

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



(Please scan this QR code to view the RHP)

This is an Abridged Prospectus containing salient features of the Red Herring Prospectus of Kaytex Fabrics Limited (the “Company”) dated July 21, 2025 filed with the Registrar of Companies, Chandigarh at Chandigarh (the “RHP” or “Red Herring Prospectus”). You are encouraged to read greater details available in the RHP, which is available at <https://www.nseindia.com/companies-listing/corporate-filings-offer-documents>. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to then in RHP. This abridged prospectus is not for distribution outside India.

THIS ABRIDGED PROSPECTUS CONSISTS OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this Abridged Prospectus (“Abridged Prospectus”) and the General Information Document for investing in public issues (“GID”) undertaken through the Book Building Process before applying in the Offer (as defined below). 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 Exchange, Member of the Syndicate, Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Collecting Depository Participants (“CDPs”), Registered Brokers, Bankers to the Offer, Investors’ Associations or Self Certified Syndicate Banks (“SCSBs”). You may also download the RHP from the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in, the website of National Stock Exchange of India Limited (“NSE”, the “Stock Exchange”) at www.nseindia.com, and the website of the Company at <https://kaytexfabrics.com/> and the website of the Book Running Lead Manager at <https://socradamus.in/>.



KAYTEX FABRICS LIMITED

Corporate Identification Number: U18101PB1996PLC017639; Date of Incorporation: January 29, 1996

Registered Office and Corporate Office	Contact Person	Email and Telephone	Website
Batala Road, Post Office Khanna Nagar, Amritsar – 143 001, Punjab, India	Rubina Mahajan Company Secretary & Compliance Officer	Email: investor@kaytexfabrics.com Telephone: 0183 – 400 9025	https://kaytexfabrics.com/

THE PROMOTERS OF OUR COMPANY ARE SANJEEV KANDHARI, AMIT KANDHARI, SHELLY KANDHARI AND PRITI KANDHARI

Details of the Offer to the Public

Type of Offer	Fresh Issue Size	Offer For Sale Size	Total Offer Size	Eligibility and Reservation among QIBs, NIIs & IBs	Share Reservation		
					QIB	NIB	IB
Fresh Issue and Offer for Sale	Up to 31,99,200 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 6,79,200 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 38,78,400 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	The Offer is being made pursuant to Regulation 229 (2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”). For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 325. For details of share reservation among QIBs, NIBs and IBs, see “Offer Structure” on page 343	Not more than 15,55,200 Equity Shares	Not less than 8,08,800 Equity Shares	Not less than 13,20,000 Equity Shares

These equity shares are proposed to be listed on SME Platform of National Stock Exchange of India Limited (“NSE Emerge”). For the purpose of the Offer, NSE is the Designated Stock Exchange (“the Designated Stock Exchange”).

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	No of Equity Shares offered	Weighted average cost of acquisition per Equity Share (in ₹)
Sanjeev Kandhari	Promoter Selling Shareholder	Up to 3,39,600 Equity Shares aggregating to ₹ [●] Lakhs	0.38
Amit Kandhari	Promoter Selling Shareholder	Up to 3,39,600 Equity Shares aggregating to ₹ [●] Lakhs	0.38

* As certified by M/s. S G U R & Co, Chartered Accountants, pursuant to their certificate dated July 15, 2025.

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band (For details of the Price Band and the basis for the Offer Price, please refer to the price band advertisement and the section titled “Basis for Offer Price” on page 129 of the RHP)	₹171/- per Equity Share to ₹180/- per Equity Share of face value of ₹10/- each
Minimum Bid Lot Size	A minimum of 1600 Equity Shares and in multiples of 800 Equity Shares thereafter
Bid/ Offer Open On	Tuesday, July 29, 2025
Bid/ Offer Closes On*	Thursday, July 31, 2025
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Friday, August 01, 2025
Initiation of Refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account	On or before Monday, August 04, 2025
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday, August 04, 2025
Commencement of trading of Equity Shares on the Stock Exchange	On or before Tuesday, August 05, 2025

* UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Offer Closing Date.

Weighted Average Cost of Acquisition of all shares transacted 18 months preceding the date of this Red Herring Prospectus

Period	Number of Equity Shares transacted of face value ₹10/-each	Weighted average cost of acquisition per Equity Share (in ₹)	Cap Price is ‘x’ times the weighted average cost of acquisition	Range of acquisition price per Equity Share: lowest price-highest price (in ₹)
Trailing Eighteen Month from the date of RHP	1,10,00,000	-	-	Nil [^]

[^]Nil is the lowest price since bonus issue for 1,10,00,000 equity shares were made on September 04, 2024.

*As certified by M/s. S G U R & Co, Chartered Accountants, by way of their certificate dated July 15, 2025.

Disclaimer: 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”) and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10/- each. The Floor Price, Cap Price and Offer Price 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 by way of the Book Building Process, as stated in “Basis for Offer Price” on page 129 of RHP should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares nor 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 the Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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” on page 39 of RHP and on page 6 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid cum Application Form and the RHP from the Stock Exchange, Syndicate Members, Registrar to the Offer, RTAs, CDPs, Registered Brokers, Underwriters, Bankers to the Offer, Investors’ Associations or SCSBs.

If you wish to know about processes and procedures applicable to this Offer, you may request for a copy of the RHP and/or the GID from the BRLM or download it from the websites of the SEBI at www.sebi.gov.in and NSE at www.nseindia.com and from the website of the BRLM at <https://socradamus.in>.

PRICE INFORMATION OF BRLM

PRICE INFORMATION OF BRLM: SOCRADAMUS CAPITAL PRIVATE LIMITED

Sr. No.	Issue name	Issue size (₹ Crores)	Issue price (₹)	Listing Date	Opening price on Listing Date (₹)	+/- % change in closing price, [+/-% change in Closing benchmark] 30 th calendar days from listing	+/- % change in closing price, [+/-% change in closing benchmark] 90 th calendar days from listing	+/- % change in closing price, [+/-% change in Closing benchmark] 180 th calendar days from listing
SME IPO								
1.	Identical Brains Studios Limited	19.95	54.00	December 26, 2024	95.00	-4.63%, [-2.77%]	-16.94%, [-0.34%]	-21.20%, [-5.14%]

Source: www.nseindia.com

Book Running Lead Manager	Socradamus Capital Private Limited Telephone: 022 – 4961 4235 Email: info@socradamus.in ; Investors Grievance e-mail: investors@socradamus.in
Name of Syndicate Member	GreteX Share Broking Limited
Name of Market Maker	GreteX Share Broking Limited Telephone: 022 - 6930 8500 Email: compliance@gretexbroking.com
Name of Registrar to the Issue	Bigshare Services Private Limited Telephone: 022 - 6263 8200 Email: ipo@bigshareonline.com ; Investor Grievance e-mail: investor@bigshareonline.com
Name of Statutory Auditor	M/s. S G U R & Co, Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self-Certified Syndicate Banks	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 , or such other website as may be prescribed by SEBI from time to time.
SCSBs enabled for UPI Mechanism and eligible mobile application	In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time.
Syndicate SCSB Branches	In relation to Bids (other than Bids by Anchor Investor) 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 at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time.
Registered Brokers	Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange at www.nseindia.com , as updated from time to time.
Details regarding website address(es)/ link(s) from which the investor can obtain a list of	The list of the RTAs eligible to accept ASBA Forms from Bidders (other than IBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of Stock Exchange at http://www.nseindia.com/products-services/initial-public-offerings-asba-procedures , as updated from time to time. The list of the CDPs eligible to accept ASBA Forms from

RTAs, CDPs and stock brokers who can accept applications from investors, as applicable	Bidders (other than IBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the website of NSE at http://www.nseindia.com/products-services/initial-public-offerings-asba-procedures , as updated from time to time. For further details, see “Offer Procedure” at page 347 of the RHP.
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PROMOTERS OF OUR COMPANY			
Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification
1.	Sanjeev Kandhari	Individual	Sanjeev Kandhari is the Chairman and Managing Director on the Board of our Company. He has completed his pre-university examinations (commerce group) from Guru Nanak Dev University, Amritsar. He has been on the Board of our Company since incorporation. He has approximately thirty years of experience in textile manufacturing industry. He is responsible for supervision of overall performance of our Company. He contributes in formulating strategies for the growth of our Company and provides guidance and direction to our Key Managerial Personnel and members of Senior Management.
2.	Amit Kandhari	Individual	Amit Kandhari is the Wholetime Director and Chief Financial Officer on the Board of our Company. He holds a Bachelors’ degree in Commerce from the Punjab University, Chandigarh. He has approximately thirty years of experience in textile manufacturing industry. He has been on the Board of our Company since incorporation and is responsible for managing the operations and expansion of finance division. He also supervises the various functions in our Company <i>inter alia</i> finance, production and compliance.
3.	Shelly Kandhari	Individual	Shelly Kandhari is the Non-Executive Director on the Board of our Company. She has completed her Bachelors in Arts from the Guru Nanak Dev University, Amritsar. She has been on the Board of our Company since August 24, 2024 and has been previously associated with us since 2009 in various roles. Her responsibilities include overseeing various functions of our Company <i>inter alia</i> designing, procurement and administration in the Company. She has around fifteen years of experience in textile manufacturing industry.
4.	Priti Kandhari	Individual	Priti Kandhari is the Non-Executive Director on the Board of our Company. She holds Bachelors’ degree in Commerce from the University of Mumbai. She has been on the Board of our Company since August 24, 2024 and has been previously associated with us since 2009 in various roles. Her responsibilities include overseeing various functions of our Company <i>inter alia</i> accounts, finance, procurement and human resource in the Company. She has around fifteen years of experience in textile manufacturing industry.

For details in respect of our Promoters, please see the section titled “Our Promoters and Promoter Group” beginning on page 268 of the RHP.

OUR BUSINESS OVERVIEW AND STRATEGY

Company Overview: Our company is a fast-fashion fabric solutions and manufacturing enterprise, integrating modern technology, innovative design, and traditional craftsmanship to create quality textiles and fashion products. We specialize in producing fabrics from fibres like cotton, viscose, and polyester, with a strong focus on digital printing technology, enabling vibrant, customizable, and trend-driven designs. Expanding into womenswear, we also offer a diverse range of ready-to-stitch suits, co-ord sets, shawls, and stoles. We operate —as a brand enabler, providing fabrics and design solutions to apparel brands; through our own brands, offering fabrics and garments; and in the non-branded segment, serving wholesalers and retailers

Product/Service Offering: Our company can produce a wide variety of fabrics, depending on capabilities, technology, and customer demands. Our product range can include hundreds of variations depending on the combination of fibre, weave, texture, finish, and application. We currently manufacture Digital Printed Fabrics, Jacquard Fabrics, Corduroy Fabrics, Dobby Fabrics and unstitched garments in women’s wear.

Revenue segmentation by product/service offering:

(₹ in Lakhs)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Product Revenue	13,943.07	91.26%	10,615.86	84.97%	8,253.19	83.21%
Service Revenue	1,241.01	8.12%	1,802.10	14.42%	1,602.10	16.15%
Others	94.65	0.62%	76.18	0.61%	63.55	0.64%
Total	15,278.73	100.00%	12,494.14	100.00%	9,918.84	100.00%

*As certified by M/s S G U R & Co. Chartered Accountants, by way of their certificate dated July 15, 2025.

For further details, see “Our Business – Our Revenue Mix” on page 208 of the RHP.

Geographies Served: Our Company caters to both domestic and international markets for our products.

Revenue segmentation by geographies:

(₹ in Lakhs)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Domestic	14,613.91	95.65%	12,494.14	100.00%	9,918.84	100.00%
Exports	664.82	4.35%	-	-	-	-
Total	15,278.73	100.00%	12,494.14	100.00%	9,918.84	100.00%

As certified by M/s S G U R & Co. Chartered Accountants, by way of their certificate dated July 15, 2025.

For further details, see “Our Business – Our Revenue Mix” on page 208 of the RHP.

Key Performance Indicators:

Financial KPIs			
Indicator	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations (₹ in Lakhs) ⁽¹⁾	15,278.73	12,494.14	9,918.84
Product Revenue (₹ in Lakhs)	13,943.07	10,615.86	8,253.19

Service Revenue (₹ in Lakhs)		1,241.01	1,802.10	1,602.10
Others (₹ in Lakhs)		94.65	76.18	63.55
EBITDA (₹ in Lakhs) ⁽²⁾		3,006.22	2,242.60	1,278.83
EBITDA Margin (%) ⁽³⁾		19.68%	17.95%	12.89%
PAT (₹ in Lakhs) ⁽⁴⁾		1,690.47	1,130.80	559.14
PAT Margin (%) ⁽⁵⁾		11.06%	9.05%	5.64%
Return on equity (%) ⁽⁶⁾		40.43%	41.36%	30.48%
Return on capital employed (%) ⁽⁷⁾		33.24%	32.72%	25.81%
Debt-Equity Ratio (times) ⁽⁸⁾		0.76	1.06	1.28
Trade Receivables (days) ⁽⁹⁾		85	83	95
Trade Payables (days) ⁽¹⁰⁾		77	62	73
Inventory (days) ⁽¹¹⁾		137	125	73
Working Capital Cycle (days) ⁽¹²⁾		145	146	95
Operational KPIs (only for our product revenue segment)				
Indicator	Units	March 31, 2025	March 31, 2024	March 31, 2023
Digital Printing (Volume)				
- Fabrics	Metres	27,95,182	13,84,239	7,28,365
- Garments (ready-to-stitch womenswear)	Pieces	3,51,243	1,88,795	99,561
- Products manufactured	Nos.	209	204	187
Jacquard (Volume)				
- Fabrics	Metres	5,09,913	4,43,791	4,14,483
- Garments (ready-to-stitch suits, shawls and stoles)	Pieces	9,85,195	7,51,672	5,44,480
- Products manufactured	Nos.	423	389	445
Other woven fabrics (Volume)				
- Fabrics	Metres	8,29,358	12,55,911	22,32,962
- Garments (ready-to-stitch womenswear)	Pieces	No garments are manufactured under this segment		
- Products manufactured	Nos.	726	565	502
Digital Printing (Average Selling Price)				
- Fabrics	Rs. per Meter	143.00	172.39	146.67
- Garments (ready-to-stitch womenswear)	Rs. per piece	1,011.35	1,151.32	1,195.14
Jacquard (Average Selling Price)				
- Fabrics	Rs. per Meter	193.66	169.63	178.48
- Garments (ready-to-stitch suits, shawls and stoles)	Rs. per piece	416.38	462.67	431.42
Other woven fabrics (Average Selling Price)				
- Fabrics	Rs. per Meter	159.24	145.34	130.15
- Garments (ready-to-stitch womenswear)	Rs. per piece	No garments are manufactured under this segment		
Distribution Network				
- No. of dealers/ distributors	Nos.	154	132	123
- No. of brokers/ agents	Nos.	71	60	56

As certified by M/s S G U R & Co. Chartered Accountants, by way of their certificate dated July 15, 2025

For further details, see "Basis of Offer Price" on page 129 of the RHP.

Industries Served: We serve customers across the textile and fast-fashion industries, providing fabric solutions tailored to their specific design, quality, and production needs.

Revenue segmentation in terms of top 5/10 clients or Industries:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Top 15 customers*	7,521.19	49.23%	5,635.27	45.10%	5,082.23	51.24%
Top 20 customers*	8,415.45	55.08%	6,245.69	51.16%	5,692.12	57.39%

*We are unable to disclose the names of individual customers since this information is commercially sensitive to our business.

As certified by M/s S G U R & Co. Chartered Accountants, by way of their certificate dated July 15, 2025.

Intellectual Property, if any: For details of Intellectual Property, see "Our Business – Intellectual Property" on page 231 of the RHP.

Market Share: Not ascertainable.

Manufacturing plant, if any: Currently, we manufacture our fabrics and garments at our facilities located at Amritsar, Punjab. For further details, see "Our Business – Our Manufacturing capabilities" on page 217 of the RHP.

Employee Strength: As on June 30, 2025, we had 612 permanent employees and workers.

BOARD OF DIRECTORS				
Sr No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1.	Sanjeev Kandhari	Chairman and Managing Director	He has completed his pre-university examinations (commerce group) from Guru Nanak Dev University, Amritsar. He has been on the Board of our Company since incorporation. He has approximately thirty	Indian Companies: 1. Kandhari Textile Mills Private Limited 2. Sai Lakshay Prints Private Limited*

			years of experience in textile manufacturing industry. He is responsible for supervision of overall performance of our Company.	3. AKA Propbuild LLP <i>Foreign Companies:</i> Nil
2.	Amit Kandhari	Whole Time Director and Chief Financial Officer	He holds a Bachelors' degree in Commerce from the Punjab University, Chandigarh. He has approximately thirty years of experience in textile manufacturing industry. He has been on the Board of our Company since incorporation and is responsible for managing the operations and expansion of finance division.	<i>Indian Companies:</i> 1. Kandhari Textile Mills Private Limited 2. Sai Lakshay Prints Private Limited* 3. AKA Propbuild LLP <i>Foreign Companies:</i> Nil
3.	Shelly Kandhari	Non-Executive Director	She has completed her Bachelors in Arts from the Guru Nanak Dev University, Amritsar. She has been on the Board of our Company since August 24, 2024 and has been previously associated with us since 2009 in various roles. Her responsibilities include overseeing various functions of our Company <i>inter alia</i> designing, procurement and administration in the Company. She has around fifteen years of experience in textile manufacturing industry.	<i>Indian Companies:</i> Nil <i>Foreign Companies:</i> Nil
4.	Priti Kandhari	Non-Executive Director	She holds Bachelors' degree in Commerce from the University of Mumbai. She has been on the Board of our Company since August 24, 2024 and has been previously associated with us since 2009 in various roles. Her responsibilities include overseeing various functions of our Company <i>inter alia</i> accounts, finance, procurement and human resource in the Company. She has around fifteen years of experience in textile manufacturing industry.	<i>Indian Companies:</i> Nil <i>Foreign Companies:</i> Nil
5.	Rahul Tandon	Independent Director	He has completed his Bachelor of Technology in Production and Industrial Engineering from Indian Institute of Technology, New Delhi. His experience extends across product development, operational optimization, and global market expansion. He is currently CEO of Naturis Cosmetics Private Limited and was previously associated as Vice President – Operations with Socomo Technologies Pvt Ltd (jugnoo.in) and as Project Engineer with Schlumberger Asia Services Ltd.	<i>Indian Companies:</i> 1. Thgrands Private Limited 2. Vozaf Fashion Private Limited 3. Peachy Patronum Private Limited <i>Foreign Companies:</i> Nil
6.	Rajiv Arora	Independent Director	He is a qualified Chartered Accountant and holds a graduate degree in commerce from the Punjab University, Chandigarh. Since 1987, he has been a Practicing Chartered Accountant under his firm name M/s Rajiv Arora & Co. He has around thirty-five years of experience in bank audits, tax audits, income tax, GST, forensic audits, etc.	<i>Indian Companies:</i> 1. Omato Excellence Consultants Private Limited <i>Foreign Companies:</i> Nil

For the complete profile of our Board of Directors, please refer to the chapter title “Our Management - Brief profile of our directors” beginning on page 251 of the RHP.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of up to 31,99,200 Equity Shares aggregating up to ₹ [●] Lakhs by our company and an Offer for sale of 6,79,200 Equity Shares aggregating to ₹ [●] Lakhs, subject to finalization of Basis of Allotment. For details, see “Summary of the Offer Document” and “The Offer” on pages 30 and 82, respectively.

Proposed schedule of implementation and deployment of Net Proceeds:

Sr. No.	Object	Amount to be funded from Net Proceeds (₹ in Lakhs)	Amount to be deployed from the Net Proceeds in Fiscal 2026
1.	Funding capital expenditure for construction of additional warehouse facility in Amritsar;	255.55	255.55
2.	Funding capital expenditure for construction of dedicated sales office in Amritsar;	373.20	373.20
3.	Funding capital expenditure towards purchase of advanced fabric processing system for our existing printing, dyeing and processing unit in Amritsar;	501.00	501.00
4.	Funding our incremental working capital requirements; and	3,000.00	3,000.00
5.	General Corporate Purposes [#]	[●]	[●]
	Total	[●]	[●]

[#] To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC. The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Offer
For further details, see “Objects of the Offer” on page 110 of the RHP.

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

Name of monitoring agency, if any: Infomerics Valuation and Rating Limited

Terms of Issuance of Convertible Security, if any: Not Applicable

Shareholding Pattern as on the date of the RHP:

Sr. No.	Particulars	Pre-Offer number of Equity Shares (Number of fully paid-up Equity Shares held)	% Holding of Pre-Offer (Shareholding as a % of total number of shares)
1.	Promoters & Promoter Group	1,15,00,000	100.00%
2.	Public	-	-
	Total	1,15,00,000	100.00%

Number/amount of equity shares proposed to be sold by selling Shareholders, if any: Up to 6,79,200 Equity Shares of face value ₹ 10/- each aggregating up to ₹ [●] Lakhs

SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakhs)

Particulars	For the year ended 31 st March		
	2025	2024	2023
Total income from operations (Net)	15,321.50	12,503.32	9,934.40
Net Profit/(Loss) before tax and extraordinary items	2,191.24	1,520.17	820.20
Net Profit / (Loss) after tax	1,690.47	1,130.80	559.14
Equity Share Capital	1,150.00	50.00	50.00
Reserve & Surplus	3,857.20	3,304.73	2,063.65
Net worth	5,007.20	3,354.73	2,113.65
Basic and Diluted earnings per share (₹)	14.70	9.83	4.86
Return on net worth (%)	33.76%	33.71%	26.45%
Net asset value per share (₹)	43.54	29.17	18.38

BUSINESS RISK FACTORS

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

- During Fiscal 2025, Fiscals 2024 and Fiscal 2023, we derived 89.68%, 94.81% and 91.05% our revenue from operations from domestic sales from our customers in Northern India, which exposes us to risks specific to these Indian geographies and market.
- Our business requires significant amount of working capital. We may not be able to obtain future financing on favourable terms or at all. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.
- We are a fast fashion fabrics solutions and manufacturing company which is vulnerable to variations in demand and changes in consumer preferences, which could have an adverse effect on our business, results of operations and financial condition.
- We recently adopted digital textile printing technology in our operations and any challenges in digital textile printing operations could negatively affect our business and financial performance.
- We do not have long term agreements for supply of our raw materials. If we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected. Majority of our raw materials are sourced from few key suppliers. Discontinuation of operations of such suppliers may adversely affect our ability to source raw materials at a competitive price.
- Inability to accurately gauge product demand and maintain optimal inventory levels could adversely affect our business and financial performance.
- Our business is seasonal in nature, which could adversely affect our financial performance.
- Our relationship with our distributors is critical to our business. During Fiscals 2025, 2024 and 2023, 41.61%, 45.56% and 35.26% respectively, of our total revenue from operations was attributable to our distributors. If we are unable to maintain successful relationships with our distributors, our business, results of operations and financial condition may be adversely affected.
- Our business prospects in the branded segment rely on the strength and market acceptance of our brands, and any inability to sustain or increase product sales could negatively impact our business performance.
- If any new products that we launch are not as successful as we anticipate, our business, cash flows, results of operations and financial condition may be adversely affected.

For further details, see "Risk Factors" beginning on page 39 of the RHP.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against our Company and amount involved:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount Involved (Rs in Lakhs)
Company						
By the Company	1	Nil	Nil	Nil	Nil	11.40
Against the Company	1	13	Nil	Nil	Nil	27.65*
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	3	Nil	Nil	Nil	0.50
Directors (Other than Promoters)						
By Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnel & Senior Management Personnel						
By our KMPs/SMPs	Nil	Nil	Nil	Nil	Nil	Nil
Against KMPs/ SMPs	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies						
By our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Companies	Nil	5	Nil	Nil	Nil	0.05*

*Amount quantifiable to the extent

Determined in accordance with the Materiality Policy.

B. Brief details of top 5 material outstanding litigations against the company and amount involved: Not Applicable

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Not Applicable

D. Details of outstanding criminal proceedings against Promoters: Not Applicable

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

DECLARATION BY THE COMPANY

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government, or the rules, regulations 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 the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.