**3156.85**	**1351.54**
	3.CURRENT LIABILITIES					
	a) Short Term Borrowings	8	4432.66	3603.38	2826.20	2274.99
	b) Trade Payables	9				
	- total outstanding dues of micro enterprises and small enterprises		.93	6.29	1.54	2.20
	- total outstanding dues of creditors other than micro enterprises and small enterprises		3271.33	1561.15	1219.22	1227.75
	c) Other Current Liabilities	10	403.84	521.38	212.04	129.51
	d) Short Term Provisions	11	415.74	324.86	19.70	18.92
			8524.49	**6017.05**	**4278.69**	**3653.37**
		TOTAL	**15997.43**	**12258.74**	**9059.77**	**6458.72**
II	**ASSETS**					
	1.NON CURRENT ASSETS					
	a) Property, Plant & Equipment & Intangible Assets					
	-Property, Plant and Equipment		3060.28	3144.61	2104.89	1592.72
	-Intangible Assets	12	.28	.28	.28	.49
	-Capital Work in Progress		-	-	627.42	-
	-Intangible Assets under development		-	-	-	-
	b) Non-current investments					
	c) Long Term Loans & Advances	13	246.05	204.61	274.66	10.90
	d) Other Non Current Assets	14	-	.	14.18	.
			3306.61	**3349.50**	**3021.43**	**1604.11**
	2.CURRENT ASSETS					
	a) Current Investments					
	b) Inventories	15	6092.06	3893.99	2371.47	2962.08
	c) Trade Receivables	16	4926.92	3822.52	2831.81	1403.45
	d) Cash & Bank Balances	17	209.37	108.63	90.14	67.91
	e) Short Term Loans & Advances	18	1437.05	1077.32	739.59	416.17
	f) Other Current Assets	19	25.42	6.77	5.34	4.99
			12690.82	**8909.24**	**6038.34**	**4854.61**
		TOTAL	**15997.43**	**12258.74**	**9059.77**	**6458.72**

For and on behalf of
Madhur Knit Crafts Limited

Chirag Gupta
Whole Time Director
DIN - 08330420

Arun Gupta
Managing Director
DIN -00585772

Piyush Gupta
Whole Time Director cum C.F.O
DIN -05141402

Nikita Tayal
Company Secretary
M. No. A59383

In terms of our report attached

For V. V. Bhalla & Co.
Chartered Accountants
Firm's Registration No.002928N

CA Ved Vrat Bhalla
Partner
Membership No. 081941
UDIN:26081941KXOJXC6924
PLACE: Ludhiana
DATED: 06th July,2026

Madhur Knit Crafts Limited

(Formerly Known As Madhur Knit Crafts Private Limited)

CIN- U17301PB1997PLC020381

Village - Seera, Sattowal Road, Rahon Road, Ludhiana

Restated Statement of Profit and Loss

All amounts Rs. in Lacs unless otherwise stated

	PARTICULARS.	NOTE NO.	FOR THE ELEVEN MONTHS ENDED 2/28/2026	FOR THE YEAR ENDED 3/31/2025	FOR THE YEAR ENDED 3/31/2024	FOR THE YEAR ENDED 3/31/2023
I	**Revenue from operations**	**20**	19469.05	17163.50	10838.45	8932.70
II	**Other Income**	**21**	10.06	12.56	2.12	23.05
III	**Total Income (I +II)**		**19479.11**	**17176.06**	**10840.57**	**8955.75**
IV	**Expenses**					
	Cost of Materials Consumed	**22**	13559.66	12156.02	8112.04	6412.48
	Purchase of Stock in Trade	**23**	4.70	17.70	53.92	36.55
	Change in Inventories of Finished Goods, Work in Progress	**24**	305.95	-260.60	-161.71	546.30
	Employee benefits expense	**25**	591.07	411.30	372.51	253.72
	Finance Costs	**26**	676.75	614.13	429.17	310.01
	Depreciation and amortisation expense	**12**	242.77	237.20	178.57	164.47
	Other Expenses	**27**	2440.36	2511.57	1657.30	1132.54
IV	**Total Expenses**		**17821.26**	**15687.33**	**10641.79**	**8856.07**
V	**Profit before Tax(III-IV)**		**1657.85**	**1488.74**	**198.78**	**99.68**
VI	**Tax Expense:**					
	1. Current Tax		425.38	347.74	33.22	13.33
	2. Deferred Tax		6.05	-26.67	-4.81	-3.97
	3. Prior Priod Taxes		-8.81	64.42	-.7	.
VII	**Profit for the period**		**1235.23**	**1103.25**	**170.43**	**90.31**
VIII	**Earnings per Equity Share:**					
	(not annualized for Eleven months ended 28.02.2026)					
	1. Basic & Diluted	**28**	9.20	8.51	1.41	0.74

For and on behalf of
Madhur Knit Crafts Limited

Chirag Gupta
Whole Time Director
DIN - 08330420

Arun Gupta
Managing Director
DIN -00585772

Piyush Gupta
Whole Time Director cum C.F.O
DIN -05141402

Nikita Tayal
Company Secretary
M. No. A59383

In terms of our report attached
For V. V. Bhalla & Co.
Chartered Accountants
Firm's Registration No.002928N

CA Ved Vrat Bhalla
Partner
Membership No. 081941
UDIN:26081941KXOJXC6924
PLACE: Ludhiana
DATED: 06th July,2026

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Restated Cash Flow Statement

All amounts Rs. in Lacs unless otherwise stated

	PARTICULARS	For the eleven months ended 28-02-2026	For the year ended 31-03-2025	For the year ended 31-03-2024	For the year ended 31-03-2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax	**1657.85**	**1488.74**	**198.78**	**99.68**
	Adjustments for:				
	Depreciation & Amortization expense	242.77	237.20	178.57	164.47
	Provision for Doubtful debts & Advances	29.83	15.95	.	.
	Other non-cash (income)/ expenditure		.84	.	-.40
	(Profit)/Loss on sale of Property, Plant and Equipment	-2.88	2.83	.	.
	Interest Income	-6.13	-7.31	-1.73	-6.33
	Finance Costs	676.75	614.13	429.17	310.01
	Operating Profit before Working Capital Changes	**2598.18**	**2352.38**	**804.79**	**567.43**
	Adjustments for:				
	Trade Receivables	-1134.23	-1005.58	-1428.36	125.48
	Loans, Advances and Other Assets	-378.38	-412.06	-330.53	-74.46
	Inventories	-2198.06	-1522.52	590.61	-438.68
	Trade & Other Payables (including provisions)	1884.01	373.30	29.11	-171.21
	Cash Generated from operating activities	**771.53**	**-214.48**	**-334.37**	**8.55**
	Income Tax Paid	-328.02	-41.34	-33.33	-13.33
	Net Cash Generated from/ (used in) operating Activities	**443.50**	**-255.82**	**-367.70**	**-4.78**
B.	**CASH FROM INVESTING ACTIVITIES**				
	Purchase of Property, plant and equipment	-511.53	-375.73	-1549.30	-133.55
	Sale of Property, plant and equipment	32.96	22.56	2.00	4.36
	Bank balances not considered as cash and cash equivalents	89.37	-13.84	-24.70	-9.33
	Interest Received	6.13	7.31	1.73	6.33
	Net Cash Generated from/ (used in) investing Activities	**-383.07**	**-359.70**	**-1570.27**	**-132.20**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from share capital (including Securitites Premium)	177.00	221.04	.	.
	Net repayment of long term borowings	-555.13	501.26	2251.12	355.50
	Net Proceeds From Short Term Borrowings	1189.29	477.69	109.87	83.92
	Finance Cost	-681.49	-593.99	-411.32	-310.01
	Net Cash Generated from/ (used in) financing Activities	**129.67**	**606.00**	**1949.68**	**129.41**
	Net Increase/(Decrease) in cash and cash Equivalents	**190.11**	**-9.53**	**11.70**	**-7.57**
	Cash and Cash equivalents at beginning of period	10.99	20.52	8.82	16.38
	Cash and Cash equivalents at end of the period	201.10	10.99	20.52	8.82

Notes on Restated Cash Flow Statement

1 The above Cash flow statement has been prepared under the indirect method as set out in AS-3 prescribed under Companies (Accounting Standards) Rules, 2021.

For and on behalf of
Madhur Knit Crafts Limited

Chirag Gupta
Whole Time Director
DIN - 08330420

Arun Gupta
Managing Director
DIN -00585772

Piyush Gupta
Whole Time Director cum C.F.O
DIN -05141402

Nikita Tayal
Company Secretary
M. No. A59383

In terms of our report attached
For V. V. Bhalla & Co.
Chartered Accountants
Firm's Registration No.002928N

CA Ved Vrat Bhalla
Partner
Membership No. 081941
UDIN:26081941KXOJXC6924
PLACE: Ludhiana
DATED: 06th July,2026

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

Note 1: Corporate information

Madhur Knit Crafts Limited (formerly known as 'Madhur Knit Crafts Private Limited') ("the Company") is a company domiciled in India & incorporated on 21st August 1997, under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Blankets, Ready Made Garments and Knitted Cloth.

Note 2(a): Basis of preparation:

The Restated Financial Information comprises the restated statement of assets and liabilities as at 28th February 2026, 31 March 2025, 31 March 2024 and 31 March 2023, the restated statement of profit and loss, the restated cash flow statement, significant accounting policies adopted in preparation of Restated Financial Information and notes forming part of the Restated Financial information (collectively referred to as "Restated Financial Information). The Restated Financial Information have been prepared by the Management of the Company to comply with the requirements of :

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Financial Information have been prepared specifically for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus ("Offer documents") in connection with the proposed SME Initial Public Offer of equity shares of the Company (hereinafter referred to as 'IPO'). As a result, the Restated financial information may not be suitable for any other purpose.

These Restated Financial Information have been compiled from:

a) the audited financial statements of the Company as at and for the Eleven month period ended February 28, 2026, year ended March 31, 2025 and March 31, 2024, prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 06th July 2026, 24th September 2025 and 20th September 2024 respectively and audited by us and

b) the audited special purpose financial statements of the Company as at and for the year ended March 31, 2023, prepared in accordance with the basis of preparation as set out in Note 2(a) to such financial statements, which have been approved by the Board of Directors at their meeting held on 24th September, 2025 and audited by us.

The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of board meeting held to approve and adopt the audited financial statements as mentioned above.

The Restated Financial Information have been prepared so as to contain information/disclosures and incorporating adjustments set out below:

a) the Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively, if any, in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the Eleven months ended February 28, 2026;

b) there are no qualifications in the underlying auditors' reports in respect of audited financial statements as stated above, which requires any adjustment to the Restated Financial Information ; and

c) the Restated Financial Information have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

The Restated Financial Information have been presented in Indian Rupees and all values have been rounded off to nearest Lacs with two decimals thereof, unless otherwise stated.

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

Note 2(b): Significant accounting policies adopted in preparation of Restated Financial Information

1 Revenue Recognition

i. Revenue from sale of goods is recognised when all significant risks and rewards of ownership is transferred to the buyer and the company retains no effective control of goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.
Revenue from rendering of services is recognized under the completed service contract method and when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service

ii Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
Other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

2 Property, Plant & Equipment

Property, Plant & Equipment are stated at cost of acquisition or construction less depreciation. Cost comprise the purchase price and other attributable costs including financing costs of borrowed funds attributable to acquisition of qulaifying assets for the period upto date when the asset is ready for use.

Depreciation on Property, Plant and Equipments is provided on SLM Basis as specified in Schedule II of the Companies Act, 2013 as under. Depreciation for assets purchased / sold during a period is proportionately charged.

Particulars	**Useful life**
Building	30 years
Plant & Equipment	15 years
Furniture & Fixture	10 years
Electrical Equipments	10 years
Computers	3 years
Vehicles	8 years

3 Valuation of Inventories

Inventories are valued at the lower of cost and net realised value. Cost includes cost of purchases, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.

4 Earnings per share

Basic Earnings per share (before dilution) is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the company by the weighted average number of shares for the period.

Diluted Earnings per Share is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the company by dividing the weighted average number of shares determined and assuming conversion of all potential securities.

5 **Employee Benefits**

(a) Short Term Employee Benefits
Short term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the period in which the related service is rendered.

(b) Post Employment Benefits
(i) Defined Contribution Plans
The Employer's contribution to Provident Fund and Employees Pension Scheme and Employees State Insurance, defined contribution plans, is made in accordance with the Provident Fund Act, 1952 read with the Employees Pension Scheme, 1995 and the Employees' State Insurance (ESI) Act, 1948 respectively. The contribution to the Schemes is recognised as an expense in the statement of profit and loss in which contribution to such schemes becomes due and when services are rendered by the employees.

(ii) Defined Benefit Plans:

The gratuity liability is determined and provided using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date by an independent valuer. Actuarial gains and losses are recognized in the statement of profit and loss in the period in which they occur.

6 Contingent liabilities

A disclosure for a contingent liability is made when there is :

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation that arises from past events but is not recognised because:

a.) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

b.) the amount of the obligation cannot be measured with sufficient reliability.

7 Impairment of Assets

At each balance sheet date an assessment is made whether any indication exists that an asset/cash generating unit has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account and is recognised as expense in the statement of profit and loss.

In case impairment loss is recognized, an assessment is made at each balance sheet date whether there is any indication that the impairment loss recognised in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount is estimated and such reversal is recognised as income in the statement of profit and loss.

8 Borrowing Costs

Borrowing costs in relation to borrowings that are directly attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

9 Accounting for Taxes on Income

The accounting treatment followed for taxes on income is to provide for current tax and deferred tax. Current tax is the aggregate amount of income tax determined to be payable in respect of taxable income for a period in accordance with the provisions of the Income tax Act,1961.

Deferred tax is the tax effect of timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted as at its reporting dates. Deferred tax assets and deferred tax liabilities have been set off as it relates to income taxes levied by the same taxation authority

10 Foreign Currency Transaction

(i) Foreign currency transactions are recorded on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Foreign currency monetary items are reported using the closing rate as at the date of balance sheet. The exchange difference arising on the settlement of monetary items or on reporting these items at rate different from those at which they are initially recorded during the period or reported in the previous financial statements are recognized as income or expenses in the period in which they arise.

11 Intangible Assets

Intangible Assets are stated at cost less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on straight line method from the date they are available for use.

12 Leases

Assets acquired on leases wherein a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals paid for such leases are recognized as an expense on systematic basis over the term of lease.

13 Events occurring after the balance sheet date

These are those noteworthy events, favorable as well as unfavorable, which occurs between balance sheet date and date on which such financial statements are considered and approved by the Board of Directors.

14 Provisions

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value.

15 Current – non-current classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:
Assets
An asset is classified as current when it satisfies any of the following criteria:
a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities
A liability is classified as current when it satisfies any of the following criteria:
a) it is expected to be settled in the company's normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within 12 months after the reporting date; or
d) There is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Operating cycle
Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

All amounts Rs. in Lacs unless otherwise stated

NOTE-3

SHARE CAPITAL

PARTICULARS	AS AT 28-02-2026		AS AT 31-03-2025		AS AT 31-03-2024		AS AT 31-03-2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
AUTHORISED SHARE CAPITAL								
Equity Shares of face value of Rs.10/-each	24,000,000	2400.00	15,000,000	1500.00	15,000,000	1500.00	10,000,000	1000.00
ISSUED, SUBSCRIBED & FULLY PAID UP								
Equity Shares of face value of Rs.10/-each fully paid up	13,682,432	1368.24	10,728,100	1072.81	9,700,000	970.00	9,700,000	970.00
		1368.24		**1072.81**		**970.00**		**970.00**

a. **Reconcilation of share capital at the beginning and at the end of the reporting period**

Equity Shares:

	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	10,728,100	1072.81	9,700,000	970.00	9,700,000	970.00	9,700,000	970.00
Add: Issued during the period *	2,954,332	295.43	1,028,100	102.81	-	.	-	.
As at the end of the period	13,682,432	1368.24	10,728,100	1072.81	9,700,000	970.00	9,700,000	970.00

** During the FY 2024-25, "Company" has issued 10,28,100 no. of shares at Rs. 21.50/- per share (Face Value Rs. 10/-) and during the Eleven month ended February 2026, "Company" has issued 26,82,025 no. of Bonus shares (Face Value Rs. 10/-) by Utilising the Securities Premium and Free Reserves.Additionally, the Company allotted 2,72,307 equity shares of face value ₹10 each in February 2026.*

b. **Terms/Right attached to shares:**

The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend which is approved by the Board of Directors. No dividend has been declared by the company during the Eleven month period ended 28th February 2026 and for financial Years 31 March 2025, 31 March 2024 and 31 March 2023.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all prefrential amounts. The distribution will be in proportion to the no. of equity share held by the Shareholder.

c. **Shares held by holding company or ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company.**

There is no holding or ultimate holding company of the Company.

All amounts Rs. in Lacs unless otherwise stated

d. **Shareholding of shareholders holding more than 5% shares:**

	AS AT 28-02-2026		AS AT 31-03-2025		AS AT 31-03-2024		AS AT 31-03-2023	
	No of Shares	**% held**	**No of Shares**	**% held**	**No of Shares**	**% held**	**No of Shares**	**% held**
Vishnu Gupta			-	-	-	-	1,605,000	16.55%
Ravi Gupta			-	-	-	-	885,820	9.13%
Arun Gupta	4,594,087.00	33.58%	3,675,270.00	34.26%	3,450,320	35.57%	784,570	8.09%
Rajesh Gupta			-	-	-	-	1,719,270	17.72%
Sulochna Gupta			-	-	-	-	633,000	6.53%
Ravi Gupta HUF			-	-	940,050	9.69%	940,050	9.69%
Sangeeta Gupta	1,758,550.00	12.85%	1,406,840.00	13.11%	863,450	8.90%	837,450	8.63%
Arun Gupta HUF	1,260,812.00	9.21%	1,008,650.00	9.40%	642,400	6.62%	642,400	6.62%
Chirag Gupta	2,671,629.00	19.53%	2,137,303.00	19.92%	1,719,270	17.72%	-	-
Piyush Gupta	2,286,046.00	16.71%	1,828,837.00	17.05%	1,361,420	14.04%	-	-
Nitasha Gupta	702,438.00	5.13%	561,950.00	5.24%	-	-	-	-

e. **Shareholding of the Promoters and Promoter Group**

NAME	AS AT 28-02-2026		AS AT 31-03-2025		AS AT 31-03-2024		AS AT 31-03-2023	
	NO OF SHARES	**% AGE**	**NO OF SHARES**	**% AGE**	**NO OF SHARES**	**% AGE**	**NO OF SHARES**	**% AGE**
Kastoor Chand Gupta			-	-	-	-	427,750	4.41%
Kastoor Chand Gupta HUF			-	-	359,740	3.71%	359,740	3.71%
Sulochna Gupta			-	-	-	-	633,000	6.53%
Arun Gupta	4,594,087.00	33.58%	3,675,270.00	34.26%	3,450,320	35.57%	784,570	8.09%
Arun Gupta HUF	1,260,812.00	9.21%	1,008,650.00	9.40%	642,400	6.62%	642,400	6.62%
Sangeeta Gupta	1,758,550.00	12.85%	1,406,840.00	13.11%	863,450	8.90%	837,450	8.63%
Piyush Gupta	2,286,046.00	16.71%	1,828,837.00	17.05%	1,361,420	14.04%	475,600	4.90%
Chirag Gupta	2,671,629.00	19.53%	2,137,303.00	19.92%	1,719,270	17.72%	-	-
Vani Gupta	136,563.00	1.00%	109,250.00	1.02%	-	-	-	-
Nikita Gupta			-	-	-	-	100	0.00%
Nitasha Gupta	702,438.00	5.13%	561,950.00	5.24%	100	0.00%	-	-
Rajesh Gupta			-	-	-	-	1,719,270	17.72%
Rajesh Gupta HUF			-	-	139,950	1.44%	139,950	1.44%
Rashmi Gupta			-	-	-	-	12,500	0.13%
Vishnu Gupta			-	-	-	-	1,605,000	16.55%
Vishnu Gupta HUF			-	-	180,100	1.86%	180,100	1.86%
National Yarn Agency			-	-	16,200	0.17%	16,200	0.17%
Anita Gupta			-	-	-	-	8,500	0.09%
Ravi Gupta			-	-	-	-	885,820	9.13%
Ravi Gupta HUF			-	-	940,050	9.69%	940,050	9.69%
Anju Gupta			-	-	-	-	5,000	0.05%
Trimurti Hosiery Mills Pvt. Ltd.			-	-	27,000	0.28%	27,000	0.28%
	13,410,125	**98.01%**	**10,728,100**	**100.00%**	**9,700,000**	**100.00%**	**9,700,000**	**100.00%**

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The shareholding of promoters and promoter group has been disclosed based on the promoters and promoter group identified by the management and disclosed in the offer document

f. **Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

	Eleven Month ended 28th February, 2026	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Equity Shares alloted as fully paid up by way of bonus shares	2,682,025.00	-	-	-	-	-
Equity Shares alloted as fully paid up pursuant to contract(s) without payment being received in cash		-	-	-	-	-
Equity Shares bought back by the Company		-	-	-	-	-

g. There have been no unpaid calls and forfeited shares. Further, there have been no securities convertible into equity/preference shares.

NOTE-4
RESERVES & SURPLUS

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
(a) Surplus i.e. balance in Statement of Profit & Loss				
Balance as at the begining of the period	1757.48	654.24	483.80	518.93
Adjustments:				
-Provision for Gratuity (refer footnote 1 to note 42)	.	.	.	-34.97
-Deferred tax and MAT credit entitlement (refer footnote 1 & 2 to note 42)	.	.	.	-90.46
Restated Balance as at the begining of the period	**1757.48**	**654.24**	**483.80**	**393.49**
Add: Profit for the period	1235.23	1103.25	170.43	90.31
Less : Utilized for issue of Bonus Shares	149.97			
Balance as at the end of the period	**2842.74**	**1757.48**	**654.24**	**483.80**
Securities Premium				
Balance as at the begining of the period	118.23	-	-	-
Add: Addition on allotment of equity shares	149.77	118.23	.	.
Less: Utilized for issue of Bonus Shares	118.23	.	.	.
Balance as at the end of the period	**149.77**	**118.23**	**.**	**.**
TOTAL RESERVES AND SURPLUS	**2992.51**	**1875.71**	**654.24**	**483.80**

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NOTE-5

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Share application money pending allotment				
Opening balance				
Add: Additions during the Period				
Less: Shares issued/Alloted				
Closing balance	.			
Total share application money pending allotment	**.**	**.**	**.**	**.**

NOTE-6

LONG TERM BORROWINGS

		Non Current Maturities				Current Maturities			
	PARTICULARS	**AS AT 28.02.2026**	**AS AT 31-03-2025**	**AS AT 31-03-2024**	**AS AT 31-03-2023**	**AS AT 28.02.2026**	**AS AT 31-03-2025**	**AS AT 31-03-2024**	**AS AT 31-03-2023**
I.	**SECURED**								
	Term Loans								
	(a) From Banks	1793.87	1790.70	1922.34	372.08	362.36	673.18	449.15	216.31
	Vehicle Loans								
	(a) From Banks	49.24	9.66	23.46	28.34	15.87	6.08	14.48	11.89
		1843.11	**1800.36**	**1945.80**	**400.42**	**378.24**	**679.26**	**463.63**	**228.20**
II	**UNSECURED**								
(a)	From Banks and NBFC	184.54	392.60	291.15	.	230.78	289.77	205.91	.
(b)	From Directors and related parties	893.82	923.63	715.38	742.12		.	.	.
		1078.37	**1316.24**	**1006.53**	**742.12**	**230.78**	**289.77**	**205.91**	**.**
		2921.48	**3116.60**	**2952.33**	**1142.54**	**609.02**	**969.03**	**669.54**	**228.20**

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ADDITIONAL INFORMATION

Name Of Lender	Security	Purpose of Loan	Sanction (In lakhs)	Tenure (Months)	Outstanding as on 28th Feb 2026	Outstanding as on March 31,2025	Outstanding as on March 31,2024	Outstanding as on March 31,2023	ROI (in %age)
ADITYA BIRLA FINANCE LTD	Unsecured Loan	Business Loan	50.00	36	13.19	29.24	44.36	.	15.50
AXIS BANK LTD	Unsecured Loan	Business Loan	40.00	24		10.90	30.89	.	1 year MCLR+ Spread 6.35%
FEDBANK FINANCIAL SER. LTD	Unsecured Loan	Business Loan	30.00	36	6.93	16.67	25.88	.	15.00
SMFG INDIA CREDIT CO.LTD (FORMLY - FULLERTON INDIA CREDIT CO. LTD)	Unsecured Loan	Business Loan	50.00	37	13.19	29.24	44.36	.	15.50
ICICI BANK LTD	Unsecured Loan	Business Loan	50.00	36	11.51	27.74	43.08	.	15.00
IDFC BANK LTD	Unsecured Loan	Business Loan	76.50	36	20.18	44.74	67.87	.	15.50
INDUSIND BANK LIMITED	Unsecured Loan	Business Loan	50.00	36	11.52	27.78	43.10	.	15.50
KISETSU SAISON FINANCE (I) PVT LTD	Unsecured Loan	Business Loan	45.00	30	1.74	20.05	37.29	.	15.50
KOTAK MAHINDRA BANK LTD	Unsecured Loan	Business Loan	40.00	24	.	11.13	31.01	.	15.00
L & T FINANCIAL LTD	Unsecured Loan	Business Loan	50.10	36	11.62	27.84	43.03	.	16.00
TATA CAPITAL FIN. SER.LTD	Unsecured Loan	Business Loan	50.00	36	.		43.00	.	15.50
YES BANK	Unsecured Loan	Business Loan	50.00	36	.		43.19	.	15.50
BAJAJ FINANCE LTD	Unsecured Loan	Business Loan	30.98	36	23.11	30.98	.	.	17.00
CHOLAMANDALAM INVEST AND FIN. CO.	Unsecured Loan	Business Loan	35.00	37	26.12	35.00	.	.	17.00
GODREJ FINANCE LIMITED	Unsecured Loan	Business Loan	40.80	48	33.60	40.80	.	.	16.00
HERO FINCORP LIMITED	Unsecured Loan	Business Loan	40.42	36	30.10	40.42	.	.	16.50
IIFL FINANCE LIMITED	Unsecured Loan	Business Loan	30.35	36	21.42	30.35	.	.	17.00

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KISETSU SAISON FINANCE (I) PVT LTD	Unsecured Loan	Business Loan	28.40	30	19.31	28.40	.	.	16.50
PIRAMAL FINANCE	Unsecured Loan	Business Loan	30.31	36	22.61	30.31	.	.	17.00
POONAWALLA FINCORP LTD	Unsecured Loan	Business Loan	40.79	36	30.43	40.79	.	.	17.00
SHRIRAM FINANCE LTD	Unsecured Loan	Business Loan	50.00	36	37.28	50.00	.	.	16.50
TATA CAPITAL FIN. SER.LTD	Unsecured Loan	Business Loan	60.00	36	44.51	60.00	.	.	15.50
YES BANK	Unsecured Loan	Business Loan	50.00	36	36.97	50.00	.	.	15.50
HDFC BANK LTD	Secured against vehicle	Vehicle Loan	60.00	60	55.03	.	.	.	7.99
HDFC BANK LTD	Secured against vehicle	Vehicle Loan	40.00	60		.	16.38	24.43	7.30
HDFC BANK LTD	Secured against vehicle	Vehicle Loan	14.58	60	3.87	6.70	9.58	12.27	7.01
HDFC BANK LTD	Secured against vehicle	Vehicle Loan	5.70	60		1.13	2.38	3.53	8.72
HDFC BANK LTD	Secured against vehicle	Vehicle Loan	10.00	60	6.22	7.91	9.60	.	9.24
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors*	Term Loan	385.00	82	322.61	137.74	.	.	2.58%+ Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	200.00	84	141.29	165.06	187.70	.	2.25% + Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	200.00	96	173.51	194.79	195.31	.	2.40% + Repo Rate

HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	1200.00	96	1050.96	1179.21	1200.00	.	2.37% + Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	495.00	12		.	330.00	.	3MT-bill +2.45%
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	400.00	7		400.00	.	.	3MT-bill +2.95%
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	150.00	90	85.13	101.73	119.41	135.65	2.21% + Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	100.00	89	59.12	70.75	82.22	92.71	2.35% + Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	200.00	84	122.46	145.99	170.45	192.92	2.09% + Repo Rate
HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	100.00	60	50.31	68.61	86.39	.	2.67% + Repo Rate

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HDFC BANK LTD	Secured against book debts, Fixed deposits, plant and machinery and personal guarantees of directors	Term Loan	200.00	84	150.84				2.75% + Repo Rate
HDFC BANK LTD	Secured against book debts (Covid Crisis Loan)	Term Loan	371.03	48			.	.	167.11	8.25
				Total	**2636.67**	**3161.99**	**2906.48**	**628.62**	

*Personal Guarantees of the director includes the gurantees of the following directors : Piyush Gupta, Arun Gupta, Chirag gupta, Nitasha Gupta and Sangeeta gupta

LOAN FROM RELATED PARTIES

		28-Feb-26		**31-Mar-25**		**31-Mar-24**		**31-Mar-23**
Anita Gupta		.		.		.		22.10
Anju Gupta		.		.		.		34.00
Arun Gupta		231.74		231.74		93.51		18.64
Arun Gupta Huf		.		.		5.00		.
Chirag Gupta		120.48		99.71		44.76		.82
Chirag Gupta Huf		.		.		2.77		.
Kastoor Chand Gupta		52.35		52.35		.		2.63
Kastoor Chand Gupta (Huf)		.		.		152.35		119.75
Madhur Gupta		.		.		.		13.94
Nitasha Gupta		111.50		64.10		70.01		73.21
Piyush Gupta		122.60		123.02		15.18		20.47
Piyush Gupta Huf		.		.		17.50		7.51
Rajesh Gupta		.		86.56		86.56		90.78
Rajesh Gupta Sons & Huf		.		.		.		17.49
Rashmi Gupta		.		.		.		12.16
Ravi Gupta		.		.		.		13.13
Ravi Gupta (Huf)		.		.		.		2.71
Ridhima Gupta		.		32.53		32.53		37.53
Sangeeta Gupta		129.33		129.33		119.33		130.86
Shiv Kumar Bhawani Shankar		.		.		.		49.85
Vani Gupta		125.82		104.30		75.90		.
Vishnu Gupta		.		.		.		74.52
Total		**893.82**		**923.63**		**715.38**		**742.12**

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NOTE-7
DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Deferred Tax Liabilities				
- On account of timing difference in depreciation allowable as per Income Tax Act and Companies Act	187.53	171.35	196.78	201.15
Deferred Tax Assets				
-Deferred tax asset on account of timing difference on provision for gratuity	7.52	4.89	7.67	7.22
-Deferred tax asset on account of timing difference on provision for doubtful debts	11.52	4.01	.	.
Deferred Tax Liabilities (net)	**168.49**	**162.45**	**189.12**	**193.92**

NOTE-8
SHORT TERM BORROWINGS

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
(A) Loans Repayable on Demand (Secured)				
Cash Credit /Overdraft Limit	3823.64	2634.35	2156.66	2046.79
(B) Current Maturities of Long Term Borrowings (Refer note-6)	609.02	969.03	669.54	228.20
	4432.66	**3603.38**	**2826.20**	**2274.99**

Note :

Working Capital Loans are secured against hypothecation of Stocks and Trade Receivables and other Current Assets (Present & Future). Further, the loans are secured against Fixed assets of the Company and Personal Guarantees of the director includes the gurantees of the following directors and their relatives : Piyush Gupta, Arun Gupta, Chirag gupta, Nitasha Gupta and Sangeeta gupta.

NOTE-9
TRADE PAYABLES

PARTICULARS.	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
i) total outstanding dues of micro and small enterprises	.93	6.29	1.54	2.20
ii) total outstanding dues of creditors other than micro and small enterprises	3271.33	1561.15	1219.22	1227.75
	3272.26	**1567.44**	**1220.76**	**1229.95**

Trade Payable Ageing Schedule

Particulars	0-1 years*	1-2 years	2-3 years	More than 3 year	Total
28-Feb-26					
(i) MSME	.93				
(ii) Others	3201.73	62.86	4.28	2.45	
(iii) Disputed Dues - MSME					
(iv) Disputed Dues - Others					
Total	**3202.66**	**62.86**	**4.28**	**2.45**	**.**

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31-Mar-25					
(i) MSME	6.29	.	.	.	6.29
(ii) Others	1514.62	30.14	2.57	13.81	1561.15
(iii) Disputed Dues - MSME	.	.	.	.	.
(iv) Disputed Dues - Others	.	.	.	.	.
Total	**1520.91**	**30.14**	**2.57**	**13.81**	**1567.44**
31-Mar-24					
(i) MSME	1.54	.	.	.	1.54
(ii) Others	1114.84	104.39		.	1219.22
(iii) Disputed Dues - MSME	.	.	.	.	.
(iv) Disputed Dues - Others	.	.	.	.	.
Total	**1116.37**	**104.39**	**.**	**.**	**1220.76**
31-Mar-23					
(i) MSME	2.20	.	.	.	2.20
(ii) Others	1215.46	10.79	.	1.50	1227.75
(iii) Disputed Dues - MSME	.	.	.	.	.
(iv) Disputed Dues - Others	.	.	.	.	.
Total	**1217.66**	**10.79**	**.**	**1.50**	**1229.95**

*** includes 'not due' and 'unbilled' trade payables**

NOTE-10

OTHER CURRENT LIABILITIES

PARTICULARS	**AS AT 28-02-2026**	**AS AT 31-03-2025**	**AS AT 31-03-2024**	**AS AT 31-03-2023**
Interest accrued but not due on borrowigs	15.40	20.14	17.85	.
Advance from Customers	94.50	52.09	65.32	76.11
Others Payables				
a) Due To Employees	121.62	49.64	46.07	19.11
b) Statutory Dues Payable	27.37	41.25	16.20	9.32
c) Other payable	138.80	70.55	16.72	24.97
d) Creditors for Capital goods	6.14	287.71	27.65	.
e) Cheques issued but not presented	.	.	22.23	.
	403.84	**521.38**	**212.04**	**129.51**

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NOTE-11
PROVISIONS

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Provision For Taxation (net of advance tax and TDS)	408.10	319.55	13.16	13.33
Provision for Employee Benefits				
Long term provision for gratuity	22.22	14.13	15.40	15.08
Short term provision for gratuity	7.64	5.31	6.54	5.59
			35.10	34.00
Total Long Term Provisions	**22.22**	**14.13**	**15.40**	**15.08**
Total Short term Provisions	**415.74**	**324.86**	**19.70**	**18.92**

NOTE-13
LONG TERM LOANS & ADVANCES

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Unsecured, Considered Good (unless otherwise stated)				
Advances against capital goods				
- Considered Good	210.16	168.73	257.00	.
- Considered Doubtful	10.84	10.84	.	.
-Less: Allowance for doubtful debts	-1.08	-1.08	.	. .
Security & Other Deposits	26.13	26.13	17.66	10.90
	246.05	**204.61**	**274.66**	**10.90**
Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member	Nil	Nil	Nil	Nil

NOTE-14
OTHER NON CURRENT ASSETS

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
*Fixed Deposits having maturity period of more than 12 months from reporting date	-	-	14.18	-
	-	-	**14.18**	-

*As margin money against bank guarantees

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NOTE-15
INVENTORIES

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Raw Material	5040.58	2464.08	1345.87	2081.75
Work In Progress	33.17	325.95	113.86	84.66
Finished goods	911.30	924.46	875.95	743.44
Consumable, Stores and packing materials	107.01	179.50	35.79	52.23
	6092.06	**3893.99**	**2371.47**	**2962.08**

NOTE-16
TRADE RECEIVABLES

PARTICULARS	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Unsecured, unless otherwise stated				
Undisputed trade receivables- Considered Good				
- Due less than six months #	2953.42	2737.49	1800.13	853.97
- Due six months to one year	1537.07	804.24	541.35	288.17
- Due One-Two Years	316.42	59.56	359.70	114.57
- Due Two -Three Years	31.07	138.27	46.38	1.50
- More than Three years	44.34	38.36	24.78	48.83
Not Considered Good/Disputed Trade Receivables				
- Due six months to one Year		.	12.85	.
-1-2 Years		12.85		16.64
-2-3 Years	12.85	.		13.50
- More than Three years	76.45	46.62	46.62	66.26
Less: Provision for Doubtful debts	-44.69	-14.87		
	4926.92	**3822.52**	**2831.81**	**1403.45**
# includes 'not due' trade receivables				
Amount due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member	NIL	NIL	NIL	NIL

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NOTE-17
CASH AND BANK BALANCES

PARTICULARS.	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
i. Cash and cash equivalents				
Cash in Hand	24.10	10.99	19.97	8.82
Balance With Banks				
In Current Accounts	177.00	.	.55	.
ii. Other bank balances				
In deposit accounts with maturity of more than 3 less than 12 months*	8.27	97.64	69.62	59.10
*as margin money against bank guarantees	**209.37**	**108.63**	**90.14**	**67.91**

NOTE-18
SHORT TERM LOAN & ADVANCES

PARTICULARS.	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
(Unsecured considered good, unless otherwise stated)				
Advance to Suppliers	748.36	489.52	284.65	142.21
Balance with Govt Authorities	687.69	585.61	454.94	273.96
other Loans and advances	1.00	2.18	.	.
	1437.05	**1077.32**	**739.59**	**416.17**
Amount due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member	NIL	NIL	NIL	NIL

NOTE-19
OTHER CURRENT ASSETS

PARTICULARS.	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
Prepaid Expenses	25.42	6.77	5.34	4.99
	25.42	**6.77**	**5.34**	**4.99**

NOTE-20
REVENUE FROM OPERATIONS

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Sales of Products	18777.66	16430.11	10312.62	8487.94
Sales of Services- Job work	691.39	733.39	525.84	444.76
	19469.05	**17163.50**	**10838.45**	**8932.70**

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NOTE-21
OTHER INCOME

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Interest on Fixed Deposits	4.50	6.08	1.14	5.62
Interest on Electricity Security	1.63	1.23	.59	.71
Excess Provision of Gratuity written back	.	2.51	.	14.30
Rebate & Discount	.	2.40	.39	.52
Profit on sale of Property,plant and Equipment	2.88			
Exchange Gain Fluctuation	.77			
Miscellaneous Income	.27	.35	.	1.90
	10.06	**12.56**	**2.12**	**23.05**

NOTE-22
COST OF MATERIAL CONSUMED

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Opening Stock	2643.58	1381.66	2081.75	1053.41
Add: Purchases during the period	16063.67	13417.94	7411.94	7440.81
Less: Closing Stock	5147.59	2643.58	1381.66	2081.75
	13559.66	**12156.02**	**8112.04**	**6412.48**

NOTE-23
PURCHASE OF STOCK IN TRADE

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Blankets/Garments Puchased	4.70	17.70	53.92	36.55
	4.70	**17.70**	**53.92**	**36.55**

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NOTE-24
CHANGES IN INVENTORIES OF FINSHED GOODS, WORK IN PROGRESS.

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Opening Stock				
Finished Goods	924.46	875.95	743.44	1374.41
Work in progress	325.95	113.86	84.66	
Less: Closing Stock				
Finished Goods	911.30	924.46	875.95	743.44
Work in progress	33.17	325.95	113.86	84.66
	305.95	**-260.60**	**-161.71**	**546.30**

NOTE-25
EMPLOYEE BENEFITS EXPENSE

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Salary & Wages	526.66	331.09	305.51	244.28
Director's Remuneration	51.06	66.13	48.00	.
Contribution to Provident and Other Funds	12.93	8.61	10.04	6.04
Staff Welfare	.42	5.47	8.95	3.39
	591.07	**411.30**	**372.51**	**253.72**

NOTE-26
FINANCE COSTS

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Interest to Bank and Financial institutions	553.94	540.49	347.65	209.36
Bank Charges	5.66	21.20	19.29	3.11
Interest to parties	75.21	48.56	61.24	97.27
Interest on Income Tax and TDS/GST	41.94	3.89	.98	.27
	676.75	**614.13**	**429.17**	**310.01**

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NOTE-27
OTHER EXPENSES

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
a) Manufacturing Expenses				
Boiler Expenses	374.40	330.18	349.90	288.69
Consumables Stores and Spares	651.02	1033.42	602.73	387.95
Packing & Forwarding	707.55	382.97	228.50	99.39
Job Work/Fabrication & Erection Charges	70.16	184.42	53.10	13.54
Power & Fuel	328.99	273.17	199.91	161.80
b) Administrative & Selling Expenses				
Auditor's Remuneration	4.50	4.00	1.00	.30
Exchange rate fluctuation	.	.17	.9	.
Advertisement and Business promotion Expenses	18.75	17.22	5.36	5.88
Commission	12.55	35.77	5.67	2.05
Printing & Stationery	2.72	3.10	3.13	2.57
Corporate social responsibility expense	10.61			
Telephone Expenses	2.12	1.87	3.83	.59
Legal and Professional Charges	21.62	16.62	10.45	.
Rent	5.79	6.00	.	.
Fee & Taxes	15.22	10.42	9.02	3.02
Repair & Maintenance	102.85	131.29	110.73	123.94
Travelling & Conveyance	28.14	11.41	9.84	12.51
Freight & Cartage	12.92	5.65	6.51	6.81
Insurance	9.04	10.11	8.58	8.87
Office Expenses	17.35	14.89	20.23	11.85
Software Expenses	.67	1.10	11.19	.
Discount	.	6.94	8.93	1.85
Donation	.	.11	2.01	.
Sewage and water charges	7.13	6.26	5.06	.
Provision for Doubtful debts/advances	29.83	15.95	.	.
Loss on Sale of Property, Plant and Equipment	.	2.83	.	.
Director Sitting fees	2.35			
Miscellaneous Expenses	4.09	5.70	1.53	.92
	2440.36	**2511.57**	**1657.30**	**1132.54**

All amounts Rs. in Lacs unless otherwise stated

Details of Corporate Social Responsibility expense

Particulars	**FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026**	**FOR THE YEAR ENDED 31.03.2025**	**FOR THE YEAR ENDED 31.03.2024**	**FOR THE YEAR ENDED 31.03.2023**
(i) Amount required to be spent by the company *	10.61	-	-	-
(ii) Amount of expenditure incurred	-	-	-	-
(iii) Shortfall at the end of the period #	10.61	-	-	-
(iv) Total of previous years shortfall	-	-	-	-
(v) Reason for shortfall	No suitable project found	NA	NA	NA
(vi) Nature of CSR activities	NA	NA	NA	NA
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure	NA	NA	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA	NA	NA

* The provisions of Corporate Social Responsibility as per section 135 of the Companies act, 2013 were not applicable to the Company upto the financial year 2024-25. The Company has obligation of ₹11.57 lakhs for the year ending March 31, 2026 towards Corporate Social Responsibility (CSR) expenditure in accordance with the provisions of Section 135 of the Companies Act, 2013.Accordingly, a provision of ₹10.61 lakhs has been recognized in the books of account for the eleven months ended February 2026.

The provision has been recognized against such shortfall under the head 'Corporate social responsibility expense' in note 27 and payable against such provision has been recognized under the head 'other payable' in note 10

NOTE-28

EARNINGS PER SHARE

PARTICULARS.	**FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026**	**FOR THE YEAR ENDED 31.03.2025**	**FOR THE YEAR ENDED 31.03.2024**	**FOR THE YEAR ENDED 31.03.2023**
Basic EPS/Diluted EPS**				
Profit/ (Loss) attributable to the equity shareholders	1235.23	1103.25	170.43	90.31
Weighted Average no. of equity shares (pre bonus)	10,750,792.25	10,536,564	9,700,000	9,700,000
Bonus shares issued (in nos.)*	2,682,025.00	2,425,000.00	2,425,000.00	2,425,000.00
Weighted Average no. of equity shares (post bonus after considering effect of bonus issue retrospectively)	13,432,817	12,961,564	12,125,000	12,125,000
Nominal Value of Equity shares (In Rs.)	10.00	10.00	10.00	10.00
Basic EPS/Diluted EPS**	**9.20**	**8.51**	**1.41**	**0.74**

*The Company has allotted 26,82,025 equity shares as fully paid up bonus shares in proportion of 1:4 (i.e. one bonus share for every four equity shares held) on 12th June 2025 i.e. record date. Accordingly, for computation of earnings per share, the number of equity shares outstanding before the event have been adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period in accordance with AS-20

** The EPS for the Eleven month period ended 28.02.2026 is not annualised

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NOTE-29
VALUE OF IMPORT CALCULATED ON C.I.F BASIS

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Raw Material	-	-	-	-
Other Consumables, Component etc	-	-	-	-
Capital Goods	8.35	372.37		
	8.35	**372.37**	-	-

NOTE-30
EXPENDITURE IN FOREIGN CURRENCY AND INCOME IN FOREIGN CURRENCY

PARTICULARS.	FOR THE ELEVEN MONTH PERIOD ENDED 28.02.2026	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
Expenditure in foreign currency*				
Income in foreign currency				

*on account of royalty, know-how, professional and consultation fees, interest, and other matters;

NOTE-31
CONSUMPTION OF IMPORTED/INDIGENOUS CONSUMPTION TO TOAL CONSUMPTION

PARTICULARS.	28-02-2026		31-Mar-25		31-Mar-24		31-Mar-23	
	AMOUNT	%age	AMOUNT	%age	AMOUNT	%age	AMOUNT	%age
Value of Imported Raw Material Consumed (including purchase of stock in trade)	-	-	-	-	-	-	-	
Value of Indegenous Raw Material Consumed (including purchase of stock in trade)	13564.35	100.00	12173.72	100.00	8165.96	100.00	6449.03	100.00
Total Material Consumption	**13564.35**	**100.00**	**12173.72**	**100.00**	**8165.96**	**100.00**	**6449.03**	**100.00**

NOTE-32
CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

PARTICULARS.	AS AT 28-02-2026	AS AT 31-03-2025	AS AT 31-03-2024	AS AT 31-03-2023
A) Claims against the company not acknowledged as debts				
a) GST related matter	NIL	NIL	NIL	NIL
b) Income tax related matter	1.45	5.80	1.01	NIL
	1.45	**5.80**	**1.01**	**NIL**
B) Commitments				
Estimated Amount of contracts remaining to be executed on capital account (Net of Advances)	122.13	46.23	335.38	-

All amounts Rs. in Lacs unless otherwise stated

NOTE 33- RELATED PARTY DISCLOSURES

The related parties and transactions with them as identified by the management are given below :-

a) Name of related parties and description of relationship	28th February 2026	31st March 2025	31st March 2024	31st March 2023
1. Key Managerial Personnel:	Arun Gupta-Managing Director Piyush Gupta-Whole Time Director, C.F.O. Chirag Gupta-Whole Time Director Vani Gupta-Director (upto 11.08.25) Nitasha Gupta-Director (upto 11.08.25) Sangeeta Gupta-Director (upto 11.08.25) Avinash Rai-Independent Director Sanjay Kapoor-Independent Director Gurpreet Kaur-Independent Director (w.e.f. 11.06.25) Nikita Tayal-Company Secretary	Arun Gupta-Managing Director Piyush Gupta-Director, C.F.O. (w.e.f. 01.01.2025) Chirag Gupta-Director Vani Gupta-Director Nitasha Gupta-Director Sangeeta Gupta-Director Avinash Rai-Independent Director (w.e.f. 31.01.25) Sanjay Kapoor-Independent Director (w.e.f. 31.01.25) Nikita Tayal-Company Secretary (w.e.f. 01.01.2025)	Arun Gupta-Director Piyush Gupta-Director Chirag Gupta-Director Rajesh Gupta-Director (up to 02.11.23) Madhur Gupta-Director (up to 02.11.23) Ravi Gupta-Director (up to 02.11.23) Vishnu Gupta-Director (up to 11.03.24) Vani Gupta-Director (w.e.f. 25.10.23) Nitasha Gupta-Director (w.e.f. 25.10.23) Sangeeta Gupta-Director (w.e.f. 25.10.23)	Arun Gupta-Director Piyush Gupta-Director Chirag Gupta-Director Rajesh Gupta-Director Madhur Gupta-Director Ravi Gupta-Director Vishnu Gupta-Director
2.Relatives of Key Managerial Personnel:	 Anju Gupta Vishnu Gupta Rajesh Gupta Madhur Gupta Ravi Gupta Om Prakash Chaudhary Murli Dhar Chaudhary Ghanshyam Chaudhary Santosh Jallan Pardeep Mittal Anita Mittal Pankush Mittal Ajay Gupta Monika Gupta Keshav Gupta Kastoor Chand Gupta Sulochna Gupta Anita Gupta Rashmi Gupta	 Anju Gupta Vishnu Gupta Rajesh Gupta Madhur Gupta Ravi Gupta Om Prakash Chaudhary Murli Dhar Chaudhary Ghanshyam Chaudhary Santosh Jallan Pardeep Mittal Anita Mittal Pankush Mittal Ajay Gupta Monika Gupta Keshav Gupta Kastoor Chand Gupta Sulochna Gupta Anita Gupta Rashmi Gupta	Ridhima Gupta Anju Gupta Vishnu Gupta Rajesh Gupta Madhur Gupta Ravi Gupta Om Prakash Chaudhary Murli Dhar Chaudhary Ghanshyam Chaudhary Santosh Jallan Pardeep Mittal Anita Mittal Pankush Mittal Ajay Gupta Monika Gupta Keshav Gupta Kastoor Chand Gupta Sulochna Gupta Anita Gupta Rashmi Gupta	Ridhima Gupta Anju Gupta Vishnu Gupta Rajesh Gupta Madhur Gupta Ravi Gupta Om Prakash Chaudhary Murli Dhar Chaudhary Ghanshyam Chaudhary Santosh Jallan Pardeep Mittal Anita Mittal Pankush Mittal Ajay Gupta Monika Gupta Keshav Gupta Kastoor Chand Gupta Sulochna Gupta Anita Gupta Rashmi Gupta
3 Enterprises over which key Managerial Personnel (KMP) or their relative is able to exercise significant influence or control :	National yarn Agency Arun Gupta HUF Piyush Gupta HUF Chirag Gupta HUF Kastoor Chand Gupta (HUF) Ravi Gupta HUF Vishnu Gupta HUF Rajesh Gupta HUF Trimurti Hosiery Mills Pvt Ltd K.C. Fabrics Vidya Udyog Pvt. Ltd. Trimurti Textile Park Association Trimurti Apparels Starlight Hosiery Shiv Kumar Bhawani Shankar OM Prakash Murlidhar Choudhary Star Cottex Ltd Palace Jeweller RPA Developers Sarvatra Jewellers Pvt Ltd Royale Impex Pvt Ltd Star Spintex Pvt Ltd	National yarn Agency Arun Gupta HUF Piyush Gupta HUF Chirag Gupta HUF Kastoor Chand Gupta (Huf) Ravi Gupta HUF Vishnu Gupta HUF Rajesh Gupta HUF Trimurti Hosiery Mills Pvt Ltd K.C. Fabrics Vidya Udyog Pvt. Ltd. Trimurti Textile Park Association Trimurti Apparels Starlight Hosiery Shiv Kumar Bhawani Shankar OM Prakash Murlidhar Choudhary Star Cottex Pvt Ltd Palace Jeweller RPA Developers Sarvatra Jewellers Pvt Ltd Royale Impex Pvt Ltd Star Spintex Pvt Ltd	National yarn Agency Arun Gupta HUF Piyush Gupta HUF Chirag Gupta HUF Kastoor Chand Gupta (Huf) Ravi Gupta HUF Vishnu Gupta HUF Rajesh Gupta HUF Trimurti Hosiery Mills Pvt Ltd K.C. Fabrics Trimurti Textile Park Association Trimurti Apparels Starlight Hosiery Shiv Kumar Bhawani Shankar OM Prakash Murlidhar Choudhary Star Cottex Pvt Ltd Palace Jeweller RPA Developers Sarvatra Jewellers Pvt Ltd Royale Impex Pvt Ltd Star Spintex Pvt Ltd	National yarn Agency Arun Gupta HUF Piyush Gupta HUF Chirag Gupta HUF Kastoor Chand Gupta (Huf) Ravi Gupta HUF Vishnu Gupta HUF Rajesh Gupta HUF Trimurti Hosiery Mills Pvt Ltd K.C. Fabrics Trimurti Textile Park Association Trimurti Apparels Starlight Hosiery Shiv Kumar Bhawani Shankar OM Prakash Murlidhar Choudhary Star Cottex Pvt Ltd Palace Jeweller RPA Developers Sarvatra Jewellers Pvt Ltd Royale Impex Pvt Ltd Star Spintex Pvt Ltd

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b The following were the closing balances with related parties

Head	Name	Balance as on 28.02.2026	Balance as on 31.03.2025	Balance as on 31.03.2024	Balance as on 31.03.2023
Unsecured Loans	Anita Gupta		.	.	22.10
	Anju Gupta		.	.	34.00
	Arun Gupta	231.74	231.74	93.51	18.64
	Arun Gupta HUF		.	5.00	.
	Chirag Gupta	120.48	99.71	44.76	.82
	Chirag Gupta HUF		.	2.77	.
	Kastoor Chand Gupta	52.35	52.35	.	2.63
	Kastoor Chand Gupta (HUF)		.	152.35	119.75
	Madhur Gupta		.	.	13.94
	Nitasha Gupta	111.50	64.10	70.01	73.21
	Piyush Gupta	122.60	123.02	15.18	20.47
	Piyush Gupta HUF		.	17.50	7.51
	Rajesh Gupta		86.56	86.56	90.78
	Rajesh Gupta HUF		.	.	17.49
	Rashmi Gupta		.	.	12.16
	Ravi Gupta		.	.	13.13
	Ravi Gupta (HUF)		.	.	2.71
	Ridhima Gupta		32.53	32.53	37.53
	Sangeeta Gupta	129.33	129.33	119.33	130.86
	Shiv Kumar Bhawani Shankar		.	.	49.85
	Vani Gupta	125.82	104.30	75.90	.
	Vishnu Gupta		.	.	74.52
Trade payables	M/S. National Yarn Agency	1134.29	66.62	-.21	231.20
Trade payables	M/S Trimurti Hosiery Mills Pvt Ltd	.22	.	1.44	1.44
Trade Receivables	Star Spintex Pvt Ltd.	.2	.	97.39	.
Trade payables	Royale Impex Pvt Ltd	1.47	5.97	4.50	23.19
Advance from Customer	Shiv Kumar Bhawani Shankar		.	.	49.85
Advance to Supplier	Star Cottex Pvt Ltd.	46.70	257.57	195.70	15.00
Advance to Supplier	M/S Trimurti Hosiery Mills Pvt Ltd	.	17.86	.	.
Trade Receivables	Shiv Kumar Bhawani Shankar	.6	0.08	.	.
Trade Receivables	Trimurti Apparels		0.03	.	.
Remuneration Payable	Nikita Tayal	.30	.77	.	.
Director Sitting Fees	Gurpreet kaur	.35			
Director Sitting Fees	Sanjay Kapoor	1.00			
Trade Receivables	M/S K.C. Fabrics	11.73	9.64	25.66	29.31
Director Remuneration Payable	Piyush Gupta	4.68	5.16	5.76	.
	Chirag Gupta	4.60	2.96	7.65	.
	Nitasha Gupta	.	2.44	4.14	.
Rent Payable	Sangeeta Gupta	5.30	3.00	.	.
	National yarn Agency	5.30	3.00	.	.

* Ridhima Gupta does not fall under the definition of relative during the Year, so the balance of her loan is not shown in the related party Notes

c) The Company had following transactions with the related parties during the reporting period:

Name	Nature of Transaction	For the Eleven Month period 28.02.2026	For year ended 31.03.2025	For year ended 31.03.2024	For year ended 31.03.2023
Mr. Piyush Gupta	Remuneration	22.48	24.04	18.00	.
Mr. Chirag Gupta	Remuneration	22.48	24.04	18.00	.
Mrs. Nitasha Gupta	Remuneration	6.10	18.04	12.00	.
Gurpreet kaur	Director Sitting Fees	1.15			
Sanjay Kapoor	Director Sitting Fees	1.20			
Nikita Tayal	Remuneration	3.05	.77	.	.
Mrs. Sangeeta Gupta	Rent	2.89	3.00	.	.
M/s National Yarn Agency	Rent	2.89	3.00	.	.
M/s National Yarn Agency	Purchase	1539.06	1853.36	186.52	565.70
M/S Trimurti Hosiery Mills Pvt Ltd	Purchase	50.45	119.29	.	6.85
M/s K.C Fabrics	Sale	113.14	183.15	119.02	84.03
M/s K.C Fabrics	Purchase	5.62	1.35	5.47	2.42
Trimurti Apparels	Sale		5.36	1.24	.
Shiv Kumar Bhawani Shankar	Sale	8.75	10.22	5.49	6.03
Star Cottex Private Limited/Limited	Sale	58.45	.	.	5.67
Star Cottex Private Limited/Limited	Purchase	2181.74	2024.01	978.39	480.73
Starlight Hosiery	Sale	42.86			
Royale Impex Pvt Ltd	Purchase	5.54	68.70	41.14	114.83
Star Spintex Pvt Ltd	Sale	108.90	391.32	.	.

All amounts Rs. in Lacs unless otherwise stated

Chirag Gupta	Loan Received	26.00	68.76	50.51	5.00
Arun Gupta	Loan Received	119.08	27.00	75.37	.
Arun Gupta HUF	Loan Received		3.00	5.00	.
Chirag Gupta HUF	Loan Received		10.00	2.77	.
Kastoor Chand Gupta (HUF)	Loan Received		.	32.60	.
Nitasha Gupta	Loan Received	65.40	9.03	53.50	.
Piyush Gupta	Loan Received	1.08	139.86	7.65	.
Piyush Gupta HUF	Loan Received		41.96	9.99	.
Sangeeta Gupta	Loan Received		10.00	6.56	.
Vani Gupta	Loan Received	27.68	42.00	100.00	.
Rajesh Gupta	Loan Received	32.53			
Anita Gupta	Loan Repaid		.	22.10	.
Anju Gupta	Loan Repaid		.	34.00	.
Kastoor Chand Gupta	Loan Repaid		.	2.63	.
Madhur Gupta	Loan Repaid		.	13.94	.
Nitasha Gupta	Loan Repaid	18.00	14.95	56.70	.
Rajesh Gupta	Loan Repaid	119.08	.	4.22	.
Rajesh Gupta HUF	Loan Repaid		.	17.49	.
Rashmi Gupta	Loan Repaid		.	12.16	.
Ravi Gupta	Loan Repaid		.	13.13	.
Ravi Gupta (HUF)	Loan Repaid		.	2.71	.
Ridhima Gupta	Loan Repaid		.	5.00	.
Sangeeta Gupta	Loan Repaid		.	18.10	.
Vishnu Gupta	Loan Repaid		.	74.52	.
Piyush Gupta	Loan Repaid	1.50	10.00	8.75	3.44
Piyush Gupta HUF	Loan Repaid		58.66	.	.
Chirag Gupta	Loan Repaid	5.23	18.00	.	4.33
Arun Gupta	Loan Repaid	119.08	.22	.50	5.00
Arun Gupta HUF	Loan Repaid		8.00	.	.4
Chirag Gupta HUF	Loan Repaid		13.75	.	.
Vani Gupta	Loan Repaid	6.16	13.60	24.10	.9
Vishnu Gupta HUF	Loan Repaid		.	.	.2
Arun Gupta	Issue of Equity shares for consideration including Security Premium		17.01	.	
Sangeeta Gupta	Issue of Equity shares for consideration including Security Premium		40.01	.	
Piyush Gupta	Issue of Equity shares for consideration including Security Premium		35.00	.	
Chirag Gupta	Issue of Equity shares for consideration including Security Premium		32.01	.	
Nitasha Gupta	Issue of Equity shares for consideration including Security Premium		77.00	.	
Vani Gupta	Issue of Equity shares for consideration including Security Premium		20.01	.	
Arun Gupta	Issue of bonus Equity shares(face value of the Shares)	91.88		.	
Chirag Gupta	Issue of bonus Equity shares(face value of the Shares)	53.43		.	
Piyush Gupta	Issue of bonus Equity shares(face value of the Shares)	45.72		.	
Sangeeta Gupta	Issue of bonus Equity shares(face value of the Shares)	35.17		.	
Arun Gupta HUF	Issue of bonus Equity shares(face value of the Shares)	25.22		.	
Nitasha Gupta	Issue of bonus Equity shares(face value of the Shares)	14.05		.	
Vani Gupta	Issue of bonus Equity shares(face value of the Shares)	2.73		.	

There are no amounts written off or written back in the period in respect of debts due from or to related parties. Further, there are no provisions for doubtful debts due from such parties at the reporting date

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NOTE 34

A. AUDITORS REMUNERATION	**For the Eleven Month period 28-Feb-26**	**For the Year Ended 31-Mar-25**	**For the Year Ended 31-Mar-24**	**For the Year Ended 31-Mar-23**
Statutory Audit	2.00	1.50	.75	.25
Tax Audit		.50	.25	.5
Consultancy Fees	2.50	2.00	.	.
	4.50	**4.00**	**1.00**	**.30**
B. DIRECTOR'S REMUNERATION				
Director's Remuneration	51.06	66.13	48.00	.
	51.06	**66.13**	**48.00**	**.**

NOTE 35- ACCOUNTING RATIOS

Ratio	**Numerator**	**Denominator**	**For the Eleven Month period 28.02.2026**	**Year ending 2025**	**Year ending 2024**	**Year ending 2023**	**Variation (%) 2025-26**	**Variation (%) 2024-25**	**Variation (%) 2023-24**	**Reason for variation more than 25% (2025-26**	**Reason for variation more than 25% (2024-25)**	**Reason for variation more than 25% (2023-24)**
Current Ratio	Current Assets	Current Liabilities	1.49	1.48	1.41	1.33	0.55%	4.92%	6.21%	-	-	-
Debt/ equity ratio	Debt	Equity	1.69	2.28	3.56	2.35	-26.00%	-35.94%	51.34%	Due to increase in shareholder funds	Due to increase in shareholder funds	Due to increase in Debt
Return on Equity	PAT	Equity shareholders fund	30.90%	37.42%	10.49%	6.21%	-17.41%	256.58%	68.92%	-	Due to increase in PAT	Due to increase in PAT
Debt service coverage ratio	EBIT	Interest +Principal repayments	1.53	1.42	0.60	1.15	7.86%	135.29%	-47.47%	-	Due to increase in EBITDA	Due to increase in repayment of borrowings
Inventory turnover ratio	COGS	Average inventory	3.59	4.51	3.54	2.90	-20.23%	27.33%	22.15%	-	Due to increase in COGS	-
Trade Receivables Turnover Ratio	sales	Average debtors	4.85	5.16	5.12	6.09	-5.89%	0.79%	-15.99%	-	-	-
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	7.24	9.64	6.09	5.52	-24.84%	58.18%	10.32%	-	Due to increase in net credit purchases	-
Net Capital Turnover Ratio	Revenue from operations	Working capital	5.10	5.93	6.16	7.44	-14.10%	-3.65%	-17.17%	-	-	-
Net profit ratio	Net Profit After tax	Net sales	6.34%	6.43%	1.57%	1.01%	-1.30%	308.77%	55.54%	-	Due to increase in PAT	Due to increase in PAT
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	31.60%	29.22%	11.55%	13.57%	8.14%	152.91%	-14.89%	-	Due to increase in EBIT	-
Return on Investment	Return/ income/ PAT	Total Assets	8.42%	9.00%	1.88%	1.40%	-6.40%	378.40%	34.54%	-	Due to increase in PAT	Due to increase in PAT

* Ratios are annualised wherever applicable

All amounts Rs. in Lacs unless otherwise stated

NOTE 36: DETAILS OF DUES TO MICRO, SMALL & MEDIUM ENTERPRISES

Details of amount outstanding to Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act)

	Particulars	As at 28.02.2026	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
a.	Principal amount and interest due thereon remianing unpaid to any supplier as at end of each accounting year/period				
	-Principal	.93	6.29	1.54	2.20
	-Interest	-	-	-	-
b.	Amount of interest paid by buyer in terms of section 16 of Micro, Small and Mediun Emterprises Development Act, 2006 along with amount of payment made to supplier beyond appointed day during each accounting year	-	-	-	-
c.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
d.	Amount of interest accrued and remianing unpaid at end of each accounting year	-	-	-	-
e.	Amount of further interest remaining due and payable even in succeeding years, until such date, when the interest dues as above are actually paid to small enterprises for purpose of disallowance as a deductible expense under Sec 23 of Micro, Small and Medium Enterprises Act 2006	-	-	-	-

NOTE 37: SEGMENT REPORTING

The company is a single segment company engaged in the business of manufacturing of Blankets, Ready Made Garments and Knitted Cloth. Therefore disclosure requirements of primary business segment as contained in the accounting standard are not applicable to the Company. However, the secondary segment disclosures are as under:

Secondary segment-Geographical:

Particulars	For the Eleven Month period 28-Feb-26	For the year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2023
Income from external customers:				
With in India	19469.05	17163.50	10838.45	8932.70
Outside India		.	.	.
Total Sales	**19469.05**	**17163.50**	**10838.45**	**8932.70**

Non- Current assets (Property plant and equipments and intangible assets) by geographical location of assets

Particulars	For the Eleven Month period 28-Feb-26	For the year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2023
With in India	3060.57	3144.89	2732.59	1593.21
Outside India		.	.	.
Total Non-Current assets	**3060.57**	**3144.89**	**2732.59**	**1593.21**

Note: The manufacturing facilities are situated only in India.

Total cost incurred to acquire assets that are expected to be used during more than one period by geographical location of assets (Property plant and equipments and intangible assets, including capital work-in-progress)

Particulars	For the Eleven Month period 28-Feb-26	For the year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2023
With in India	188.53	714.93	1319.95	133.55
Outside India	-	-	-	-
Total	**188.53**	**714.93**	**1319.95**	**133.55**

All amounts Rs. in Lacs unless otherwise stated

NOTE 38: LEASES

The Company has taken leased facilities under cancellable and non cancellable operating leases agreements. The cancellable arrangements can be terminated by either party after giving due notice. There is no non-cancellable operating lease and accordingly, the disclosure of future lease obligations in respect of non-cancellable operating leases is not applicable.

NOTE 39: FOREIGN CURRENCY EXPOSURE

Detail of foreign currency exposure as on the reporting date that has not been hedged by a derivative instrument or otherwise is given below.

Particulars	As at 28.02.2026	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Against Export (Debtors)				
-USD	.	.	.	
-Euro	.	.	.	
Against advance for import of machinery				
-USD	.42	.53	.35	
-Euro	.	.	.	
Against Imports (Creditors)				
-USD	.	.	.	
-Euro	.	.	.	
Against Imports (Creditors for machinery)				
-USD		2.85	.	
-Euro	.	.	.	

NOTE 40- OTHER STATUTORY INFORMATION

1.The company does not have Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

2.The company do not have any transactions with struck off company.

3.The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4.The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

5.The Company has not advanced or loaned or invested funds to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like or on behalf of the Ultimate Beneficiaries.

6.The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like or on behalf of the Ultimate Beneficiaries

7.The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the assessments under the Income -tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act,1961

8.The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

9. There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

a) repayable on demand; or

b) without specifying any terms or period of repayment

10.Compliance with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017 is not applicable as there is no subsidiary.

11. The title deeds of all the immovable properties are held in name of the Company

12.The Company has not revalued its Property, Plant and Equipment during the year and during preceding years

13. The Company has availed borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

NOTE 41: MATERIAL GROUPING

The Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively, if any, in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the Eleven months ended February 28, 2026;

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NOTE 42 - RECONCILIATION OF PROFIT AFTER TAX AND SHAREHOLDERS FUNDS AS PER AUDITED FINANCIAL STATEMENTS AND AS PER THE RESTATED FINANCIAL INFORMATION

A. Reconciliation of profit after tax as per audited financial statements and profit after tax as per the restated financial information

	For year ended			
Particulars	**28-Feb-26**	**31-Mar-25**	**31-Mar-24**	**31-Mar-23**
Profit after tax as per audited financial statements	1235.23	1038.61	170.14	60.41
Adjustments for:				
Provision for Gratuity (refer footnote 1 below)		-21.94	1.27	-14.30
Deferred tax (refer footnote 1 and 2 below)		-42.70	-1.56	-15.60
Profit after tax as per restated financial information	1235.23	1103.25	170.43	90.31
* Negative values represent increase in profit due to restatement adjustments	-			

B. Reconciliation of shareholders' funds as per audited financial statements and shareholders' funds as per the restated financial information

	As at			
Particulars	**28-Feb-26**	**31-Mar-25**	**31-Mar-24**	**31-Mar-23**
Shareholders' funds as per audited financial statements	4360.75	2948.52	1688.88	1548.94
Adjustments for:				
Opening Balance of Adjustments		.	.	
Reclassification of prior period taxes in Profit and Loss		.	.	
		2948.52	1688.88	
-Provision for Gratuity (refer footnote 1 below)		.	-21.94	-20.67
-Deferred tax and MAT credit entitlement (refer footnote 1 & 2 below)		.	-42.70	-74.47
Gratuity Expense Recognised				
Deffered tax Impact				
Change in Profit/ (Loss) balance*		.	.	
Shareholder' funds as per restated financial information	4360.75	2948.52	1624.24	1453.80

Footnotes to the reconciliations

1 The company used to recognize expense on account of gratuity on payment basis till financial year ended 31st March, 2024 and has recognized provision for gratuity for the first time as per actuarial valuation during the year ended 31st March, 2025. The same have been given effect in previous years in the restated financial information as per accounting policy followed in Eleven Months period ended 28th February 2026 and the effect till 31st March 2022 has been adjusted directly in reserves and surplus. Accordingly, the deferred tax asset has also been recognized on such provision recognized in the restated financial information.

2 There is certain difference in the practice of recognition of deferred tax liabilities/assets during Eleven months ended 28th February 2026, financial year ended 31st March 2025 and 31st March 2024 vis-a-vis earlier years. The same has been recognized in the restated financial information in line with the practice followed during the Eleven months ended 28th February 2026 and effect till 31st March 2022 has been adjusted directly in reserves and surplus.Further, MAT credit entitlement was not recognised as at and for the year ending 31st march 2022 and the same has been considered directly in the reserve and surplus in the restated financial information

All amounts Rs. in Lacs unless otherwise stated

C. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There has been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2022-23, 2023-24 and 2024-25 and for Eleven month Period ended 28.02.2026 which requires adjustments in restated financial statements.

NOTE 43: EMPLOYEE BENEFIT PLANS

The company has recognized an expense of Rs.1.01 lakhs during the eleven month period ended 28th February,2026 (31March 2025 1.15 lakhs 31 March 2024 Rs 2.01 lakhs; 31 March 2023 Rs. 1.99 lakhs) in respect of contribution to provident fund.

Defined benefit plans

The summarized position of defined benefits plans recognized in the Statement of Profit and Loss and Balance Sheet in accordance with Accounting Standard (AS) 15 is as under:-

Movement in the present value of defined Benefit Obligation

Particulars	Eleven Month Period Ended 28.02.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023
Present Value of Defined benefit obligation at the beginning	19.43	21.94	20.67	34.97
Current Service Cost	9.24	6.45	5.86	5.73
Interest Cost	1.01	1.33	1.30	1.75
Benefits paid		.	.	.
Actuarial Changes (Gain)/Loss	.18	-10.28	-5.90	-21.78
Present Value of Defined benefit obligation at the end	**29.86**	**19.43**	**21.94**	**20.67**

Net Assets/(Liability) recognized in balance sheet

Particulars	Eleven Month Period Ended 28.02.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023
Present value of defined benefit obligation	29.86	19.43	21.94	20.67
Fair Value on Plan Assets		.	.	.
Surplus/(Deficit)		.	.	.
Effect of asset ceiling if any		.	.	.
Net Assets/(Liability) recognized in balance sheet	**-29.86**	**-19.43**	**-21.94**	**-20.67**

Amount recognized in Statement of Profit and Loss

Particulars	Eleven Month Period Ended 28.02.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023
Current Service Cost	9.24	6.45	5.86	5.73
Net Interest expense on net defined benefit liability / (asset)	1.01	1.33	1.30	1.75
Actuarial Changes (Gain)/Loss	.18	-10.28	-5.90	-21.78
Net Cost	**10.43**	**-2.51**	**1.27**	**-14.30**

Principal assumptions used for the purpose of acturial valuation

Particulars	Eleven Month Period Ended 28.02.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023
Discount Rate (per annum)	6.00%	6.55%	7.10%	7.30%
Salary escalation (per annum)	7.00%	7.00%	7.00%	7.00%
Retirement Age	58 years	58 years	58 years	58 years

The estimates of future salary increases considered in actuarial valuation take account of inflation, Seniority, promotion & other relevant factors such as supply & demand in employment market.

All amounts Rs. in Lacs unless otherwise stated

NOTE 44: STATEMENT OF TAXATION

Particulars	Eleven Month Period Ended 28.02.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023
Profit before tax as per books	**1657.85**	**1488.74**	**198.78**	**99.68**
Income Tax rate	25.17%	25.17%	27.82%	27.82%
MAT Rate	NA	NA	16.69%	16.69%
Tax at Notional Rates on Profits	**417.25**	**374.69**	**55.30**	**27.73**
Adjustments				
Expenses Disallowed				
- Donation	.	.11	2.01	.
- Other disallowances		.	5.79	.
- CSR Donation	10.61			
- ROC Fees		.	3.75	.
- GST Penalty	1.61			
Interest on income tax	41.94			
-EPF/ ESI/ TDS Default		.	.45	.
Timing Difference				
Depriciation as per Companies Act, 2013	242.77	237.20	178.57	164.47
Depriciation as per Income Tax Act, 1961	304.88	357.73	165.80	138.82
Gratuity Expense	10.43	-2.51	1.27	-14.30
Provision for bad and doubtful debts	29.83	15.95	.	.
Set off From B/F Losses	.	.	.	.
Taxable Income as per MAT	**NA**	**NA**	**198.78**	**99.68**
Taxable Income as per Normal Tax Rate	**1690.16**	**1381.77**	**224.82**	**111.03**
Income Tax Liability	**425.38**	**347.76**	**62.54**	**30.89**
Tax Paid As per Normal/ MAT	**Normal**	**Normal**	**Normal**	**Normal**

NOTE 45: STATEMENT OF CAPITALISATION

Particulars	Pre offer	Post issue
Debt:		
Long-term Borrowings	2921,48	-
Short-term Borrowings	4432,66	-
Total Debt (A)	**7354,14**	-
Shareholders Fund:		-
Share Capital	1368,24	-
Reserves and Surplus	2992,51	-
Total Shareholders Fund (B)	**4360,75**	-
Total Debt / Shareholders Fund (A/B)	**1.69**	-

For and on behalf of the Board
Madhur Knit Crafts Limited

Chirag Gupta
Whole Time Director
DIN - 08330420

Arun Gupta
Managing Director
DIN -00585772

Piyush Gupta
Whole Time Director cum C.F.O
DIN -05141402

Nikita Tayal
Company Secretary
M. No. A59383

In terms of our report attached
For V. V. Bhalla & Co.
Chartered Accountants
Firm's Registration No.002928N

CA Ved Vrat Bhalla
Partner
Membership No. 081941
UDIN:26081941KXOJXC6924
PLACE: Ludhiana
DATED: 06th July,2026

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NOTE 12

Property, Plant & Equipment & Intangible Assets

As at 28 february,2026

Property, Plant & Equipment

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	AS AT 01.04.2025	ADDITIONS DURING THE PERIOD	SALES/ADJ. DURING THE THE PERIOD	AS AT 28.02.2026	UP TO 01.04.2025	FOR THE PERIOD	ADJUSTMENT DURING THE PERIOD	UP TO 28.02.2026	AS AT 28.02.2026	AS AT 31.03.2025
Land	139.55	-	-	139.55	-	-	-	.	139.55	139.55
Building	1309.11	.78	-	1309.89	275.34	39.95	-	315.29	994.60	1033.77
Plant and Machinery	3090.82	114.20	33.03	3171.99	1226.79	181.89	2.95	1405.73	1766.26	1864.02
Vehicles	124.87	69.40	.	194.27	95.51	10.79	-	106.30	87.97	29.35
Electrical Fittings	122.36	3.49	.	125.85	53.76	7.99	-	61.75	64.10	68.60
Office Equipment	9.01	.29	-	9.30	4.28	.70	-	4.98	4.32	4.73
Furniture and Fixtures	9.85	.	-	9.85	7.19	.47	-	7.66	2.19	2.66
Computer and Laptops	9.92	.37	-	10.29	8.00	.99	-	8.99	1.30	1.93
Total	**4815.48**	**188.53**	**33.03**	**4970.98**	**1670.87**	**242.77**	**2.95**	**1910.69**	**3060.28**	**3144.61**

Intangible Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	AS AT 01.04.2025	ADDITIONS DURING THE PERIOD	SALES/ADJ. DURING THE THE PERIOD	AS AT 28.02.2026	UP TO 01.04.2025	FOR THE PERIOD	ADJUSTMENT DURING THE PERIOD	UP TO 28.02.2026	AS AT 28.02.2026	AS AT 31.03.2025
Trademarks	3.68	-	-	3.68	3.40	-	-	3.40	.28	.28
Total	**3.68**	**-**	**-**	**3.68**	**3.40**	**-**	**-**	**3.40**	**.28**	**.28**

Capital Work in Progress

PARTICULARS	AS AT 01.04.2025	ADDITIONS DURING THE YEAR	CAPITALISED DURING THE THE YEAR	AS AT 31.12.2025
Capital Work in Progress (CWIP)	-	-	-	-
Total	**-**	**-**	**-**	**-**

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As at 31st March 2025

Property, Plant & Equipment

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	AS AT 01.04.2024	ADDITIONS DURING THE YEAR	SALES/ADJ. DURING THE THE YEAR	AS AT 31.03.2025	UP TO 01.04.2024	FOR THE YEAR	ADJUSTMENT DURING THE YEAR	UP TO 31.03.2025	AS AT 31.03.2025	AS AT 31.03.2024
Land	139.55	.	.	139.55	.	.	.	.	139.55	139.55
Building	1006.16	302.95	.	1309.11	235.52	39.82	.	275.34	1033.77	770.64
Plant and Machinery	2122.64	1019.23	51.05	3090.82	1081.00	169.51	23.72	1226.79	1864.02	1041.63
Vehicles	204.67	.	79.81	124.87	126.45	16.81	47.75	95.51	29.35	78.23
Electrical Fittings	108.88	20.16	6.68	122.36	45.82	8.60	.65	53.76	68.60	63.06
Office Equipment	9.01	.	.	9.01	3.53	.75	.	4.28	4.73	5.48
Furniture and Fixtures	9.85	.	.	9.85	6.54	.65	.	7.19	2.66	3.30
Computer and Laptops	9.92	.	.	9.92	6.93	1.07	.	8.00	1.93	3.00
Total	**3610.67**	**1342.35**	**137.54**	**4815.48**	**1505.79**	**237.20**	**72.12**	**1670.87**	**3144.61**	**2104.89**

Intangible Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	AS AT 01.04.2024	ADDITIONS DURING THE YR.	SALES/ADJ. DURING THE THE YEAR	AS AT 31.03.2025	UP TO 01.04.2024	FOR THE YEAR	ADJUSTMENT DURING THE YEAR	UP TO 31.03.2025	AS AT 31.03.2025	AS AT 31.03.2024
Trademarks	1.55	.	.	1.55	1.26	.	.	1.26	.28	.28
Total	**1.55**	**.**	**.**	**1.55**	**1.26**	**.**	**.**	**1.26**	**.28**	**.28**

Capital Work in Progress

PARTICULARS	AS AT 01.04.2024	ADDITIONS DURING THE YEAR	CAPITALISED DURING THE THE YEAR	AS AT 31.03.2025
Capital Work in Progress (CWIP)	627.42	.	627.42	,
Total	**627.42**	**.**	**627.42**	**.**

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

All amounts Rs. in Lacs unless otherwise stated

As at 31st March 2024

Property, Plant & Equipment

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
PARTICULARS	**AS AT 01.04.2023**	**ADDITIONS DURING THE YEAR**	**SALES/ADJ. DURING THE THE YEAR**	**AS AT 31.03.2024**	**UP TO 01.04.2023**	**FOR THE YEAR**	**ADJUSTMENT DURING THE YEAR**	**UP TO 31.03.2024**	**AS AT 31.03.2024**	**AS AT 31.3.2023**
Land	139.55	.	.	139.55	.	.	.	.	139.55	139.55
Building	678.42	327.74	.	1006.16	212.50	23.01	.	235.52	770.64	465.92
Plant and Machinery	1816.84	307.79	2.00	2122.64	960.38	120.63	.	1081.00	1041.63	856.47
Vehicles	195.97	8.71	.	204.67	102.95	23.50	.	126.45	78.23	93.02
Electrical Fittings	67.92	40.96	.	108.88	38.92	6.90	.	45.82	63.06	29.00
Office Equipment	4.96	4.04	.	9.01	2.89	.63	.	3.53	5.48	2.07
Furniture and Fixtures	9.85	.	.	9.85	5.61	.94	.	6.54	3.30	4.24
Computer and Laptops	6.63	3.29	.	9.92	4.18	2.75	.	6.93	3.00	2.46
	2920.14	**692.53**	**2.00**	**3610.67**	**1327.42**	**178.36**	**.**	**1505.79**	**2104.89**	**1592.72**

Intangible Assets

	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
Particulars	**AS AT 01.04.2023**	**ADDITIONS DURING THE YEAR**	**SALES/ADJ. DURING THE THE YEAR**	**AS AT 31.03.2024**	**UP TO 01.04.2023**	**FOR THE YEAR**	**ADJUSTMENT DURING THE YEAR**	**UP TO 31.03.2024**	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Trade Marks	1.55	.	.	1.55	1.06	.21	.	1.26	.28	.49
Total	**1.55**	**.**	**.**	**1.55**	**1.06**	**.21**	**.**	**1.26**	**.28**	**.49**

Capital Work in Progress

PARTICULARS	**AS AT 01.04.2023**	**ADDITIONS DURING THE YEAR**	**CAPITALISED DURING THE THE YEAR**	**AS AT 31.03.2024**
Capital Work in Progress (CWIP)	.	627.42		627.42
Total	**.**	**627.42**	**.**	**627.42**

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

All amounts Rs. in Lacs unless otherwise stated

As at 31st March 2023

Property, Plant & Equipment

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
PARTICULARS	**AS AT 01.04.2022**	**ADDITIONS DURING THE YEAR**	**SALES/ADJ. DURING THE THE YEAR**	**AS AT 31.03.2023**	**UP TO 01.04.2022**	**FOR THE YEAR**	**ADJUSTMENT DURING THE YEAR**	**UP TO 31.03.2023**	**AS AT 31.03.2023**	**AS AT 31.03.2022**
Land	139.55	.	.	139.55	.	.	.	.	139.55	139.55
Building	678.42	.	.	678.42	191.02	21.48	.	212.50	465.92	487.40
Plant and Machinery	1717.00	102.20	2.36	1816.84	847.31	113.07	.	960.38	856.47	869.69
Vehicles	185.56	12.41	2.00	195.97	79.91	23.04	.	102.95	93.02	105.65
Electrical Fittings	53.11	14.81	.	67.92	33.21	5.71	.	38.92	29.00	19.90
Office Equipment	3.09	1.87	.	4.96	2.85	.4	.	2.89	2.07	.24
Furniture and Fixtures	9.85	.	.	9.85	4.67	.94	.	5.61	4.24	5.18
Computer and Laptops	4.37	2.26	.	6.63	4.15	.3	.	4.18	2.46	.22
	2790.95	**133.55**	**4.36**	**2920.14**	**1163.12**	**164.31**	**.**	**1327.42**	**1592.72**	**1627.83**

Intangible Assets

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	AS AT 01.04.2022	**ADDITIONS DURING THE YEAR**	**SALES/ADJ. DURING THE THE YEAR**	**AS AT 31.03.2023**	**UP TO 01.04.2022**	**FOR THE YEAR**	**ADJUSTMENT DURING THE YEAR**	**UP TO 31.03.2023**	**AS AT 31.03.2023**	**AS AT 31.03.2022**
Trade Marks	1.55	.	.	1.55	.89	.16	.	1.06	.49	.65
Total	1.55	.	.	1.55	.89	.16	.	1.06	.49	.65

Capital Work in Progress

PARTICULARS	**AS AT 01.04.2022**	**ADDITIONS DURING THE YEAR**	**CAPITALISED DURING THE THE YEAR**	**AS AT 31.03.2023**
Capital Work in Progress (CWIP)	-	-	-	-
Total	-	-	-	-

Madhur Knit Crafts Limited
(Formerly Known As Madhur Knit Crafts Private Limited)
CIN- U17301PB1997PLC020381
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
Notes to the Restated financial information

All amounts Rs. in Lacs unless otherwise stated

Ageing of CWIP:

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Eleven months ended 28th February 2026					
Projects in progress					
Projects temporarily suspended					
Year ended 31st March 2025					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Year ended 31st March 2024					
Projects in progress	627,42	-	-	-	627,42
Projects temporarily suspended	-	-	-	-	-
Year ended 31st March 2023					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

OTHER FINANCIAL INFORMATION

(In Rs. Lakhs)

Particulars	For period ended			
	28 February 2026*	31 March 2025	31 March 2024	31 March 2023
EBITDA	2567.62	2,327.52	804.40	551.11
Earnings Per Share (EPS):				
Basic	9.20	8.51	1.41	0.74
Diluted	9.20	8.51	1.41	0.74
Return on Net Worth	28.33%	37.42%	10.49%	6.21%
Net Asset Value per share	32.47	22.31	13.12	11.74

**Not Annualised*

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STATEMENT OF FINANCIALS INDEBTEDNESS

To,
The Board of Directors,
M/s. Madhur Knit Crafts Limited
Village - Seera, Sattowal Road, Rahon Road, Ludhiana
and

SKI Capital Services Limited
718, Dr, Joshi Rd, Block A, Karol Bagh, Delhi, 110005

(SKI Capital Services Limited hereinafter referred to as the "**Book Running Lead Manager**" or "**BRLM**")
Dear Sirs,

Sub: Proposed initial public offering of equity shares of Rs. 10/- each ("the Issue") of Madhur Knit Crafts Limited ("the Company")

We, V. V. Bhalla & Co, Chartered Accountants, having our office at SCF-39 Rishi Nagar, Statutory Auditors of **M/s. Madhur Knit Crafts Limited**, have been requested to issue this certificate in regard to proposed issue of the company.

Based on the records and documents produced before us and information and explanations given to us by the management, the below is the summary of loan outstanding as on **28th February, 2026** in the books of accounts of **M/s. Madhur Knit Crafts Limited.**

A) Loans from Financial institutions and banks

(Amount Rs. in Lakhs)

Name of the Bank	Date of initiation	Purpose	ROI (%)	Security offered	Sanctioned amount	Loan type	Closing balance as on 28th February,2026
Aditya Birla Finance Limited	14.09.2023	Business Loan	15.5	Unsecured Loan	50	Unsecured Loan	13.19
Fed bank Financial Services Limited	22.08.2023	Business Loan	15	Unsecured Loan	30	Unsecured Loan	6.93
SMFG India Credit Co. Limited	06.09.2023	Business Loan	15.5	Unsecured Loan	50	Unsecured Loan	13.19
ICICI Bank Limited	13.09.2023	Business Loan	15	Unsecured Loan	50	Unsecured Loan	11.51
IDFC Bank Limited	13.09.2023	Business Loan	15.5	Unsecured Loan	76.5	Unsecured Loan	20.18
IndusInd Bank Limited	07.09.2023	Business Loan	15.5	Unsecured Loan	50	Unsecured Loan	11.52
Kisetsu Saison Finance (I) Private Limited	05.09.2023	Business Loan	15.5	Unsecured Loan	45	Unsecured Loan	1.74
			16		50.1		11.62

L & T Financial Limited	18.09.2023	Business Loan		Unsecured Loan		Unsecured Loan	
Bajaj Finance Limited	21.02.2025	Business Loan	17	Unsecured Loan	30.98	Unsecured Loan	23.11
Cholamandalam Invest And Fin. Co.	20.02.2025	Business Loan	17	Unsecured Loan	35	Unsecured Loan	26.12
Godrej Finance Limited	20.02.2025	Business Loan	16	Unsecured Loan	40.8	Unsecured Loan	33.60
Hero Fincorp Limited	26.02.2025	Business Loan	16.5	Unsecured Loan	40.42	Unsecured Loan	30.10
IIFL Finance Limited	18.02.2025	Business Loan	17	Unsecured Loan	30.35	Unsecured Loan	21.42
Kisetsu Saison Finance (I) Private Limited	25.02.2025	Business Loan	16.5	Unsecured Loan	28.4	Unsecured Loan	19.31
Piramal Finance Loan	04.03.2025	Business Loan	17	Unsecured Loan	30.31	Unsecured Loan	22.61
Poonawalla Fincorp Limited	17.02.2025	Business Loan	17	Unsecured Loan	40.79	Unsecured Loan	30.43
Shriram Finance Limited	21.02.2025	Business Loan	16.5	Unsecured Loan	50	Unsecured Loan	37.28
Tata Capital Fin. Ser. Limited	24.02.2025	Business Loan	15.5	Unsecured Loan	60	Unsecured Loan	44.51
Yes Bank Loan	28.02.2025	Business Loan	15.5	Unsecured Loan	50	Unsecured Loan	36.97
HDFC Bank Limited 7965	22.08.2025	Vehicle Loan	7.99	Secured against vehicle	60	Secured	55.03
HDFC Bank Limited	25.04.2022	Vehicle Loan	7.01	Secured against vehicle	14.58	Secured	3.87
HDFC Bank Limited	21.11.2023	Vehicle Loan	9.24	Secured against vehicle	10	Secured	6.22

HDFC Bank Limited 866	05.06.2024	Term Loan	2.58%+ Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	385	Secured	322.6
HDFC Bank Limited	21.07.2023	Term Loan	2.25% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	200	Secured	141.29
HDFC Bank Limited	04.12.2023	Term Loan	2.40% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	200	Secured	173.51
HDFC Bank Limited	20.12.2023	Term Loan	2.37% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	1200	Secured	1050.96

HDFC Bank Limited	15.02.2022	Term Loan	2.21% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	150	Secured	85.13
HDFC Bank Limited	01.06.2022	Term Loan	2.35% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	100	Secured	59.12
HDFC Bank Limited	19.10.2022	Term Loan	2.09% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	200	Secured	122.46
HDFC Bank Limited	29.04.2023	Term Loan	2.67% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	100	Secured	50.31

HDFC Bank Limited 035	03.09.2025	Term Loan	2.75% + Repo Rate	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	200	Secured	150.84

B) Loan from related parties

(Amount Rs. In Lakhs)

Name of the Lender	Loan type	Closing balance as on February 28, 2026
Arun Gupta	Unsecured loan	231.74
Chirag Gupta	Unsecured loan	120.48
Kastoor Chand Gupta	Unsecured loan	52.35
Nitasha Gupta	Unsecured loan	111.5
Piyush Gupta	Unsecured loan	122.60
Sangeeta Gupta	Unsecured loan	129.33
Vani Gupta	Unsecured loan	125.82

c) Cash Credit /Overdraft Limit from banks and Financial Institutions

Name of the Lender	Security	Closing balance as on 28th February, 2026
HDFC Bank Limited	Secured against book debts, debtors, Fixed deposits, plant and machinery and personal guarantees of directors	3823.64

We conducted our examination for this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is issued at the request of the Company in connection with its proposed issue and should not be used for any other purpose.

For V.V Bhalla & Co
Chartered Accountants

Pankaj Bhalla
Partner
Membership No: 534281

UDIN: 26534281GZNFZY5213
Date: 09-07-2026
Place: Ludhiana

CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements as at February 28, 2026 and as adjusted for the issue. This table should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Restated Financial Information***" and "***Risk Factors***" on page 191,182 and 17 , respectively of this Red Herring Prospectus.

(Rs. in Lakhs)

Sr. No	Particulars	Pre-issue	Post-Issue
	Debts		
A	Long Term Debt*	2921.48	[●]
B	Short Term Debt*	4432.66	[●]
C	**Total Debt**	**7354.14**	[●]
	Equity Shareholders Funds		
	Equity Share Capital	1368.24	
	Reserves and Surplus	2992.51	
D	**Total Equity**	**4360.75**	
			[●]
	Long Term Debt/ Equity Ratio (A/D)	0.67	
	Total Debt/ Equity Ratio (C/D)	1.69	
Notes:			
* The amounts are considered as outstanding as on 28.02.2026			
Post issue figures are not available since issue price is not yet finalized			

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MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended 31st March 2025, 31st March 2024 and 31st March 2023. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section titled "**Restated Financial Information**" on page 182 of the Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "**Risk Factors**" on page 17 of this Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the chapter titled "**Forward-Looking Statements**" of this Red Herring Prospectus. Unless otherwise stated, the Restated Financial Information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Madhur Knit Crafts Limited included herein are based on our Restated Standalone Financial Statements for period ended 31st March 2025, 31st March 2024 and 31st March 2023 included in this Red Herring Prospectus beginning on page 182 of this Red Herring Prospectus.

Business Overview

Founded in 1997 by Mr. Arun Gupta along with Mr. Rajesh Gupta, Mr. Ravi Gupta and Mr. Vishnu Gupta, the Company began commercial operations in 2013 (blankets), then broadened into fabrics and select technical textiles from 2021. It has since transitioned from limited processing to a fully integrated yarn-to-cloth model housed at Ludhiana, enabling in-house knitting, dyeing, printing and finishing with shorter lead times and tighter quality control. The Company was converted into a public limited company in January 2025; the present promoters are Mr. Arun Gupta, Mr. Piyush Gupta and Mr. Chirag Gupta.

To support this shift to end-to-end manufacturing, the Company undertook a structured capex program starting 2022—adding modern, high-throughput equipment (e.g., PLC-controlled multi-chamber thermal-oil systems, dyeing units, brushing, embossing/3D punching, bonding, shearing and printing), along with imported machinery that now underpins the integrated plant. Installed capacity scaled to ~75,00,000 KGs by FY25 (from ~37,50,000 KGs in FY24), with utilisation reflecting the step-up in capacity and evolving product

What we make. The portfolio spans blankets, knitted fabrics (winterwear and multi-season), sherpa/raised fabrics and select garments. FY25 revenue was primarily from knitted cloth (≈85%), with additional contributions from garments (~6%), job work (~4%) and blankets (~3%). Sales were predominantly domestic.

How we operate. The Company follows an order-based, demand-driven model—production commences on confirmed orders—minimizing inventory, aligning procurement with sales, and improving working-capital discipline. Integrated manufacturing and a clustered supplier base in Ludhiana enable shorter lead times and cost efficiency. The model is B2B-led with repeat institutional/wholesale demand. Top-10 customer concentration reduced to ~34% in FY25 (from ~41% in FY24), reflecting a broadening base.

Capacity and utilisation. Capacity has scaled materially in recent years to 75,00,000 KGs (FY25). Utilisation moderated to ~65% in FY25 (vs. ~80% in FY24) due to step-up in installed capacity and product mix.

Competitive position—key strengths.

- Vertically integrated plant with modern machinery enabling quality, scale and customization.
- Strategic cluster location (Ludhiana) for raw-material access, skilled labour and logistics.
- Order-based production model that supports cash-flow discipline.
- Experienced promoter group and trained operating teams.

Growth strategy.

- Technical textiles: invest in specialized processing to serve higher-margin industrial uses (auto, construction, home improvement, healthcare).
- Market expansion: deepen domestic distribution; revive exports through compliance readiness and service levels.
- Working-capital optimisation: leverage early-payment discounts on yarn and tighten cash-conversion cycle.

The facility operates with sanctioned power load and thermal systems (boilers/thermopac) and recycles treated water from the ETP for select uses and vegetation, reducing freshwater draw.

This overview should be read in conjunction with the detailed sections titled ***'Risk Factors'*** see page 17, '***Financial Information'*** see page 182, and '*Our* ***Business***' see page 123 of this Red Herring Prospectus, for a full understanding of the context, and in particular, the sensitivities relating to forward-looking statements

Material Developments after Last financial Period that may affect the future results of operations

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstances that materially or adversely affect, or are likely to affect, the profitability of our Company, the value of its assets, or its ability to pay its material liabilities within the previous twelve months, except as disclosed below:

1. *Our Company, in consultation with the Book Running Lead Manager, undertook a preferential issue of 2,72,307 Equity Shares of face value ₹10 each at a price of ₹65 per Equity Share (including a premium of ₹55 per Equity Share), aggregating to ₹176.99 lakhs, as permitted under applicable law ("Pre-IPO Placement"). The Pre-IPO Placement was undertaken at a price determined by our Company in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement has been reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and result in listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement have been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.*

2. *A vehicle worth Rs. 20,00,000 was completely damaged, and an insurance claim was filed on January 23, 2026.*

Further, the Board confirms that there are no changes or events which are expected to result in any future liabilities of the Company other than those already disclosed in this Red Herring Prospectus.

Key Financial performance (Rs. in Lakhs)

Key Performance Indicator	Madhur Knit Crafts Limited			
	28-Feb-26	31-Mar-25	31-Mar-24	31-Mar-23
GAAP Financial Measures				
Revenue from operations	19,469.05	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	*	58.36%	21.33%	15.41%
PAT	1,235.23	1,103.25	170.43	90.31
PAT Margin (%)	6.34%	6.43%	1.57%	1.01%
Net Worth	4,360.75	2,948.52	1,624.24	1,453.80
Debt	7,354.14	6,719.98	5,778.53	3,417.53
Current Ratio	1.49	1.48	1.41	1.33
Debt-Equity Ratio	1.69	2.28	3.56	2.35
Non-GAAP Financial Measures				
EBITDA	2567.62	2,327.52	804.40	551.11
EBITDA Margin (%)	13.19%	13.56%	7.42%	6.17%
ROE (%)	28.33%	37.42%	10.49%	6.21%
ROCE (%)	31.11%	33.49%	13.09%	13.78%
Cash Profit after tax	1478.00	1,340.45	349.00	254.78
Operating Cash flow	443.50	-255.82	-367.70	-4.78
Interest coverage Ratio	3.43	3.40	1.46	1.25
Operational Measures				
Trade Receivable Days	85	81	95	57
Trade Payable Days	79	48	56	65
Inventory Days	147	120	109	155
Cash Conversion Cycle	153	153	148	147

**Year on year comparison for the stub period not made.*

Notes:

- *Revenue from operations is the total revenue generated by our Company from the sale of products.*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*
- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.*
- *Operating Cash Flow is the restated cash flow of our operations.*
- *Interest Coverage Ratio is calculated as Earning before interest and tax divided by Interest Expense for relevant financial period.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 334 for the stub period ending February, 2026).*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 334 for the stub period ending February, 2026).*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.*

Factors affecting our results of operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "***Risk Factors***" beginning on page 17 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
2. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
3. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and Bombay economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Recession in the market;
9. Changes in laws and regulations relating to the industries in which we operate;
10. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
11. Failure to obtain any approvals, licensees, registrations and permits in a timely manner;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties;
15. The performance of the financial markets in India and globally;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Our ability to expand our geographical area of operation;

Significant Accounting Policies

<table>
<tr><th>Particulars</th><th>Description</th></tr>
<tr><td>Revenue Recognition</td><td>
<table>
<tr><th>Sr. No</th><th>Particulars</th><th>Description</th></tr>
<tr><td>1.</td><td>Sale of Goods</td><td>Revenue from sale of goods is recognised when all significant risks and rewards of ownership is transferred to the buyer and the company retains no effective control of goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.</td></tr>
<tr><td>2.</td><td>Sale of Services</td><td>-</td></tr>
<tr><td>3.</td><td>Profit Sharing Revenues</td><td>-</td></tr>
<tr><td>4.</td><td>Licensing Agreements</td><td>-</td></tr>
<tr><td>5.</td><td>Sales Returns</td><td>-</td></tr>
<tr><td>6.</td><td>Other revenues – please specify</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>Other Income
(In case the other income constitutes more than 10% of the total income, the break- up of the same along with the nature of the income, i.e., recurring or non-recurring shall be stated)</td><td>
<table>
<tr><th>Sr. No</th><th>Particulars</th><th>Description</th></tr>
<tr><td>1.</td><td>Interest Income</td><td>Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
Other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.</td></tr>
<tr><td>2.</td><td>Dividend Income</td><td>-</td></tr>
<tr><td>3.</td><td>Gain or loss on derecognition of Financial Assets</td><td>-</td></tr>
<tr><td>4.</td><td>Other revenues – please specify</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>Property, plant and equipment</td><td>Property, Plant & Equipment are stated at cost of acquisition or construction less depreciation. Cost comprise the purchase price and other attributable costs including financing costs of borrowed funds attributable to acquisition of qulaifying assets for the period upto date when the asset is ready for use.</td></tr>
<tr><td>Depreciation & useful asset life</td><td>Depreciation on Property, Plant and Equipments is provided on SLM Basis as specified in Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.
<table>
<tr><th>Particulars</th><th>Useful life</th></tr>
<tr><td>Building</td><td>30 years</td></tr>
<tr><td>Plant & Equipment</td><td>15 years</td></tr>
<tr><td>Furniture & Fixtures</td><td>10 years</td></tr>
<tr><td>Electrical Equipment</td><td>10 years</td></tr>
<tr><td>Computers</td><td>3 years</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td>
<table>
<tr><td>Office equipment</td><td>-</td></tr>
<tr><td>Vehicles</td><td>8 years</td></tr>
<tr><td>Intangible Assets</td><td>4 years</td></tr>
</table>
</td></tr>
<tr><td>Goodwill & Intangible assets</td><td>Intangible Assets are stated at cost less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on straight line method from the date they are available for use.

<table>
<tr><th>Sr. No</th><th>Particulars</th><th>Description</th></tr>
<tr><td>1.</td><td>Research & Development</td><td rowspan="3">Not applicable</td></tr>
<tr><td>2.</td><td>Goodwill</td></tr>
<tr><td>3.</td><td>Trademark</td></tr>
</table>
</td></tr>
<tr><td>Financial Instruments</td><td>NA</td></tr>
<tr><td>Fair Value Measurement</td><td>NA</td></tr>
<tr><td>Leases</td><td>Assets acquired on leases wherein a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals paid for such leases are recognized as an expense on systematic basis over the term of lease.</td></tr>
<tr><td>Income Tax</td><td>The accounting treatment followed for taxes on income is to provide for current tax and deferred tax. Current tax is the aggregate amount of income tax determined to be payable in respect of taxable income for a period in accordance with the provisions of the Income tax Act,1961.
Deferred tax is the tax effect of timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted as at its reporting dates. Deferred tax assets and deferred tax liabilities have been set off as it relates to income taxes levied by the same taxation authority.</td></tr>
<tr><td>Impairment</td><td>At each balance sheet date an assessment is made whether any indication exists that an asset/cash generating unit has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.</td></tr>
<tr><td>Borrowing costs</td><td>Borrowing costs in relation to borrowings that are directly attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.</td></tr>
<tr><td>Employee Benefits</td><td>(a) Short Term Employee Benefits
Short term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the period in which the related service is rendered.

(b) Post Employment Benefits
(i) Defined Contribution Plans
The Employer’s contribution to Provident Fund and Employees Pension Scheme, a defined contribution plan is made in accordance with the Provident Fund Act, 1952 read with the Employees Pension Scheme, 1995. The contribution to the Scheme is recognised as an expense in the statement of profit and loss in which contribution to such schemes becomes due and when services are rendered by the employees.

(ii) Defined Benefit Plans:
The gratuity liability is determined and provided using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date by an independent valuer. Actuarial gains and losses are recognized in the statement of profit and loss in the period in which they occur.</td></tr>
</table>

Provisions	A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value.
Contingent Liabilities	A disclosure for a contingent liability is made when there is : (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or (ii) a present obligation that arises from past events but is not recognised because: a.) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or b.) the amount of the obligation cannot be measured with sufficient reliability.
Contingent Assets	NA
Foreign currencies	**(**i) Foreign currency transactions are recorded on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. (ii) Foreign currency monetary items are reported using the closing rate as at the date of balance sheet. The exchange difference arising on the settlement of monetary items or on reporting these items at rate different from those at which they are initially recorded during the period or reported in the previous financial statements are recognized as income or expenses in the period in which they arise.
Cash and cash equivalent	*Please refer to* ***Accounting Policies for Cash Flow Statement****.*
Earnings per share	Basic Earnings per share (before dilution) is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the company by the weighted average number of shares for the period. Diluted Earnings per Share is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the company by dividing the weighted average number of shares determined and assuming conversion of all potential securities.
Inventories	Inventories are valued at the lower of cost and net realised value. Cost includes cost of purchases, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition. The Company is having inventory in the shape of knitted Cloth, Textile Cloth & Readymade garments.
Segment Reporting	NA
Cash Flow Statement	The above Cash flow statement has been prepared under the indirect method set out in AS-3 prescribed in Companies (Accounting Standards) Rules, 2021.
Events after reporting date	In the opinion of the management, there have been no material events, occurrences, or changes in circumstances between the balance sheet date and the date of approval of these Restated Financial Statements that would require adjustments to or disclosure in these financial statements, except as otherwise disclosed in the Prospectus.
Business Combinations	NA

Key Components of Profit & Loss

Particulars	Description
REVENUES	
Revenue from Operations	Revenue from operations mainly consists of revenue from sale of Blankets , Knitted Cloth, fabrics and Job work.
Other Income	Other Income primarily comprises interest earned on fixed deposits and on electricity security deposits, write-back of excess provision for gratuity, rebate and discount income, and various miscellaneous income.
EXPENSES	

Cost of Material Consumed	Cost of Material consumed expenses primarily comprises of Purchase of Yarn , Fabrics , Chemicals , Dyeing , Packing etc.
Purchase of Stock-in Trade	Stock in trade included blanket purchased.
Change in inventories of finished goods and work in progress	Change in inventories of finished goods comprises of increase/ (decrease) in stock of finished goods.
Employee benefit expenses	Employee Benefit Expenses include salaries and wages, directors' remuneration, contributions to provident and other funds, and staff welfare expenses.
Finance costs	Finance Costs comprise interest payable to banks and financial institutions, bank charges, interest payable to parties, and interest on income tax and TDS/GST.
Depreciation expenses	Tangible assets comprise buildings, plant and machinery, vehicles, electrical installations, office equipment, furniture and fixtures, as well as computers and laptops, all of which are depreciated over their estimated useful lives in accordance with applicable accounting standards.
Other expenses	Other Expenses comprise manufacturing expenses, including boiler expenses, consumables, stores and spares, packing and forwarding, job work/fabrication and erection charges, housekeeping labour job charges, and power and fuel. Administrative and selling expenses include auditor's remuneration, exchange rate fluctuations, advertisement and business promotion expenses, commission, printing and stationery, telephone expenses, professional charges, rent, fees and taxes, repair and maintenance, travelling and conveyance, freight and cartage outwards, insurance, office expenses, software expenses, discounts, donations, sewage and water charges, provision for doubtful debts and advances, loss on sale of property, plant and equipment, and other miscellaneous expenses.
Tax expenses	Tax Expenses comprise current tax, deferred tax, and prior period taxes.

Result of operations

The following table sets forth select financial data from our restated statement of profit and loss for Stub period ended on February 28, 2026 and for the Fiscals 2025, 2024 and 2023, the components which are also expressed as a percentage of total income for such years.

(Rs. in Lakhs)

Particulars	28-Feb-26	% of Total Income	31-Mar-25	% of Total Income	31-Mar-24	% of Total Income	31-Mar-23	% of Total Income
Income								
Revenue from operations	19469.05	99.95%	17,163.50	99.93%	10,838.45	99.98%	8,932.70	99.74%
Other income	10.06	0.05%	12.56	0.07%	2.12	0.02%	23.05	0.26%
Total Income	**19479.11**	**100.00 %**	**17,176.06**	**100.00 %**	**10,840.57**	**100.00 %**	**8,955.75**	**100.00 %**
Expenses								
Cost of Materials Consumed	13559.66	69.61%	12,156.02	70.77%	8,112.04	74.83%	6,412.48	71.60%
Purchase of Stock in Trade	4.70	0.02%	17.70	0.10%	53.92	0.50%	36.55	0.41%
Change in Inventories of Finished Goods, Work in Progress & Stock in Trade	305.95	1.57%	(260.60)	(1.52%)	(161.71)	(1.49%)	546.30	6.10%
Employee benefits expenses	591.07	3.03%	411.30	2.39%	372.51	3.44%	253.72	2.83%
Finance costs	676.75	3.47%	614.13	3.58%	429.17	3.96%	310.01	3.46%
Depreciation and Amortisation expenses	242.77	1.25%	237.20	1.38%	178.57	1.65%	164.47	1.84%

Other expenses	2440.36	12.53%	2,511.57	14.62%	1,657.30	15.29%	1,132.54	12.65%
Total Expenses	**17821.26**	**91.49%**	**15,687.33**	**91.33%**	**10,641.79**	**98.17%**	**8,856.07**	**98.89%**
Restated Profit/(Loss) before tax	**1645.91**	**8.51%**	**1,488.74**	**8.67%**	**198.78**	**1.83%**	**99.68**	**1.11%**
Tax expense								
Current tax	425.38	2.18%	347.74	2.02%	33.22	0.31%	13.33	0.15%
Deferred tax (benefit)/charge	6.05	0.03%	(26.67)	(0.16%)	(4.81)	(0.04%)	(3.97)	(0.04%)
Prior Period Taxes	-8.81	-0.05%	64.42	0.38%	(0.07)	(0.00%)	-	-
Total tax expense	**422.62**	**2.17%**	**385.49**	**2.24%**	**28.35**	**0.26%**	**9.36**	**0.10%**
Share of minority in profit	-	-	-	-	-	-	-	-
Restated Profit/(Loss) after tax	**1235.23**	**6.34%**	**1,103.25**	**6.42%**	**170.43**	**1.57%**	**90.31**	**1.01%**

<table>
<tr><th>Particulars</th><th>FY 2025 vs FY 2024</th><th>FY 2024 vs FY 2023</th></tr>
<tr><td>Revenue from Operations</td><td>Revenue from operations increased by 58.38%, from ₹10,838.45 lakhs in FY 2024 to ₹17,163.50 lakhs in FY 2025.

<u>Reason for increase in Revenue in FY 25 as compared to FY 24</u>

End-to-End Manufacturing Integration

In FY 2024-25, the company transitioned to a fully integrated yarn-to-cloth manufacturing model. Previously, value addition was limited to minor cloth processing. With end-to-end manufacturing, the company now oversees the complete value addition cycle, from yarn to finished cloth that enhancing product quality, expanding its product portfolio, and improving margins.

To support higher production volumes and achieve economies of scale, we undertook a significant capacity expansion through targeted capital expenditures of ₹1,342 lakhs, including ₹627 lakhs in Capital Work in Progress of FY 24. As a result, annual installed capacity doubled from 37.5 lakh KGS in FY 2023-24 to 75 lakh KGS in FY 2024-25. Capacity utilization in FY 2024-25 stood at 64.5%, compared to 80.2% in the previous year, reflecting the ramp-up of new capacity. This expansion enabled a strategic focus on value-added, high-margin product, including knitted Fabric, which now constitute a larger portion of our sales mix.

The table below summarizes our capital expenditure (Capex) over the past years

<table><tr><th>Financial Year</th><th>Annual Installed Capacity in KGS</th><th>Annual Utilised Capacity in KGS</th><th>Capacity (%)</th><th>Capex during the year in INR</th></tr><tr><td>2023-2024</td><td>37,50,000</td><td>30,07,564</td><td>80.2</td><td>3,05,06,419</td></tr><tr><td>2024-2025</td><td>75,00,000</td><td>48,38,190</td><td>64.5</td><td>10,81,20,840</td></tr></table>The capacity utilization is based on the certificate issued by a Chartered Engineer, dated July 21, 2025</td><td>Revenue from operations increased by 21.33%, from ₹8,932.70 lakhs in FY 2023 to ₹10,838.45 lakhs in FY 2024.
<u>Reason for increase in Revenue in FY 24 as compared to FY 23</u>

Shifting Towards End-to-End Manufacturing

The company is in the process of integrating end-to-end manufacturing, a strategy aimed at capturing higher value and enhancing operational efficiency.
During the initial phase, growth was primarily driven by increased market demand for fabrics. At this stage, the company was still developing its fully integrated capabilities and primarily engaged in the production of semi-processed fabrics. Despite operating with a partially integrated setup, the company successfully leveraged market opportunities, scaled up sales volumes, and achieved a healthy year-over-year increase in revenue.

This strategic shift was supported by an increase in annual installed capacity from 24 lakh KGS in FY 2022-23 to 37.5 lakh KGS in FY 2023-24, with capacity utilization rising to 80.2%. Capital expenditures of ₹3.05 crores during the year enabled this expansion, laying the foundation for scalable growth and higher-margin production.

The table below summarizes our capital expenditure (Capex) over the past years

<table><tr><th>Financial Year</th><th>Annual Installed Capacity in KGS</th><th>Annual Utilised Capacity in KGS</th><th>Capacity (%)</th><th>Capex during the year in INR</th></tr><tr><td>2022-2023</td><td>24,00,000</td><td>18,94,542</td><td>78.9</td><td>93,59,031</td></tr><tr><td>2023-2024</td><td>37,50,000</td><td>30,07,564</td><td>80.2</td><td>3,05,06,419</td></tr></table>The capacity utilization is based on the certificate issued by a Chartered Engineer, dated July 21, 2025</td></tr>
<tr><td>Other Income</td><td>Other income increased by 492.45%, from ₹2.12 lakhs in FY 2024 to ₹12.56 lakhs in FY 2025.</td><td>Other income decreased by 90.78%, from ₹23.05 lakhs in FY 2023 to ₹2.12 lakhs in FY 2024.</td></tr>
<tr><td>Cost of Material Consumed</td><td>Cost of materials consumed increased by 49.86%, from ₹8,112.04 lakhs in FY 2024 to ₹12,156.02 lakhs in FY 2025.</td><td>Cost of materials consumed increased by 26.51%, from ₹6,412.48 lakhs in FY 2023 to ₹8,112.04 lakhs in FY 2024.</td></tr>
<tr><td>Purchase of Stock-In Trade</td><td>Purchase of stock in trade decreased by 67.13%, from ₹53.92 lakhs in FY 2024 to ₹17.70 lakhs in FY 2025.</td><td>Purchase of stock in trade increased by 47.53%, from ₹36.55 lakhs in FY 2023 to ₹53.92 lakhs in FY 2024.</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>FY 2025 vs FY 2024</th><th>FY 2024 vs FY 2023</th></tr>
<tr><td>Change in Inventories</td><td>Change in inventories of finished goods, work in progress & stock in trade increased negatively by 61.18%, from (₹161.71) lakhs in FY 2024 to (₹260.60) lakhs in FY 2025.</td><td>Change in inventories of finished goods, work in progress & stock in trade decreased by 229.55%, from ₹546.30 lakhs in FY 2023 to (₹161.71) lakhs in FY 2024.</td></tr>
<tr><td>Employee Benefit Expenses</td><td>Employee benefits expenses increased by 10.41%, from ₹372.51 lakhs in FY 2024 to ₹411.30 lakhs in FY 2025.</td><td>Employee benefits expenses increased by 46.82%, from ₹253.72 lakhs in FY 2023 to ₹372.51 lakhs in FY 2024.</td></tr>
<tr><td>Finance Costs</td><td>Finance costs increased by 43.12%, from ₹429.17 lakhs in FY 2024 to ₹614.13 lakhs in FY 2025.</td><td>Finance costs increased by 38.45%, from ₹310.01 lakhs in FY 2023 to ₹429.17 lakhs in FY 2024.</td></tr>
<tr><td>Depreciation Expenses</td><td>Depreciation and amortisation expenses increased by 32.83%, from ₹178.57 lakhs in FY 2024 to ₹237.20 lakhs in FY 2025.</td><td>Depreciation and amortisation expenses increased by 8.57%, from ₹164.47 lakhs in FY 2023 to ₹178.57 lakhs in FY 2024.</td></tr>
<tr><td>Other Expenses</td><td>Other expenses increased by 51.55%, from ₹1,657.30 lakhs in FY 2024 to ₹2,511.57 lakhs in FY 2025</td><td>Other expenses increased by 46.34%, from ₹1,132.54 lakhs in FY 2023 to ₹1,657.30 lakhs in FY 2024.</td></tr>
<tr><td>Tax Expenses</td><td>Total tax expense increased by 1,259.06%, from ₹28.35 lakhs in FY 2024 to ₹385.49 lakhs in FY 2025.</td><td>Total expenses increased by 20.17%, from ₹8,856.07 lakhs in FY 2023 to ₹10,641.79 lakhs in FY 2024.</td></tr>
<tr><td>Profit After Tax (PAT)</td><td>Total tax expense increased by 547.31%, from ₹170.43 lakhs in FY 2024 to ₹1103.25 lakhs in FY 2025.

Change in sales mix

In FY 2024-25, our revenue grew 58.36% to ₹17163.50 lakhs, primarily driven by a strategic shift toward higher-margin products. Knitted cloth, our core segment, increased its share from 76.15% to 85.21 recording a year-on-year growth of 43.57%.

<table><tr><th rowspan="2">Particulars</th><th>Fiscal 2025</th><th>Fiscal 2024</th></tr><tr><th>In %</th><th>In %</th></tr><tr><td>Blanket</td><td>3.43%</td><td>5.10%</td></tr><tr><td>Knitted Cloth</td><td>85.21%</td><td>76.15%</td></tr><tr><td>garments</td><td>6.45%</td><td>13.31%</td></tr><tr><td>Job work</td><td>4.27%</td><td>4.85%</td></tr><tr><td>Scrap</td><td>0.63%</td><td>0.59%</td></tr></table>
Capital Deployment and Timing Effects

Targeted capital expenditures, including ₹627 lakhs in Capital Work in Progress, expanded production capacity and supported operational scaling. In FY 2023-24, interest costs on these new assets were incurred before revenue benefits could materialize, affecting EBIT and PBT. In FY 2024-25, these assets became fully productive, leading to improved utilization, offsetting higher finance costs (₹614.13 lakhs), and resulting in a visible uplift in EBIT. Deferred tax adjustments of ₹ 26.67 lakhs further amplified PAT growth.

Improvements in Cost Structure

Effective cost management contributed to margin expansion. Although total expenses increased from ₹10,640.52 lakhs in FY 2023–24 to ₹15,704.76 lakhs in FY 2024–25, as a percentage of revenue they declined from 98.17% to 91.33%, reflecting improved control over material costs and enhanced operational efficiencies.</td><td>Restated profit after tax increased by 88.72%, from ₹90.31 lakhs in FY 2023 to ₹170.43 lakhs in FY 2024.

Change in sales mix

In FY 2024-25, our revenue grew 21.33% to ₹10838.45 lakhs, primarily driven by a strategic shift toward higher-margin products. Knitted cloth, our core segment, increased its share from 61.29% to 76.15% recording a year-on-year growth of 33.66%.

<table><tr><th rowspan="2">Particulars</th><th>Fiscal 2024</th><th>Fiscal 2023</th></tr><tr><th>In %</th><th>In %</th></tr><tr><td>Blanket</td><td>5.10%</td><td>8.44%</td></tr><tr><td>Knitted Cloth</td><td>76.15%</td><td>61.29%</td></tr><tr><td>garments</td><td>13.31%</td><td>24.94%</td></tr><tr><td>Job work</td><td>4.85%</td><td>4.98%</td></tr><tr><td>Scrap</td><td>0.59%</td><td>0.35%</td></tr></table></td></tr>
</table>

Particulars	FY 2025 vs FY 2024	FY 2024 vs FY 2023
	Strategic Initiatives Driving Margin Expansion Vertical integration, operational efficiency, and value-added production drove profitability. End-to-end manufacturing—from yarn processing to finished fabric—added 2.5% to gross margins by capturing the full value chain. Capacity expansion, doubling annual installed capacity through capital expenditures of ₹1,342 lakhs, enabled higher output and economies of scale. This expansion supported the company's focus on high-margin products, such as knitted cloth, which now dominate the sales mix.	

Liquidity and capital resources

Sr. No.	Particulars	Description
1	Capital Requirements	Historically, the company's primary capital requirements have been to finance capacity expansion initiatives. These requirements have been primarily met through borrowings. The company's capital requirements depend on factors such as the pace of growth, expansion of production capacity, investments in high-margin product lines, and scaling operations to support end-to-end manufacturing. It may explore additional equity or debt financing in the future to fund strategic initiatives and sustain growth. The company believes it has sufficient resources to meet current obligations and anticipated capital needs over the next few months.
2	Liquidity	Historically, liquidity requirements have been to finance working capital, production activities and , met through borrowings and equity infusions. As of June 30, 2025, the company had ₹3,02 lakhs in cash, ₹96.85 lakhs in other bank balances, and ₹4244.38 lakhs in outstanding short term borrowings. Considering expected cash flows, benefits of recent capacity expansions, and proceeds from the Issue, the company believes it has sufficient liquidity to meet current obligations and anticipated working capital needs over the next few months.

Cash Flows

Particulars	February 28,2026	2025	2024	2023
Net cash from operating activities	443.50	-255.82	-367.70	-4.78
Net cash from investing activities	-383.07	–359.70	-1570.27	-132.20
Net cash flows from financing activities	129.67	606.00	1,949.68	129.41
Net increase/ (decrease) in cash and bank balance	190.11	-9.53	11.70	-7.57
Cash and cash equivalents at the end of the year end	201.10	10.99	20.52	8.82

Assessment of Cash Flow

a. Cash Flow from Operations

Particulars	2025 compared to 2024	2024 compared to 2023
Profit before tax	Profit before Tax increased by ₹1,289.95 lakhs in FY 25 (₹1,488.74 lakhs) as compared to ₹198.78 lakhs in FY 24.	Profit before Tax increased by ₹99.11 lakhs in FY 24 (₹198.78 lakhs) as compared to ₹99.68 lakhs in FY 23.
Adjustments		
Depreciation and amortization	Depreciation & Amortization expense increased by ₹58.63 lakhs in FY 25 (₹237.20 lakhs) as compared to ₹178.57 lakhs in FY 24.	Depreciation & Amortization expense increased by ₹14.10 lakhs in FY 24 (₹178.57 lakhs) as compared to ₹164.47 lakhs in FY 23.
Other non-cash (income)/expenditure	Other non-cash (income)/expenditure	Other non-cash (income)/expenditure

	increased by ₹0.84 lakhs in FY 25 (₹0.84 lakhs) as compared to ₹Nil in FY 24.	increased by ₹0.40 lakhs in FY 24 (Nil) as compared to negative ₹0.40 lakhs in FY 23.
Loss on sale of Property, Plant and Equipment	Loss on sale of Property, Plant and Equipment increased by ₹2.83 lakhs in FY 25 (₹2.83 lakhs) as compared to ₹Nil in FY 24.	Loss on sale of Property, Plant and Equipment remained Nil in both FY 24 and FY 23.
Interest Income	Interest Income increased by ₹5.58 lakhs in FY 25 (₹7.31 lakhs) as compared to ₹1.73 lakhs in FY 24.	Interest Income decreased by ₹4.60 lakhs in FY 24 (₹1.73 lakhs) as compared to ₹6.33 lakhs in FY 23.
Finance cost	Finance Costs increased by ₹184.97 lakhs in FY 25 (₹614.13 lakhs) as compared to ₹429.17 lakhs in FY 24.	Finance Costs increased by ₹119.15 lakhs in FY 24 (₹429.17 lakhs) as compared to ₹310.01 lakhs in FY 23.
Other Income	-	-
Provision for Gratuity	-	-
Foreign Exchange Fluctuation	-	-
Bad and Doubtful Debts	Provision for Doubtful debts & Advances increased by ₹15.95 lakhs in FY 25 (₹15.95 lakhs) as compared to ₹Nil in FY 24.	-
Advances Written Off	-	-
Operating profit before working capital changes	Operating Profit before Working Capital Changes increased by ₹1,547.60 lakhs in FY 25 (₹2,352.38 lakhs) as compared to ₹804.79 lakhs in FY 24.	Operating Profit before Working Capital Changes increased by ₹237.36 lakhs in FY 24 (₹804.79 lakhs) as compared to ₹567.43 lakhs in FY 23.
Working Capital changes	-	-
Increase / (Decrease) in provisions	-	-
Increase/ (Decrease) in trade payables	Trade & Other Payables (including provisions) increased by ₹344.19 lakhs in FY 25 (₹373.30 lakhs) as compared to ₹29.11 lakhs in FY 24.	Trade & Other Payables (including provisions) increased by ₹200.40 lakhs in FY 24 (increase of ₹29.11 lakhs) as compared to decrease of ₹171.21 lakhs in FY 23.
Increase / (Decrease) in other financial liabilities	-	-
Increase / (Decrease) in other liabilities	-	-
(Increase) / Decrease in inventories	Inventories increased by ₹2,113.14 lakhs in FY 25 (₹1,522.52 lakhs) as compared to decrease of ₹590.61 lakhs in FY 24.	Inventories decreased by ₹1,029.30 lakhs in FY 24 (decrease of ₹590.61 lakhs) as compared to increase of ₹438.68 lakhs in FY 23.
(Increase) / Decrease in trade receivables	Trade Receivables decreased by ₹422.78 lakhs in FY 25 (₹1,005.58 lakhs) as compared to decrease of ₹1,428.36 lakhs in FY 24.	Trade Receivables decreased by ₹1,553.84 lakhs in FY 24 (decrease of ₹1,428.36 lakhs) as compared to increase of ₹125.48 lakhs in FY 23.
(Increase) / Decrease in other financial assets	-	-
(Increase) / Decrease in other assets	Loans, Advances and Other Assets increased by ₹81.53 lakhs in FY 25 (₹412.06 lakhs) as compared to ₹330.53 lakhs in FY 24.	Loans, Advances and Other Assets increased by ₹256.07 lakhs in FY 24 (₹330.53 lakhs) as compared to ₹74.46 lakhs in FY 23.
Cash (used in)/ generated from operations	Cash Generated from Operating Activities improved by ₹119.89 lakhs in FY 25 (outflow of ₹214.48 lakhs) as	Cash Generated from Operating Activities decreased by ₹342.92 lakhs in FY 24 (outflow of ₹334.37 lakhs) as

	compared to outflow of ₹334.37 lakhs in FY 24.	compared to inflow of ₹8.55 lakhs in FY 23.
Income tax paid (net of refund)	Income Tax Paid increased by ₹8.02 lakhs in FY 25 (₹41.34 lakhs) as compared to ₹33.33 lakhs in FY 24	Income Tax Paid increased by ₹20.00 lakhs in FY 24 (₹33.33 lakhs) as compared to ₹13.33 lakhs in FY 23.
Net cash flow (used in)/ generated from operating activities	Net Cash Generated from/(used in) Operating Activities improved by ₹111.87 lakhs in FY 25 (outflow of ₹255.82 lakhs) as compared to outflow of ₹367.70 lakhs in FY 24.	Net Cash Generated from/(used in) Operating Activities decreased by ₹362.92 lakhs in FY 24 (outflow of ₹367.70 lakhs) as compared to outflow of ₹4.78 lakhs in FY 23.

b. Cash Flow from Investments

Particulars	2025 compared to 2024	2024 compared to 2023
Purchase of property, plant and equipment	Purchase of Property, Plant and Equipment decreased by ₹1173.57 lakhs in FY 25 (₹375.73 lakhs) as compared to ₹1549.30 lakhs in FY 24.	Purchase of Property, Plant and Equipment increased by ₹1415.75 lakhs in FY 24 (₹1549.30 lakhs) as compared to ₹133.55 lakhs in FY 23.
Purchase of intangible assets	-	-
Purchase of capital work-in-progress	-	-
Interest Income	Interest Received increased by ₹5.58 lakhs in FY 25 (₹7.31 lakhs) as compared to ₹1.73 lakhs in FY 24.	Interest Received decreased by ₹4.60 lakhs in FY 24 (₹1.73 lakhs) as compared to ₹6.33 lakhs in FY 23.
Other Income	-	-
Proceeds from sale of property, plant and equipment	Sale of Property, Plant and Equipment increased by ₹20.56 lakhs in FY 25 (₹22.56 lakhs) as compared to ₹2.00 lakhs in FY 24.	Sale of Property, Plant and Equipment decreased by ₹2.36 lakhs in FY 24 (₹2.00 lakhs) as compared to ₹4.36 lakhs in FY 23.
Investments in bank deposits	Bank balances not considered as cash and cash equivalents decreased by ₹10.86 lakhs in FY 25 (₹13.84 lakhs) as compared to ₹24.70 lakhs in FY 24.	Bank balances not considered as cash and cash equivalents increased by ₹15.37 lakhs in FY 24 (₹24.70 lakhs) as compared to ₹9.33 lakhs in FY 23.
Proceeds from bank deposits	-	-
Sale of investments	-	-
Purchase of Investments	-	-
Loans and advances received/(given)	-	-
Net cash flow (used in)/ generated from investing activities	Net Cash Generated from/(used in) Investing Activities improved by ₹1210.57 lakhs in FY 25 (outflow of ₹359.70 lakhs) as compared to outflow of ₹1570.27 lakhs in FY 24.	Net Cash Generated from/(used in) Investing Activities decreased by ₹1438.07 lakhs in FY 24 (outflow of ₹1570.27 lakhs) as compared to outflow of ₹132.20 lakhs in FY 23.

c. Cash Flow from Financing

Particulars	**2025 compared to 2024**	**2024 compared to 2023**

Interest paid on borrowings	Finance Cost increased by ₹182.67 lakhs in FY 25 (₹594.00 lakhs) as compared to ₹411.33 lakhs in FY 24	Finance Cost increased by ₹101.31 lakhs in FY 24 (₹411.33 lakhs) as compared to ₹310.01 lakhs in FY 23.
Interest paid on lease liability	-	-
Dividend paid	-	-
Net Repayment of long-term borrowings	Net Proceeds from Long Term Borrowings decreased by ₹1749.86 lakhs in FY 25 (₹501.26 lakhs) as compared to ₹2251.12 lakhs in FY 24.	Net Proceeds from Long Term Borrowings increased by ₹1895.62 lakhs in FY 24 (₹2251.12 lakhs) as compared to ₹355.50 lakhs in FY 23.
Net Repayment of short-term borrowings	Net Proceeds from Short Term Borrowings increased by ₹367.82 lakhs in FY 25 (₹477.69 lakhs) as compared to ₹109.87 lakhs in FY 24.	Net Proceeds from Short Term Borrowings increased by ₹25.95 lakhs in FY 24 (₹109.87 lakhs) as compared to ₹83.92 lakhs in FY 23.
Payment of principal portion of lease liabilities	-	-
Proceeds from Share Capital	Proceeds from Share Capital (including Securities Premium) increased by ₹221.04 lakhs in FY 25 (₹221.04 lakhs) as compared to ₹Nil in FY 24.	Proceeds from Share Capital (including Securities Premium) remained Nil in both FY 24 and FY 23.
Net cash flow (used in)/ generated from financing activities	Net Cash Generated from/(used in) Financing Activities decreased by ₹1,343.68 lakhs in FY 25 (₹606.00 lakhs) as compared to ₹1,949.68 lakhs in FY 24.	Net Cash Generated from/(used in) Financing Activities increased by ₹1,820.26 lakhs in FY 24 (₹1,949.68 lakhs) as compared to ₹129.41 lakhs in FY 23.

Contingent Liabilities and Off-Balance Sheet Arrangements

Particulars	**February 28 2026**	**2025**	**2024**	**2023**
Contingent Liabilities				
- *Standby Letter of Credit*	-	-	-	-
- *Bank Guarantee*	-	-	-	-
- Income Tax related matter	-1.45	5.80	1.00	-
Commitments				
- *Borrowings*	-	-	-	-
- *Lease Liabilities*	-	-	-	-
- *Estimated Amount of contracts remaining to be executed on capital account (Net of Advances)*	122.13	46.23	335.38	-

Contractual Obligations & Commitments

Particulars	**Carrying Amount**	**< less than 1 year**	**1 to 3 years**	**>3 years**
As at Stub Period				
- *Borrowings*	-	-	-	-
- *Lease Liabilities*	-	-	-	-
- *Estimated Amount of contracts remaining to be executed on capital account (Net of Advances)*	122.13	1	-	-

Related Party Transaction (Rs. in Lakhs)

Particulars	February 28 2026	2025	2024	2023
Related Party - Asset transactions	-	-	-	-
as a % of Total Assets	-	-	-	-
Related Party - borrowings availed/(Repaid) (Net)	2.72	214.43	33.88	-7.92
as a % of Total borrowings	0.04%	3.19%	0.59%	-0.23%
Related Party - Revenue Transactions	332.10	590.05	125.75	95.73
as a % of Total Income	1.71%	3.44%	1.16%	1.07%
Related Party - Expense transactions	3844.65	4138.84	1259.52	1170.53
as a % of Total Expenses	21.57%	26.38%	11.84%	13.22%
Related Party - Issue of Equity	268.20	221.04	-	-
as a % of Total Equity	19.60%	20.60%	-	-

Customer Concentration

Particulars	February 28, 2026	2025	2024	2023
Top Customer (as % of total revenues)	5.97%	4.86%	10.84%	7.20%
Top 3 Customers (as % of total revenues)	17.11%	14.11%	24.42%	19.72%
Top 5 Customers (as % of total revenues)	24.86%	21.49%	30.41%	30.45%
Top 10 Customers (as % of total revenues)	34.14%	34.15%	41.45%	48.50%

Supplier Concentration

Particulars	February 28, 2026	2025	2024	2023
Top 3 Suppliers (as % of total purchase)	30.48%	34.70%	27.46%	29.70%
Top 5 Suppliers (as % of total purchase)	40.56%	42.79%	35.69%	42.60%
Top 10 Suppliers (as % of total purchase)	52.37%	54.23%	51.61 %	64.13%

Our Company confirms that none of our foreign customers or suppliers constitute a significant portion of our business. Accordingly, there is no material impact on our operations on account of exchange rate fluctuations. Further, we clarify that only during Fiscal 2023, a portion of our sales was derived from exports, while there have been no purchases made through imports.

Auditors Observations

Financial Year / Period	Nature of Adverse Observation (Reservations, qualifications, adverse remarks, matters of emphasis or Other Matter)	Details of Adverse Observations	Company's response to reservations, qualifications, adverse remarks or matters of emphasis, including any corrective measures	Impact on the financial statements and financial position of the Company
NA				

Date	Event	Impact on the Financials	Mitigation Factors	Future Liabilities arising due to the event
NA				

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS

a. Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, Our Company has not engaged in any transactions or events during the periods under review that, in our best judgment, would be considered unusual or infrequent.

b. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the "***Risk Factors***" beginning on page 17 of this Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

c. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Red Herring Prospectus, particularly in the sections "***Risk Factors***" on page 17 , , to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

d. Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change

Our Company's future costs and revenues will be determined by the growth of the industry in which we operate.

e. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

f. Total turnover of each major industry segment in which the Issuer Company operates

Our Company is engaged in Textile industry.

(Rs. in Lakhs)

Particulars	February 28 2026		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Blanket	1,199.71	6.20%	589.04	3.43%	552.76	5.10%	754.15	8.44%
Knitted Cloth	17,197.23	88.30%	14,625.61	85.21%	8,253.03	76.15%	5,474.73	61.29%
garments	182.39	0.90%	1,107.53	6.45%	1,442.98	13.31%	2,227.83	24.94%
Job work	691.39	3.60%	733.39	4.27%	525.84	4.85%	444.79	4.98%
Scrap	198.34	1.00%	107.94	0.63%	63.84	0.59%	31.19	0.35%

Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 109 of this Red Herring Prospectus.

g. Status of any Publicly Announced New Business Segments

Except as disclosed in the section "***Our Business"*** on page 123 of this Red Herring Prospectus, our Company has not publicly announced any new business segment.

h. Seasonality of the Business

Our business is subject to seasonality. We experience higher demand for our winter wear products in the months leading up to the winter season and during end-of-season sales. For a detailed understanding, please refer to the ***'Risk Factor'*** on page 17 of this Red Herring Prospectus.

i. Any significant dependence on a single or few suppliers or customers

Our Company is significantly dependent on a few suppliers. For further details, refer to the chapter titled "***Risk factors***" on page 17 of Red Herring Prospectus.

j. Competitive Conditions

Competitive conditions have been discussed in sections titled "***Our Business***" and "***Our Industry***" on pages 123 and 109 of this Red Herring Prospectus.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS 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) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case 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 September 24, 2025, for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

i. *The monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending Litigation where the value or expected impact in terms of value, exceeds the lower of the following:*
(a) two percent of turnover, i.e., 343.27 lakhs, as per the latest annual restated financial statements of the issuer; or
(b) two percent of net worth, i.e., 58.97 lakhs as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or
(c) five percent of the average of absolute value of profit or loss after tax, i.e., 22.73 lakhs, as per the last three annual restated financial statements of the issuer.,

Based on the above conditions, the threshold shall be 22.73 Lakhs .and

ii. *the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

iii. *any such litigation which does not meet the criteria set out in (i) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.*

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 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 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.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES

1. Litigations involving the company: 7

Outstanding Litigations against the Company

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities:

Sr. No.	Assessment Year	Type of Demand / Adjustment	Amount (₹ lakhs)	Status
1.	2025-2026	Interest on TDS Default	0.31	Pending

- **Assessment Year 2025-26 (Financial Year 2024-25)– Interest on TDS Default:** For FY 2024–25, the Income Tax Department has recorded an outstanding Interest of Rs. 0.31 lakhs on earlier TDS default by Madhur Knit Crafts Pvt. Ltd. No litigation has been initiated in this regard.

3. Other material pending proceedings:Nil

Outstanding Litigations by the Company

1. Criminal Proceedings

Madhur Knit Craft Pvt. Ltd. vs. Vasu Knitwears (Proprietor: Rahul Arora) - Criminal case under Section 138 of the Negotiable Instruments Act read with Section 420 IPC [COMA/7079/2024]

On 01-03-2024, Madhur Knit Craft Pvt. Ltd., Ludhiana, issued a legal notice to Vasu Knitwears (Proprietor: Rahul Arora) regarding the dishonour of nine cheques totaling ₹12,84,649/-, issued towards settlement of outstanding dues for supply of Pile Fabrics Supersoft. The cheques were dishonoured on presentation by Union Bank of India (remarks: "Payment Stopped by Drawer" and "Funds Insufficient") as per bank memos dated 15-02-2024. The notice alleged offences under Section 138 of the Negotiable Instruments Act, 1881 and Section 420 IPC, calling for payment within 15 days, failing which legal proceedings could be initiated. The Company filed a complaint under the Negotiable Instruments Act, 1881 on 25.04.2024. The accused has appeared in the matter, and pursuant to the order dated 04-09-2025, has been directed to file a reply to the application under Section 143-A of the NI Act for depositing 20% of the cheque amount. The same is not yet deposited by the accused. The matter has been re-notified for hearing on 16.09.2026 for presentation of complainant witnesses.

M/s Madhur Knit Crafts Pvt. Ltd. vs. 3V International -Criminal case under Section 138 of the Negotiable Instruments Act [COMA/51030/2023]

M/s Madhur Knit Crafts Pvt. Ltd. filed a case on 08-12-2023 (Case No. COMA–COMPLAINT ACT/51030/2023) against 3V International Pioneer in Textile Solutions under Section 138 of the Negotiable Instruments Act for dishonour of cheques totaling ₹20,00,000/-. The cheques were issued by the accused towards repayment of an advance payment made by Madhur Knit Crafts for the purchase of machines, but were dishonoured. The Hon'ble Court, vide order dated 06-04-2024, issued summons to the accused, and the matter is now listed for hearing on 28.08.2026 for cross examination of complainant witnesses.

2. Other material pending proceedings

M/s Madhur Knit Crafts Pvt. Ltd. vs. M/s Pooja Wollen Industries under section 18 of MSME

M/s Madhur Knit Crafts Pvt. Ltd. filed a claim for recovery of ₹79,42,498/- (comprising ₹46,58,831/- as principal and ₹32,83,667/- as interest) against M/s Pooja Wollen Industries under Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006 before MSME Samadhan (Application No. PB12B0005296/S/00001) on 22-01-2020. The matter was last listed on 08.07.2026. However, the Arbitration Forum has not yet updated or notified the next date of hearing.

2. Litigations Involving the Subsidiary: NA*

Outstanding Litigations against the Subsidiary

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities: Nil

3. Other material pending proceedings: Nil

Outstanding Litigations by the Subsidiary

1. Criminal Proceedings: Nil

2. Other material pending proceedings: Nil

Our Company has no Subsidiary as on the date of filing of this Red Herring Prospectus.

3. LITIGATIONS INVOLVING THE PROMOTERS OF THE COMPANY: NIL

Outstanding Litigations against the Promoters

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities: Nil

3. Other material pending proceedings: Nil

Outstanding Litigations by the Promoters

1. Criminal Proceedings: Nil

2. Other material pending proceedings: Nil

4. **LITIGATIONS INVOLVING DIRECTORS (OTHER THAN PROMOTERS): NIL**

Outstanding Litigations against the Directors

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities: Nil

3. Other material pending proceedings: Nil

Outstanding Litigations by the Directors

1. Criminal Proceedings: Nil

2. Other material pending proceedings: Nil

5. LITIGATIONS RELATING TO THE GROUP ENTITIES: NIL

Outstanding Litigations against the Group Entities

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities: Nil

3. Other material pending proceedings: Nil

Outstanding Litigations by the Group Entities: 1

1. Criminal Proceedings

Criminal case under Sections 138, 139, 141 and 142 of the Negotiable Instruments Act, 1881

A complaint bearing Case No. 2024/COMA – COMPLAINT ACT/4879 has been filed by Star Cottex Private Limited. against B.B. Fabrics and Mr. Rajinder Prasad Sharma (Proprietor) before the Court of the Chief Judicial Magistrate, Ludhiana, Punjab, under Sections 138, 139, 141 and 142 of the Negotiable Instruments Act, 1881. The complaint pertains to the dishonour of a cheque amounting to ₹49.80 lakhs issued by the accused towards partial discharge of liability arising from the purchase of garments from the complainant. The said cheque was returned unpaid with the remarks "Exceeds Arrangement." Despite issuance of a legal notice dated February 5, 2024, the accused failed to make payment within the stipulated time. The matter is currently pending adjudication before the Hon'ble Court and is next listed for hearing on 20.08.2026.

2. Other material pending proceedings: Nil

6. **LITIGATIONS INVOLVING KEY MANAGERIAL PERSONNEL (KMPs): NIL**

1. Criminal Proceedings: Nil

2. Actions by Statutory/ Regulatory Authorities: Nil

3. Other material pending proceedings: Nil

Tax Claims

Nature of Case	Number of Cases	Amount Involved (In Rs Lakhs)
Litigations involving the Company		
Direct Tax	1	0.31
Indirect Tax	Nil	Nil
Litigations involving the Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Litigations involving the Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Litigations involving the Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Litigations involving the Group Companies		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Litigations Involving Key Managerial Personnel (KMPs)		
Direct Tax	Direct Tax	Direct Tax
Indirect Tax	Indirect Tax	Indirect Tax

Outstanding dues to Creditors

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due to such creditors are available on the website of our Company as at www.mkcpl.in

Below are the details of the Creditors where outstanding amount as on February 28, 2026:

Particulars	**No. of Creditors**	**Amt (Rs. in Lakhs)**
1.Material Creditors[(1)(3)]	2	1855.15
2.Total Outstanding dues to Micro and Small & Medium Enterprises[(1)(2)]	3	0.93
3.Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises[(1)]	169	3271.33
Total (2+3)	**172**	**3272.26**

As certified by V. V. Bhalla & Co, Chartered Accountants, pursuant to their certificate dated July09,2026.

Notes:
(1) Based on the policy on materiality as defined by the Board of Directors of the Company, details of creditors, including the number of creditors and the aggregate amount involved have been considered.
(2) Information on outstanding dues to micro, small and medium enterprises, if any, as well as other creditors, separately providing details of the number of cases and the aggregate amount involved, if any, has been disclosed.
(3) Complete details of outstanding overdue to material creditors, if any, including the name of each such material creditor and the amount involved, shall be disclosed on the website of the Company as at www.mkcpl.in.

Material Developments

Except as disclosed in "*Management Discussion & Analysis – Significant developments after February 28, 2026 that may affect our future results of operations*" on page 191, there have been no material developments, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

Disclosures Pertaining to Wilful Defaulters

Neither our Company, nor our Promoters, and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Disclosures Pertaining to Fraudulent Borrower

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

Other litigations involving any other entities which may have a material adverse effect on the Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offenses, tax liabilities, prosecution under any enactment in respect of the Companies Act, Show Cause Notices or Legal Notices pending against any company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

If any of the above-mentioned litigations, material developments, or dues to creditors arise after the filing of this Red Herring Prospectus, the Company shall incorporate the relevant facts appropriately in the Red Herring Prospectus and Prospectus. Except as disclosed above, there are no litigations, material developments, or dues to creditors requiring disclosure under the applicable provisions as on date of filing of this Red Herring Prospectus.

Details of the Past Penalties Imposed on the Company / Directors: Not Applicable

Change in Accounting Policies in the last three (3) years

There has been no change in accounting policies in the last three (3) years.

The Net worth of the company on February 28 2026– Rs. 4,360.75 Lakhs

We further confirm that except as stated hereinabove:

a) Madhur/ the Company, its Promoter, and other Companies with which Promoter are associated have neither been suspended by SEBI nor has any disciplinary action been taken against them or either of them by SEBI.
b) There is no material regulatory or disciplinary action by a Stock Exchange or Regulatory Authority in the past years in respect of the Promoter of the Company, group company's entities, entities promoted by the Promoter of the Company.
c) Further, none of the Directors of the Company has been charge-sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.
d) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter, group entities, companies promoted by the Promoter during the past three years except as under:
e) There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
f) There is no pending litigation against the Promoter/ Directors in their capacities and also involving the violation of statutory regulations or criminal offenses.
g) There are no pending proceedings initiated for economic offenses against the Directors, Promoter, Companies, and firms promoted by the Promoter.
h) There is no outstanding litigation, defaults, etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
i) There are no litigations against the Promoter / Directors in their capacity.
j) There are no criminal cases filed or any investigation being undertaken concerning the alleged commission of any offense by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.

GOVERNMENT AND OTHER APPROVALS

In view of the licensees / permissions / approvals / no-objections / certifications / registrations, (collectively "Authorisations") listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "***Key Regulation and Policies***" beginning on page 147 of the Red Herring Prospectus.

I. Material approvals in relation to the Issue

Corporate approvals for this issue

a. The Board of Directors have, pursuant to resolutions passed at its meeting held on August 30, 2025 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.

b. The Shareholders have, pursuant to the resolution dated September 22, 2025, under section 62 (1) (c) of the Companies Act 2013, authorized the Issue

In-Principle Approval

The Company has obtained approval from NSE vide its letter dated February 03,2026 to use the name of NSE in this Issue document for listing of Equity Shares on EMERGE Platform of NSE. NSE is the Designated Stock Exchange.

Agreements with NSDL and CDSL

- The Company has entered into an agreement dated February 28, 2025, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited , for the dematerialization of its shares.

- The Company has also entered into an agreement dated February 27, 2025, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.

- The Company's International Securities Identification Number (ISIN) is INE1P5601010.

II. Material approvals in relation to the Company

Material approvals in relation to incorporation

S. No.	Incorporation	Company Identification Number	Issued by	Issued on	Expiry Date
1	Original Certificate of Incorporation	U17301PB1997PTC020381	Registrar of Companies, Chandigarh	21/08/1997	Replaced by fresh Certificate of Incorporation issued consequent upon the conversion of Company into a public limited company
2	Fresh Certificate of Incorporation issued to Madhur Knit crafts upon its conversion from a private limited company to a public limited company	U17301PB1997PLC020381	Registrar of Companies, Chandigarh	30/01/2025	Till cancelled

Material approvals in relation to the business

S. No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of issue	Date of Expiry
1.	Udyam Registration Certificate	UDYAM-PB-12-0012200	Ministry of MSME, Govt. of India	21.12.2020	Till cancelled
2.	LEI Certificate	9845006DCF09X9503D43	Clearing corporation of India	12.07.2021	12.07.2027
3.	Change of Land Use (CLU) – 6 Kanal 8 Marla (3,872 sq. yds.), Village Seerah	Memo No. 2558 dated 08.07.2011	Dept. of Town & Country Planning, Punjab	08.07.2011	Till cancelled
4.	Change of Land Use (CLU) – 21 Kanal 15 Marla (2.718 acres), Village Seerah	Memo No. 568 dated 25.01.2012	Dept. of Town & Country Planning, Punjab	25.01.2012	Till cancelled
5.	Consent to Operate (Air)	CTO/Renewal/LDH3/2025/28683738	Punjab Pollution Control Board	28.05.2025	28.05.2027
6.	Factory Licence to Work as Factory Under the Factories Act, 1948	LDHOFL5547	Directorate of Factories, Punjab (Department of Labour, Govt. of Punjab)	03.03.2025	31.12.2029
7.	Consent to Operate (Water)	CTO/Renewal/LDH3/2025/28683740	Punjab Pollution Control Board	28.05.2025	28.05.2027
8.	Fire Safety Certificate (NOC)	PBIP-(FIRE)2026/1661	Punjab Fire Services (Punjab Fire & Emergency Service, Ludhiana))	15.04.2026	14.04.2029
9.	Boiler Inspection Renewal Certificate	187/2020/25-26/112	Central Boilers Board, India	24.08.2025	23.08.2026
10.	ISO 9001:2015	060606AR05MA	Global Standards	18.06.2025	17.06.2028
11.	ISO 14001:2015	060606AR06MA	Global Standards	18.06.2025	17.06.2028
12.	Authorisation under Hazardous & Other Wastes Rules	HWM/Renewal/LDH3/2024/25442132	Punjab Pollution Control Board	17.04.2024	17.04.2029

Approval from tax authorities

S. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of issue	Date of Expiry
1	Permanent Account Number (PAN)	AABCM1402E	Income Tax Department, Government of India	21.08.1997	Till cancelled
2	Tax Deduction and Collection Account Number (TAN)	JLDM04371D	Income Tax Department, Government of India	-	Till Cancelled
3	Importer Exporter Code (IEC)	3011015899	DGFT, Ministry of Commerce	20.01.2012 (modified May 16, 2024)	Till Cancelled
4.	Professional Tax Certificate	E30AABCM1402E	Department of Excise and Taxation, Punjab State Development Tax	04.06.2025	Till Cancelled
	Goods and Services Tax (GST) Registration Certificates issued in respect of different states:				
1	Punjab	03AABCM1402E1ZF	Excise & Taxation Dept., Punjab	01.07.2017 (migrated)	Till Cancelled

Labour and Commercial Approvals

S. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of issue	Date of Expiry
1	Employees' Provident Fund Registration	LDLDH0041832000	EPFO, Ludhiana	02.02.2013	Till Cancelled

2	Employees' State Insurance Registration	26000477940000199	ESIC, Ludhiana	01.02.2013	Till Cancelled

III. Material approvals applied for but not received

The Company has applied for the following key approvals and licenses that are still pending:

S. No	Nature of Registration/ License	Application No.	Issuing Authority	Date of Application	Status
1	Groundwater Extraction Permission	20230100889240	Punjab Water Resources Authority (PWRDA)	28.06.2025	Under Process

IV. Material approvals expired and renewal to be applied for-Nil

V. Material approvals required but not obtained or applied for-Nil

VI. Intellectual Property

Trademarks

Intellectual Property owned by our company

Sr. No.	Trade Mark/ Device Mark	TM Regn. No.	Class	Trademark Type	Date of Registration	Valid Up To
1.	La' Peneli Gracia	3572232	24	Wordmark	16-06-2017	16-06-2027
2.	La' Peneli Tulip	3572231	24	Wordmark	16-06-2017	16-06-2027
3.	La' Peneli Amour	3572230	24	Wordmark	16-06-2017	16-06-2027
4.	La' Peneli Amaze	3572229	24	Wordmark	16-06-2017	16-06-2027
5.	La' Peneli Solitaire	3572246	24	Wordmark	16-06-2017	16-06-2027
6.	La' Peneli ORO	3572241	24	Wordmark	16-06-2017	16-06-2027
7.	La' Peneli Penguino	3572240	24	Wordmark	16-06-2017	16-06-2027
8.	La' Peneli Perla	3572242	24	Wordmark	16-06-2017	16-06-2027
9.	La' Peneli Bonito	3572244	24	Wordmark	16-06-2017	16-06-2027
10.	La' Peneli Diamante	3572245	24	Wordmark	16-06-2017	16-06-2027
11.	La' Peneli Platino	3572243	24	Wordmark	16-06-2017	16-06-2027
12.	Penguin Kasturi	2384755	24	Wordmark	24-08-2012	24-08-2032
13.		3321673	24	Device	28-07-2016	28-07-2036
14.	Beamer	3487918	24	Wordmark	21-02-2017	21-02-2027
15.	Penguin Aanchal	2503892	24	Wordmark	28-03-2013	28-03-2033
16.	Penguin Raga	3572236	24	Wordmark	16-06-2017	16-06-2027
17.	Penguin	3741198	24	Wordmark	31-01-2018	31-01-2028
18.	Madhur	3741197	24	Wordmark	31-01-2018	31-01-2028
19.	Penguin Rock	3572237	24	Wordmark	16-06-2017	16-06-2027
20.	Penguin Rosas	3572238	24	Wordmark	16-06-2017	16-06-2027
21.	Penguin Roos	3572239	24	Wordmark	16-06-2017	16-06-2027
22.	Penguin Nice	3741201	24	Wordmark	31-01-2018	31-01-2028
23.	Penguin Success	3741199	24	Wordmark	31-01-2018	31-01-2028
24.		2155802	25	Device	06-06-2011	06-06-2031
25.	Dickie Bird	2153337	25	Wordmark	01-06-2011	01-06-2031
26.		3572234	24	Device	16-06-2017	16-06-2027
27.	Dickie Bird	2251927	24	Wordmark	19-12-2011	19-12-2031
28.	La' Peneli Hello	3741195	24	Wordmark	31-01-2018	31-01-2028
29.	La' Peneli Fio	3741196	24	Wordmark	31-01-2018	31-01-2028
30.	La' Peneli Soft Plus	3868831	24	Wordmark	23-06-2018	23-06-2028
31.	KAT 969	2183998	25	Wordmark	02-08-2011	02-08-2031

32.	La' Peneli Ombre	3868832	24	Wordmark	23-06-2018	23-06-2028
33.	La' Peneli Rainbow	4374944	24	Wordmark	11-12-2019	11-12-2029
34.	La' Peneli Colors	4374945	24	Wordmark	11-12-2019	11-12-2029
35.		4546598	25	Device	26-06-2020	26-06-2030

Intellectual Property applications filed by our Company

Sr. No.	Trade Mark/ Device Mark	Application No.	Class	Trademark Type	Date of Application	Status
1		7088546	25	Device	28-06-2025	FORMALITIES CHK PASS
2		7088547	24	Device	28-06-2025	FORMALITIES CHK PASS
3		7088548	35	Device	28-06-2025	FORMALITIES CHK PASS
4		7088549	25	Device	28-06-2025	FORMALITIES CHK PASS
5		7088550	35	Device	28-06-2025	FORMALITIES CHK PASS
6		7088551	24	Device	28-06-2025	FORMALITIES CHK PASS
7	Penguin Asha	3469294	24	Wordmark	31-01-2017	OBJECTED

Domains

Sr. No.	Domain Name	Registry Domain ID	Creation Date	Expiry Date
1	www.mkcpl.in	Squarespace	27.04.2026	27.04.2027

We confirm that there are no licenses/approval applied by the company but pending with the authority, and licenses/approval that are yet to be applied by the company.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE- MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of "group companies" in relation to the disclosure in Issue Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the chapter titled "***Restated Financial Information***" beginning on Page 182 of this Red Herring Prospectus.

Pursuant to a resolution passed by our Board dated September 24, 2025 for the purpose of disclosure in the Issue Documents for the Issue, a company shall be considered material and disclosed as "Group Company", if:

1) The investment in the form of equity or loan by the Issuer exceeds 10% of the retained earnings of the Issuer for the most recent audited fiscal period; and

2) the Issuer has entered into one or more transactions with such company in the previous audit fiscal year cumulatively exceeding 10% of the total revenue of the Issuer for such audited fiscal year; or

3) Any other company/ entities that the Board may decide to consider material.

Accordingly, based on the parameters outlined above, as on date of this Red Herring Prospectus, our Board has identified the following companies as Our Group Companies ("Group Companies"):

Group Companies of the Company:-

Sr. No.	Name of Group Company	Common Promoter	Shareholding/ Partnership in Group Co.
1.	Star Cottex Limited	None	None

Information With Respect to Group Company

Star Cottex Limited

Corporate Information

CIN	U17309PB2019PLC050164
ROC Name	ROC Chandigarh
Registration Number	050164
Date of Incorporation	25/10/2019
Registered Address	P. No. BXXXI 372/215, Beant Pura, Chandigarh Road, Samrala Road, Ludhiana, Ludhiana, Punjab, India, 141008
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
Listed in Stock Exchange	No
Authorised Capital (Rs)	10,00,000
Paid up Capital (Rs)	1,00,000

Nature of Business

Star Cottex is engaged in the textile and garment industry, with a vertically integrated business model encompassing the entire value chain from raw material sourcing to finished garment production. Established in 1965 and headquartered in Ludhiana, Punjab, the Company manufactures and supplies high-quality textile products catering to both domestic and international markets.

Capital Structure

Particulars	No of Equity Shares
Equity Shares	10,000

*Shareholding Pattern**

Shareholder	No of Equity Shares	Shareholding Pattern (%)
Vijay Deepak Gupta	2000	20.00%
Keshav Gupta	2000	20.00%
Sanjay Gupta	2000	20.00%
Ajay Gupta	1000	10.00%
Monika Gupta	1000	10.00%
Anamika Gupta	1000	10.00%
Nitika Gupta	1000	10.00%
Total	**10000**	**100.00%**

**As on September 27, 2025*

Financial Information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Star Cottex Limited for the last three financial years, as required by the SEBI ICDR Regulations, are available on its website at www.mkcpl.in.

Pending Litigation involving the Group Company which has a material impact on the issuer

As on the date of this Red Herring Prospectus, there is no pending litigation involving our Group Company which may have a material impact on our Company.

Common Pursuits

1. Our Company and certain of our Group Companies are engaged in similar lines of business, which may be regarded as common pursuits and may give rise to potential conflict of interest situations. The details are as follows:

    - **Nature of Common Pursuit:** Both our Company and Star Cottex Limited are engaged in manufacturing of textiles products.
    - **Reason/Justification:** The businesses have evolved independently over a period of time based on market opportunities, promoter initiatives, and the specific focus of each entity. While there is similarity in the line of business, each company operates with distinct strategies, target markets, customer bases, and product segments, thereby reducing the likelihood of significant overlap.
    - **Conflict of Interest:** Notwithstanding the above, there may arise situations of conflict of interest in respect of business opportunities, customers, suppliers, or use of resources, as our Company and such Group Companies operate in related sectors.
      Our Company shall adopt appropriate measures permitted by law, including adherence to applicable corporate governance requirements, ensuring arm's length dealings, and maintaining transparent business practices, to mitigate such potential conflicts of interest and safeguard the interests of our shareholders.

2. Our Group Companies do not have any business interest in our Company except as otherwise disclosed in the "***Our Group Company*****"** and "***Restated Financial Information*** *– Note 33 – Related Party Transactions*", on pages 217 and 182 , respectively.

3. Except as set forth in "***Restated Financial Information***" beginning on page 182, there are no related business transactions between our Group Companies and our Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the offer and details of resolution passed for the issue

a. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on August 30, 2025.
b. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its AGM held on September 22, 2025, and authorised the Board to take decisions in relation to this Issue.
c. Our Board has approved this Red Herring Prospectus through its resolution dated August 14, 2026.

Corporate Approvals

a. The Company has obtained approval from NSE vide its letter dated February 03,2026 to use the name of NSE in this Issue document for listing of Equity Shares on EMERGE Platform of NSE. NSE is the Designated Stock Exchange.

b. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled "***Government and Other Approvals***" beginning on page number 213 of this Red Herring Prospectus.

Authorisation by the selling shareholders

There are no selling shareholders and, consequently, no authorisations from any selling shareholders are applicable as on the date of this red herring prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Companies or the Director and Promoters of our Promoters Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as Promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental Authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and Our Group Companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our Directors have not been declared as wilful defaulters by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the companies (significant beneficial ownership) rules, 2018

Our company, our promoters and the members of the promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent in force and applicable, as on the date of this Red Herring Prospectus.

Directors Associated with the Securities Market

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Issue paid up capital is more than Rs. 1,000 Lakh. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

a. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the BRLM to the Issue will underwrite at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please refer to "***General Information***" Underwriting on page 51 of this Red Herring Prospectus.

b. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to 200, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

c. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLM shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.

d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLM will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares offered in this Issue. For further details of market making arrangement, please refer to the section titled "***General Information***" on page 51 of this Red Herring Prospectus.

e. In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its Promoters, promoter group or directors are debarred from accessing the capital market by the Board;

f. In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the Promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;

g. In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its Promoters or directors is a wilful defaulter or fraudulent borrower.

h. In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's Promoters or directors is a fugitive economic offender.

i. In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to National Stock Exchange of India Limited and National Stock Exchange of India Limited is the Designated Stock Exchange.

j. In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.

k. In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.

l. In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the Promoters are already in dematerialized form.

NSE Eligibility Norms

Sr. No.	**Particulars**
1	*The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.* Our Company was incorporated on August 21, 1997, under the Companies Act, 1956.
2	*The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores*

As on the date of this Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 1368.24 Lakhs comprising 1,36,82,432 Equity Shares of ₹10/- each and the Post issue paid-up Capital (face value) will be ₹ 1,984.35 Lakhs comprising 1,98,43,458 Equity Shares which shall be below ₹ 25 crores.

3 *Company's has Net worth at least Rs. 1 crore for 2 preceding full financial years* :

Our company has a Net worth of Rs. 2,948.52 lakhs on Fiscal 2025 and Rs. 1,624.23 lakhs on Fiscal 2024. The following table reflects the details of the calculation of Net Worth.

(Rs. In Lakhs)

Details	**FY 2023**	**FY 2024**	**FY 2025**
Paid-up share capital	970.00	970.00	1072.81
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account,	483.80	654.23	1875.71
The aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation	-	-	-
Net worth (A+B-C)	**1453.80**	**1624.23**	**2948.52**

Note:

- *Our Company was incorporated on August 21, 1997, under the Companies Act, 1956 with the Registrar of Companies, Chandigarh. Hence, our Company is in existence for a period of 28 years on the date of filing the Red Herring Prospectus with NSE.*
- *The Net worth computation is as per the definition given in SEBI (ICDR) Regulations. The Company has received the Net worth certificate datedJuly 09,2026 from V. V. Bhalla & Co, Chartered Accountants*

4 *The Issuer satisfies the exchange's criteria of track record of 3 years:*

Our Company confirms that it has a track record of more than 3 years.

5 *The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.*

The company has the positive Free Cash Flow to Equity (FCFE) in two out of the last three financial years, i.e., FY 2023 and FY 2024.

(Rs. In Lakhs)

Particulars	**FY 2023**	**FY 2024**	**FY 2025**
Cash Generated from Operating Activities	8.55	-334.37	-214.48
Less: Income Tax Paid	13.33	33.33	41.34
Net Cash Flow from Operating Activities	**-4.78**	**-367.70**	**-255.82**
Purchase of Capital Assets	133.55	1292.30	197.86
Add : Capital Advances	-	257	179.56
Less: Sale Proceeds of Fixed Assets	4.36	2.00	22.56
Purchase of Fixed Assets	**129.19**	**1547.30**	**353.17**
Net Proceeds from Total Borrowings	439.43	2361	978.95
Net Debt Repayment	**439.43**	**2361**	**978.95**
Proceeds from issuance of capital	**-**	**-**	**221.04**
Total Interest Expense	310.01	411.32	593.99
Post Tax Interest Expense	**280.90**	**352.66**	**440.21**
Free Cash flow to Equity	**24.55**	**93.33**	**150.79**

	The FCFE computation has been certified by V. V. Bhalla & Co., Chartered Accountants, vide certificate datedJuly 09,2026.
6	*The company/ proprietorship concern/ registered firm/ LLP should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date.* As per the Restated Financial Statements, our company has operating profit (earnings before interest, depreciation and tax excluding other income) from operations of ₹ 2327.52 Lakhs for the Fiscal 2025, and ₹ 804.40 Lakhs in Fiscal 2024, and ₹ 551.11 Lakhs in Fiscal 2023 i.e., in all the 3 financial years preceding the date of this Red Herring Prospectus.

(Rs. In Lakhs)

Financial Year	**FY 2023**	**FY 2024**	**FY 2025**
Profit Before Tax	*99.68*	*198.78*	*1488.74*
Add: Depreciation	*164.47*	*178.57*	*237.20*
Add: Interest	*310.01*	*429.17*	*614.13*
Less: Other Income	*23.05*	*2.12*	*12.46*
Earning before Interest, Depreciation and Tax	**551.11**	**804.40**	**2327.52**

The operating Profit computation has been certified by V. V. Bhalla & Co., Chartered Accountants, vide certificate datedJuly 09, 2026.

7 *Confirmation Regarding Regulatory Compliance and Trading Status*

- We hereby confirm that neither the promoters nor any of the companies promoted by the promoters have been subject to any regulatory action or suspension of trading by any stock exchange with nationwide trading terminals except as mentioned in the Red Herring Prospectus.
- We confirm that neither the promoters nor the directors are involved as promoters or directors in any companies that have been compulsorily delisted by any stock exchange. Furthermore, there are no applicability or consequences of compulsory delisting attracted to the companies or individuals mentioned except as mentioned in the Red Herring Prospectus.
- We confirm that neither the promoters nor the companies promoted by them are currently suspended from trading due to non-compliance with regulatory requirements except as mentioned in the Red Herring Prospectus.
- We further confirm that none of the directors associated with any company that have been disqualified or debarred by any regulatory authority except as mentioned in the Red Herring Prospectus.

8 *Other Listing Conditions:*

•We hereby confirm that the applicant company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.

•We hereby confirm that the company has not received any winding up petition admitted by a NCLT / Court.

•We hereby confirm that no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

•We confirm that None of the Book Running Lead Manager involved in the issue have instances of any of their IPO draft offer documents filed with the Exchange being returned in the past 6 months from the date of filing of this Red Herring Prospectus.

	•We confirm that objects of the issue do not consist of repayment of loan from Promoter, Promoter group,or any related party, from the issue proceeds, directly or indirectly.
9	*Other Disclosures:* •We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group company(ies), companies promoted by the promoter/promoting company(ies) of our company in the Red Herring Prospectus. •There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoters/promoting company(ies), group company(ies), companies promoted by the promoters/promoting company(ies) during the past three years except as mentioned in the Red Herring Prospectus. •We have disclosed the details of our company, promoters/promoting company(ies), group company(ies), companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter "Outstanding Litigations and Material Developments" on page 208. •We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter "Outstanding Litigations and Material Developments" on page 208. •The application of our Company has not been rejected by the Exchange in last 6 complete months from the date of filing of this Red Herring Prospectus.

Other Requirements

Sr. No.	Particulars
1.	*The Issuer has a website. (Kindly note that the content placed on the website of the Issuer is in line with the Issue Document)* Our company website is www.mkcpl.in and we confirm that the information presented on our website is consistent with the details and disclosures provided in our issue document.
2.	*100% of the Promoter's shareholding in the Company should be in Dematerialized form.* The entire Equity Shares held by the Promoters have been dematerialized.
3.	*The Issuer has entered into an agreement with both depositories* Our Company has entered into an agreement dated February 27, 2025 with NSDL and agreement dated February 28, 2025 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
4.	*Change in the promoters of the company in preceding one year* There has been no change in the promoters of the company in preceding one year from date of filing the application to NSE for listing under EMERGE segment.
5.	*Composition of the Board* The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE EMERGE.

We further confirm that no material clause of articles of association have been left out from disclosure having bearing on the IPO/ disclosures.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THERED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, SKI CAPITAL SERVICES LIMITED AS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, SKI CAPITAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SKI CAPITAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 14, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

Disclaimer statement from our company and the Book Running Lead Manager

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.mkcpl.in and www.skicapital.net would be doing so at his or her own risk.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc. The BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or

transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer In Respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian Nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Punjab only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus had been filed with NSE EMERGE for its observations and NSE EMERGE gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

Eligibility and transfer restrictions

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S Persons" (as defined in Regulation under the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares will be offered and sold only outside the United States in offshore transaction in compliance with Regulation of the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/ 6389 dated February 03, 2026, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Listing

Application will be made to the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Issue documents vide its letter no. NSE/LIST/ 6389 dated February 03, 2026

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Red Herring Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

Consents

Consent's in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLM, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013 and such consent's shall not be withdrawn at the time of delivery of the Red Herring Prospectus for registration with the RoC.

Our Auditors have given their written consent for the inclusion of their report in the form and context in which it appears in the Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

Experts to the Offer

1. Our Company has received written consent dated from September 25, 2025 Peer Reviewed Auditor namely, **V.V. Bhalla & Co., Chartered Accountants** to include its name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 06, 2026 on our restated financial information; and (ii) its report datedJuly 09, 2026 on the statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

2. Our Company has received a written consent dated from October 23, 2025 **Mr Shubham Gupta**, having registration number, PH/3982/2021 to include their name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert", to the extent and in its capacity as an advisor on the Legal Litigations being subsisting by the Company, against the Company, by the Promoters, against the Promoters, by the Directors and against the Directors of the Company, as set out in the report dated August 11, 2026.

3. Our Company has received a written consent dated September 23, 2025 from**, B.K. Gupta & Associates, Company Secretaries** to include their name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert", to the extent of the ROC and Secretarial Search Report Dated October 18, 2025 and August 12, 2026.

All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

Previous public or rights issues, if any, during the last five years

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR Regulations).

Particulars regarding capital issues by the company and listed group companies, subsidiaries or associate entity during the last three years

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, has made any public issue or rights issue during the last three years.

Commission and brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Red Herring Prospectus.

Performance Vis-À-Vis Objects – Public/ Rights Issue of the Company

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Red Herring Prospectus our Company has no listed corporate Promoters and no listed subsidiary company.

Performance Vis-À-Vis Objects – Public/Rights Issue Of Our Listed Subsidiaries/Promoters

Our company does not have any subsidiary company and our promoters are natural persons (individuals)

Price information of past issues handled by the book running lead managers

SKI Capital Services Limited

1. Price information on past issues handled by Lead Manager

S.no	Issue Name	Issue Size (Rs. in Lakhs)	Issue Price	Listing Date	Opening Price on listing	+/- change in closing price, [+/- change in benchmark]- 30th calendar day from listing	+/- change in closing price, [+/- change in benchmark]- 90th calendar day from listing	+/- change in closing price, [+/- change in benchmark]- 180th calendar day from listing
1	Macobs Technologies Limited	1946.40	75	24-07-2024	96	99.13% [3.39%]	94.67% [0.55%]	126.73% [2.46%]

2	TechEra Engineering (India) Limited	3589.63	82	03-10-2024	125	107.20% [0.25%]	140.06% [1.12%]	58.48% [15.99%]
3	AVAX Apparels and Ornaments limited	191.80	70	14-01-2025	133	36.43% [6.48%]	84.00% [7.99%]	80.29% [114.90%]
4	GB Logistics Commerce Limited	2506.75	92	31-01-2025	81.6	-52.50% [11.85%]	-51.03% [1.32%]	-43.15% [114.94%]
5	Finbud Financial Services Limtited	7168.16	142	11-13-2025	164.85	-1.69% - {3.84%}	-14.51% - [3.99%]	-14.40% - [0.72%]

2. Summary statement of price information of past issues handled by lead manager:

Financial Year	*Total No. of IPOs*	*Total Funds Raised (Rs. in Lakhs.)*	*Nos. of IPO trading at discount as on 30th calendar day from listing date*			*Nos. of IPO trading at premium as on 30th calendar day from listing date*			*Nos. of IPO trading at discount as on 180th calendar day from listing date*			*Nos. of IPO trading at premium as on 180th calendar day from listing date*		
			Over 50%	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*
FY25-26	1	7168.16	-	-	1	-	-	-	-	-	1	-	-	-
FY24-25	4	8234.58	1	-	-	2	1	-	-	1	-	3	-	-

Track record of past issues handled by the Book Running Lead Managers

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to the website of the Book Running Lead Manager at www.skicapital.net.

Sr. No.	Name of Book Running Lead Manager	Website
1.	**SKI Capital Services Limited**	www.skicapital.net

Stock market data of Equity Shares

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of Rs.100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI

application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of Rs.100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company shall obtain authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES prior to filing of the Red Herring Prospectus/ Prospectus with the RoC.

OUR COMPANY HAS NOT RECEIVED ANY INVESTOR COMPLAINTS DURING THE PRECEDING THREE YEARS. ACCORDINGLY, THERE WERE NO INVESTOR COMPLAINTS DISPOSED OF OR PENDING AS ON THE DATE OF FILING THIS DRAFT OFFER DOCUMENT. FURTHER, AS OUR COMPANY HAS NO LISTED GROUP COMPANIES, THE REQUIREMENT TO DISCLOSE INVESTOR COMPLAINTS IN RESPECT OF THE FIVE LARGEST LISTED GROUP COMPANIES IS NOT APPLICABLE. THE QUESTION OF TIME TAKEN BY THE COMPANY FOR DISPOSAL OF INVESTOR GRIEVANCES DOES NOT ARISE.

We do not have any listed company under the same management.

Disposal of investor grievances by the company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Issue for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Nikita Tayalas the Company Secretary and Compliance Officer and may be contacted at the following address:

Nikita Tayal
Address: Village - Seera, Sattowal Road, Rahon Road,
Eros Bajra Road, Ludhiana, Punjab, India, 141007
Tel: +91 9878009690
E-mail: ipo@mkcpl.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc*.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Other Confirmations

Change in auditors during the last three (3) years

Except as disclosed in "***General Information***" beginning on Page 51 of this Red Herring Prospectus; there are no changes in the Auditors of the company during the last three years.

Capitalization of reserves or profits

Except as disclosed under "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our company

As on the date of the Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Outstanding convertible instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

Partly paid-up shares

As on the date of this Red Herring Prospectus, there are no partly paid up Equity Shares of our Company.

Option to subscribe

Equity Shares being offered through this Red Herring Prospectus can be applied for in dematerialized form only.

Stock market data for our Equity Shares

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Previous issues of shares otherwise than for cash

Other than as detailed under chapter titled "***Capital Structure***" beginning on page 63 of the Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Revaluation of assets

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

Tax implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the "***Statement of Possible Tax Benefits***" beginning on page 105 of this Red Herring Prospectus.

Purchase of property

Other than as disclosed in "***Our Business***" on page 123 of the Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which:

- The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.
- Except as stated elsewhere in the Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

Servicing behavior

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of our company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in "***Our Management***" beginning on page 159 and "***Restated Financial Information***" beginning on page 182 of the Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Post-issue reports

The BRLM shall submit a final post-issue report as specified in Form F of Schedule V of the SEBI (ICDR) 2018, within seven days of the date of finalization of basis if allotment or within seven days of refund of money in case of failure of issue.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act,2013 which is reproduced below:

"*Any person who:*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013.

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount, if fraud involves an amount of at least Rs. 10 Lakhs or one percent of the turnover of the company, whichever is lower.

Provided that where fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable for an imprisonment for a term which may extend to five years or with a fine which may extend to fifty lakh rupees or with both.

Exemption from complying with provisions of securities laws

No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations with respect to the Issue.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued, offered and Allotted pursuant to the Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue and offer of capital and listing and trading of issued securities enacted from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

The Issue

The present Public Issue of up to 53,27,693* Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 30, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on September 22, 2025 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

***** *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 30, 2025 and by the shareholders of our Company vide a special resolution passed at the Annual General Meeting held on September 22, 2025. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Issue paid up equity share capital of our company are being offered to the public for subscription. Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment, aggregating to ₹ 176.99 lakhs, at a price of ₹ 65 per Equity Share, including a premium of ₹ 55 per Equity Share, as permitted under the applicable law. The Pre-IPO Placement was at a price decided by our Company, in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement was reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR and the size of the Fresh Issue has been revised to up to ₹[●]. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement has been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.*
** Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.*

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to, '***Main Provisions of Article of Association'***, beginning on page 280 of this Red Herring Prospectus.

Mode of payment of dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors for further details, please refer to "***Dividend Policy***" and "***Main Provisions of Article of Association***" beginning on page 181 and 280 respectively of this Red Herring Prospectus.

Face Value, Offer Price, Floor Price, and Price Band

The face value of each Equity Share is Rs. 10/- and the Issue Price at the lower end of the Price Band is Rs. [●] per Equity Share ("Floor Price") and at the higher end of the Price Band is Rs. [●] per Equity Share ("Cap Price").

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English National daily newspaper , all editions of a Hindi National daily newspaper , and regional newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled "***Basis of Issue Price***" beginning on page 97 of this Red Herring Prospectus**.**

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

a) Right to receive dividend, if declared;
b) Right to receive Annual Reports and notices to members;
c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
d) Right to vote on a poll either in person or by proxy;
e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
g) Right of free transferability of the Equity Shares; and
h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to "***Main Provisions of the Articles of Association***" beginning on page 280 of this Red Herring Prospectus

Allotment only in Dematerialised Form

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Company:

- Tripartite Agreement dated February 27, 2025 between NSDL, our Company and Registrar to the Company; and
- Tripartite Agreement dated February 28, 2025 between CDSL, our Company and Registrar to the Company.

Market Lot and Trading Lot

The trading of Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE EMERGE (EMERGE Platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Punjab.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Bid/Issue Programme

Event	**Indicative Date**
Issue Opening Date	Monday, August 24, 2026
Issue Closing Date	Wednesday, August 26, 2026
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, August 27, 2026

Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Thursday, August 27, 2026
Credit of Equity Shares to Demat Accounts of Allottees	On or about Friday, August 28, 2026
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about Monday, August 31, 2026

Submission of Bids (other than Bids from Anchor Investors):

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Individual Applicants on Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST.

Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate Rs. 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of Rs. 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable*

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If our Company does not receive the 100% subscription of the offer through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer to the "***General Information***" on page 51 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size shall be two lots per applications, Provided that the minimum application size shall be above two lakhs.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of National Stock Exchange of India Limited.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Restrictions, if any, on Transfer and Transmission of Equity Shares

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under "***Capital Structure***" beginning on page 63 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to the "***Main Provisions of the Articles of Association***" beginning on page 280 of this Red Herring Prospectus.

Application by eligible NRI'S, FPI'S, VCF'S, AIF'S registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent guideline of the government of India, OCBS cannot participate in this issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provide a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such Investor.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Market Making

The shares offered through this Issue are proposed to be listed on the EMERGE Platform of NSE (NSE EMERGE), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the EMERGE Exchange for a minimum period of 3 (three) years from the date of listing on the EMERGE Platform of NSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to "***General Information***" on page 51 of this Red Herring Prospectus.

Migration to main board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the EMERGE Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase-above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018

Minimum number of allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 200 shareholders In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

Withdrawal of the issue

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated National newspapers (one each in English and Hindi) and one in regional newspaper where the registered office of our Company is located.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

Pre-issue and price band advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre- Issue and price band advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language National daily newspaper; one widely circulated Hindi Language National daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

In the pre-Issue and price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than Rs.10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("EMERGE Exchange", in this case being the NSE EMERGE Platform of NSE. For further details regarding the salient features and terms of such an issue please refer "**Terms of the Issue** "and "**Issue Procedure**" on page 232 and 246 of the Red Herring Prospectus.*

The Issue comprise of a Public Issue of up to 53,27,693* Equity Shares of Face Value of Rs.10/- each fully paid (The "Equity Shares") for cash at a price of Rs. [●]/- per Equity Shares (including a premium of Rs. [●]/- per equity share) aggregating to Rs. [●]/-Lakhs ("the Issue") by our Company.

Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares by way of preferential allotment, aggregating to ₹ 176.99 lakhs, at a price of ₹ 65 per Equity Share, (including a premium of ₹ 55 per Equity Share), as permitted under the applicable law. The Pre-IPO Placement was at a price decided by our Company, in consultation with the Book Running Lead Manager and was completed prior to filing of this Red Herring Prospectus with the RoC. The amount raised pursuant to the Pre-IPO Placement was reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR and the size of the Fresh Issue has been revised to up to ₹[●]. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. Our Company had appropriately intimated the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement has been appropriately made in the relevant sections of this Red Herring Prospectus and will be made in the Prospectus.

* Number of Shares may need to be adjusted for lot size upon disclosure of Price Band.

The Issue comprises a reservation of which [●] Equity Shares of Rs. 10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to the public of [●] Equity Shares of Rs. 10/- each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process.

Particulars of the Issue	**Market Maker Reservation Portion**	**QIBs**	**Non-Institutional Applicants**	**Individual Investors**	**Eligible Employees**
Number of Equity Shares available for allotments/ allocation	[●] Equity Shares	Not more than **[●]** Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares	NA
Percentage of offer Size available for allotments/ allocation	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidder However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the	Not less than 15% of the Net Issue subject to the following: a) One-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than two and such lots equivalent to not more than ₹10 lakhs; and	Not less than 35% of the Net Issue	

		remaining QIB Portion. The unsubscribed portion in the mutual Fund Portion will be added to the Net QIB Portion	b)Two-third of the portion available to Non-Institutional Bidders shall be reserved for the applicants with application size of more than Rs 10 Lakhs. Provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other subcategory of Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.		
Basis of allotment/allocation if respective category is oversubscribed	Firm Allotment	Proportionate as follows: (excluding Anchor Investor Portion) a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) Up to 60% of the QIB portion, aggregating up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which 40% of the	Proportionate	Proportionate	

		Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% shall be available for allocation to domestic Mutual Funds; and (ii) 6.67% shall be available for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds. For further details, please refer to the section titled "Issue Procedure" beginning on page 246 of this Red Herring Prospectus. Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid bids received from Mutual Funds at or above the Anchor Investor Allocation Price.			
Minimum Application Size/ Bid	[●] Equity Shares	Such number of Equity	Such number of Equity	Such number of Equity	

		Shares equivalent to more than two lots and in multiples of [●] Equity Shares.	Shares equivalent to more than two lots and in multiples of [●] Equity Shares.	Shares equivalent to two lots	
Maximum Application Size/ Bid	[●] Equity Shares	Such number of Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares equivalent to two lots	
Mode of Application/Bidding	Through ASBA Process Only	Through ASBA Process Only (Except for Anchor Investor)	Through ASBA Process through banks or by using UPI ID for Payment to the extent of Bids up to ₹500,000	Through ASBA Process through banks or by using UPI ID for payment	
Bid Allotment	Firm allotment	More than 2 Lots.	More than 2 Lots.	2 Lots	
Allotment Lot	Firm allotment	More than 2 Lots.	More than 2 Lots.	2 Lots	
Trading Lot	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	
Mode of Allotment	Compulsorily in dematerialized form.				
Who can apply?	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount exceed ₹2.00 Lakhs in value or 2 Lots.	

		industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs , pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.			
Terms of Payment	**In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. **In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids				

- This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018 as amended. Out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds and (ii) 6.67% shall be available for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription under (ii) above, the allocation may be made to domestic Mutual Funds One
- Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable

by the Anchor Investor Pay-In Date as indicated in the CAN. For further details, please refer to the section titled "***Issue Procedure***" beginning on page 246 of the Red Herring Prospectus;

Withdrawal of the Issue

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated National newspapers (one each in English and Hindi) and one in regional newspaper where the registered office of our Company is located.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Punjab.

Issue Programme

Events	**Indicative Dates**
Bid/Issue Opening Date	Monday, August 24, 2026
Bid/Issue Closing Date	Wednesday, August 26, 2026
Finalization of Basis of Allotment with Designated Stock Exchange	On or about Thursday, August 27, 2026
Initiation of Allotment/Refunds/Unblocking of funds from ASBA Account or UPI ID linked bank account	On or about Thursday, August 27, 2026
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, August 28, 2026
Listing Date	On or about Monday, August 31, 2026

Note: Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:
a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than Individual applicants.
c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only Individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular no. SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "***General Information Document***") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. Investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("***CAN***") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface ("***UPI***") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("***UPI Phase I***"), until June 30, 2019. Subsequently, for applications by Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and IBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("***UPI Phase II***"). SEBI vide press release bearing number 12/2023 had approved the proposal for reducing the time period for listing of shares in public issue from the existing six working days to three working days. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("***UPI Phase III***")has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023.

The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Red Herring Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of Rs.100 per day or 15% per annum on the Bid Amount for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking, unless otherwise prescribed under applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay

in unblocking. Further, SEBI vide the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-issue shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds and (ii) 6.67% shall be available for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription under (ii) above, the allocation may be made to domestic Mutual Funds of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors of One-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than two lots and such lots equivalent to not more than ₹10 lakhs; and Two-third of the portion available to Non-Institutional Bidders shall be reserved for the applicants with application size of more than Rs 10 Lakhs and not less than 35% of the Issue shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and Selling Shareholder in consultation with the BRLM, and the Designated Stock Exchange. However, under- subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

Issue of Securities in Dematerialized Form

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for IBs Bidding in the Individual Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by IBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

a. **Phase I**:This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an Individual bidders also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

b. **Phase II**: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by an Individual bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, individual investors Bidding up to Rs. 500,000 shall use UPI and provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, CDPs and RTAs.

c. **Phase III**: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to be three Working Days. SEBI vide press release bearing number 12/2023 had approved The Issue shall be undertaken pursuant to the proposal for reducing the time period for listing of shares processes and procedures as notified in public issue the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from existing six working days to three working days and pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the reducetime to time period of three working days has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline and submit confirmation of the unblock to the BRLMs and Registrar within the prescribed timelines would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Individual Bidders using the UPI.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

Our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

For further details, refer to the "**General Information Document**" available on the websites of the Stock Exchange and the BRLM.

Availability of Prospectus and Application Forms

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form, Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating the number of specified securities subscribed for in demat form.

Bid Cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. The Individual Bidding in the Individual Portion can additionally Bid through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

Applications made by the Individual Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Individual Bidders Bidding in the Individual Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than IBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

Since the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(ii) QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. IBs Bidding in the Individual Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. IBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to the bidders, SCBS are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The prescribed colour of the Application Form for various categories is as follows:

Category	**Colour of Application Form***
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

** Electronic Bid Cum Application Forms will also be available for download on the website of the NSE (www.nseindia.com).*
*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediaries shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance

as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, the respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of the stock exchange. Stock exchange shall share application details including the UPI ID with the sponsor bank on a continuous basis, to enable the sponsor bank to initiate mandate requests on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor Investor to accept a mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidder

For Individual bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual bidders for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to Individual bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all

pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, Individual bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individual bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian Nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: ―Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta‖. Applications by HUFs would be considered at par with those from individuals;

3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

4. Mutual Funds registered with SEBI;

5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in Equity Shares;

9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;

10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

11. Foreign Venture Capital Investors registered with the SEBI;

12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in Equity Shares;

13. Scientific and/or Industrial Research Organizations authorized to invest in Equity Shares;

14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;

15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in Equity Shares;

16. Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in Equity Shares;

17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

18. Multilateral and bilateral development financial institution;

19. Eligible QFIs;

20. Insurance funds set up and managed by army, navy or air force of the Union of India;

21. Insurance funds set up and managed by the Department of Posts, India;

22. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

Maximum and Minimum Application Size

1. For Individual Bidders

The Application must be for a minimum of [●] Equity Shares equivalent and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder exceed Rs. 2,00,000 or two Lots. In case of revision of Applications, the Individual Bidders have to ensure that the Application Price exceed Rs. 2,00,000 or two lots.

2. For Other than Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion. The Application must be for a minimum of such number of Equity Shares in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidder the Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Method of Bidding Process

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English National newspaper, Financial Express, all editions of Hindi National newspaper, Jansatta and Punjabi regional newspaper Nawan Zamana where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

1. The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English National newspaper Financial Express, all editions of Hindi National newspaper, Jansatta and Punjabi regional newspaper Nawan Zamana where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

2. During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Individual Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

3. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

4. The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".

5. The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

6. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.

7. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

9. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In

case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Bids at Different Price Levels and Revision of Bids

1. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band is decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

2. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidder

3. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

4. Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

1. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

2. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

3. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

a) Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two National newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

b) Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

c) Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

d) Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

e) Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

f) Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

g) The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

h) Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

i) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidder

j) The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

Bids by Anchor Investors

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion.

In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.

1. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs.

   Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds and (ii) 6.67% shall be available for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription under (ii) above, the allocation may be made to domestic Mutual Funds. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion").

2. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.

3. Our Company and Selling Shareholder in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

   a) where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investor
   b) where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
   c) where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.

4. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.

5. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

6. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

7. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

8. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

9. The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

10. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

11. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

Bids by HUFS

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such

Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in Equity Shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non- repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "Restrictions on Foreign Ownership of Indian Securities". Participation of eligible NRIs shall be subject to FEMA NDI Rules.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments(as defined under the

SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivate instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Bids by SEBI-Registered AIFS, VCFS AND FVCIS

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its Subsidiary, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all Subsidiary and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's Equity Shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid- up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see "Key Regulations and Policies" beginning on page 147.

Bids by SCSBS

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by systemically important NBFCS

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in Equity Shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

a) Equity Shares of a company: the lower of 10%* of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in Equity Shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding Equity Shares (face value) for insurance companies with investment assets of Rs. 25,000,000 Lakhs or more and 12% of outstanding Equity Shares (face value) for insurers with investment assets of Rs. 5,000,000 Lakhs or more but less than Rs. 25,000,000 Lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Bids Under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of Rs. 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

Issuance of a confirmation note ("CAN") and allotment in the issue

- Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

- The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue procedure for application supported by blocked account (ASBA) bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of Payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidder

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidder

Payment Mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into escrow account for anchor investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investor

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Anchor Investors: ― "Madhur Knit Crafts Limited IPO – Anchor Account- R"
- In case of Non-Resident Anchor Investors: ― "Madhur Knit Crafts Limited IPO – Anchor Account- NR"

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investor

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
   a) the applications accepted by them,
   b) the applications uploaded by them
   c) the applications accepted but not uploaded by them or
   d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   - The applications accepted by any Designated Intermediaries
   - The applications uploaded by any Designated Intermediaries or
   - The applications accepted but not uploaded by any Designated Intermediaries.

5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	**Details***
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
   - Name of the Bidder;
   - IPO Name:
   - Bid Cum Application Form Number;
   - Investor Category;
   - PAN (of First Bidder, if more than one Bidder);
   - DP ID of the demat account of the Bidder;
   - Client Identification Number of the demat account of the Bidder;
   - Number of Equity Shares Applied for;
   - Bank Account details;
   - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.

8. In case of submission of the Application by an Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Individual bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (**Final certificate**) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

Withdrawal of Bids

Pursuant to NSE Circular No. NSE/IPO/68604 and NSE Notice No. 20250618-11 dated June 18, 2025, All categories of Bidders, including Individual Investors, Qualified Institutional Buyers (QIBs), and Non-Institutional Investors (NIIs), shall not be permitted to withdraw or make downward revision their Bids once submitted. Downward modification and cancellation of Bids are not applicable under the revised bidding process.

Accordingly, unblocking funds from the ASBA Account shall only be done by the Registrar to the Issue by giving necessary instructions to the Self-Certified Syndicate Bank (SCSB) on the Designated Date in case of non-allotment, technical rejection, or partial allotment.

Price discovery and allocation

1. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investors Issue Price.

2. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

3. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

4. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

5. In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

6. Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to Compliance with SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investor Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various Investor

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

General Instructions

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

- Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;

- Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids (other than Anchor) through the ASBA process only;

- Ensure that you have Bid within the Price Band;

- Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

- Ensure that you have mentioned the correct ASBA Account number if you are not an Individual bidders bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individual bidders using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;

- Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;

- If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

- Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

- Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

- IBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for IBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

- Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

- Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of IBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

- Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.

- Ensure that the Demographic Details are updated, true and correct in all respects;

- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that the category and the investor status is indicated;

- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

- Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

- Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

- Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

- IBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which IBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the Individual bidders's ASBA Account;

- Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;

- IBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual bidders may be deemed to have verified the attachment containing the application details of the Individual bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

- Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (IBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and

- FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

- Do not Bid for lower than the minimum Bid size;

- Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by IBs);

- Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

- Do not submit the Bid for an amount more than funds available in your ASBA account.

- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
- In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
- If you are a Individual bidders and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
- Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- Do not submit a Bid using UPI ID, if you are not a Individual bidders;
- Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- Do not Bid for Equity Shares in excess of what is specified for each category;
- Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
- Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. IBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
- Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
- If you are an Individual bidders which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
- Do not Bid if you are an OCB; and
- If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled "***General Information***" and "***Our Management***" beginning on pages 51 and respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled "***General Information***" beginning on page 51 .

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by IBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by IBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by IBs with Bid Amount of a value of more than Rs. 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by IBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information***" beginning on page 51.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of Rs. 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

Basis of Allocation

The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for

allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

Allotment Procedure and Basis of Allotment

The Allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/ Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSBs to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+ 1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE). The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instructions are given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th Application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid allotted application s.
- On the basis of the above, the RTA will work out the allotees, partial allotees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Basis of Allotment

The Allotment of Equity Shares to Bidders other than Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

1. For Individual Bidders

Bids received from the Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

2. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand. In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

3. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP/ Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5% of the Net QIB Portion shall be determined as follows:
   - In the event that Bids by Mutual Fund exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the Net QIB Portion.
   - In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
   - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:
   - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
   - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidder
   - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

4. Allotment to Anchor Investor (If Applicable)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
   i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
   ii. Out of the Anchor Investor Portion, 40% shall be reserved, of which (i) 33.33% shall be available for allocation to domestic Mutual Funds; and (ii) 6.67% shall be available for allocation to life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies, and pension funds at or above the Anchor Investor Allocation Price. and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- maximum number of two Anchor Investors for allocation up to Rs. 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 2 crores and up to Rs. 25 crores subject to minimum allotment of Rs. 1 crores per such Anchor Investor; and
- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

5. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
c) For Bids where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
   - Each successful Bidder shall be allotted [●] Equity Shares; and
   - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] Equity Shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.
e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

Individual Investor who applies for 2 lots with minimum application size of above Rs 2 lakhs. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
3. The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.
4. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for completing the bid cum application form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com and NSE, i.e. www.nseindia.com . With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of bid cum application form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of application and application moneys and interest in case of delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

a) Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

b) Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and

c) If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Basis of Allotment in the Event of Oversubscription

Allotment will be made in consultation with the NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:

    - Each successful applicant shall be allotted [●] Equity Shares; and
    - The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares. Provided that an allotment of not more than 10% of the net offer to the public may be made for the purpose of making allotments in minimum lots.

5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

Basis of allotment in the event of under subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non- Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on February 27, 2025.

2. We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on February 28, 2025.

3. The Company's Equity Shares bear an ISIN No INE1P5601010.

4. An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

   The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.

   Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

5. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

6. If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

7. The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.

   Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

8. The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all Investor.

Pre-Issue and Price Band Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions Financial Express, an English National daily newspaper, all editions of Jansatta, a Hindi National daily newspaper and a regional newspaper Nawan Zamana each with wide circulation.

In the Pre-Issue and Price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and The Roc Filing

Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus.

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs. 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years) Further, where the fraud involves an amount less than Rs. 10/- Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 50/- Lakh or with both.

Undertakings By Our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
-
- that the promoters contribution in full, whenever required, shall be brought in advance before the issue opens for public subscription and the balance, if any, shall be brought ona pro-rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the

Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and

- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with the SEBI.

Utilization of Issue Proceeds

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction.

The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company. Investment conditions/restrictions for overseas entities Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as

applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis

The purchase/sale of Equity Shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

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SECTION VIII - MAIN PROVISIONS OF OUR ARTICLE OF ASSOCIATION

Interpretation

In these regulations the "Act" means the Companies Act, 2013, the "seal" means the common seal of the company. Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
"Public Company" as defined in Section 2(71) of Companies Act, 2013 and as amended from time to time.

Share Capital and Variation of rights

1. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall
not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

Lien

9. The company shall have a first and paramount lienon every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The companys lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien. Provided that no sale shall be made a unless a sum in respect of which the lien exists is presently payable or b until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. Each member shall subject to receiving at least fourteen days notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board –

a) may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him and
b) upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and c. the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.

28. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

30. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of The transferee shall thereupon be registered as the holder of the share and The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.

35. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

37. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law it share capital any capital redemption reserve account or any share premium account.

Capitalisation of profits

38. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the companys reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in

the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. The Board may whenever it thinks fit call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

44. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. The Chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

52. Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following shall be the First Directors of the Company: 1.Arun Gupta 2. Rajesh Gupta 3. Vishnu Gupta 4. Ravi Gupta

59. The Board may pay all expenses incurred in getting up and registering the company.

60. The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual

general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.

66. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.

68. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.

69. The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

70. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.

71. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer.

The Seal

76. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument

Dividends and Reserve

77. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. The Board may before recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

80. Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

Accounts

86. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not. For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office: Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India, 141007, between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date.

The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at www.mkcpl.in and will be available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

MATERIAL CONTRACTS

1. Issue Agreement dated September 27, 2025, between our company and the Book Running Lead Manager;
2. Agreement dated September 25, 2025, between our company and the Registrar to the Issue;
3. Public Issue Agreement dated June 16,2026 among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue;
4. Underwriting Agreement dated August 12,2026 between our company and the Underwriters;
5. Market making Agreement dated August 12,2026 between our company, the Book Running Lead Manager and the Market Maker;
6. Monitoring Agency Agreement dated August 14, 2026 between our company and the Monitoring Agency;
7. Tripartite Agreement dated February 27, 2025 between NSDL, our Company and Registrar to the Issue; and
8. Tripartite Agreement dated February 28, 2025 between CDSL, our Company and Registrar to the Issue.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated August 30, 2025 in relation to the Issue and other related matters
3. Shareholders' resolution dated September 22, 2025 in relation to the Issue and other related matters
4. Consents of entities related to the issue to act in their respective capacities and be named in the Issue Document.
5. Peer Review Auditors Report dated July 06, 2026 on Restated Financial Statements of our Company for the stub period ended on February 28, 2026 and for the period ended 31 March 2025, 31 March 2024, and 31 March 2023.
6. The Report dated from July 09,2026 the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Prospectus.
7. The Report dated August 11,2026 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. The Search cum Due Diligence Report dated October 18, 2025 & August 12, 2026 by Secretarial Advisor to the Company.
9. Due Diligence Certificate from Book Running Lead Manager dated August 14, 2026 addressing NSE.
10. Copy of approval from NSE vide letter dated February 03, 2026 to use the name of NSE EMERGE in this offer document for listing of Equity Shares on the EMERGE Platform of NSE.
11. Capacity Utilisation Certificate dated June 23, 2026 by Chartered Engineer.
12. The site visit Report from Book Running Lead Manager dated October 08, 2025.
13. Certificate from V.V. Bhalla & Co., Chartered Accountants dated July 09, 2026, regarding Key Performance Indicators.
14. Certificate from V.V. Bhalla & Co., Chartered Accountants dated July 09, 2026, regarding Working capital requirements of the company.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all disclosures made in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
Sr. No.	**Name of Director**	**Category**	**Designation**	**Signature**
1.	Arun Gupta	Executive	Managing Director	Sd/-
2.	Piyush Gupta	Executive	Executive Director & Chief Financial Officer	Sd/-
3.	Chirag Gupta	Executive	Executive Director	Sd/-
4.	Gurpreet Kaur	Non-Executive	Independent Director	Sd/-
5.	Avinash Rai	Non-Executive	Independent Director	Sd/-
6.	Sanjay Kapoor	Non-Executive	Independent Director	Sd/-

Signed by the Key Managerial Personnel of our Company				
Sr. No.	**Name of KMP**	**Category**	**Designation**	**Signature**
1.	Piyush Gupta	KMP	Chief Financial Officer	Sd/-
2.	Nikita Tayal	KMP	Company Secretary and Compliance Officer	Sd/-

Dated: August 14, 2026
Place: Ludhiana