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INITIAL PUBLIC OFFER OF EQUITY SHARES ON THE MAIN BOARD PLATFORMS OF BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES" IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").



(Please scan the QR code to view the RHP)



# KUSUMGAR LIMITED

(Formerly known as Kusumgar Private Limited)

## (To be Listed on the Main board of BSE and NSE)

Our Company was originally incorporated as "Kusumgar Private Limited" as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 15, 1990, issued by the Registrar of Companies, Maharashtra at Mumbai. The name of our Company was changed to "Kusumgar Corporate Private Limited" on account of takeover of proprietary concern of Kusumgar Corporation, pursuant to a resolution passed by our Shareholders on September 12, 2024, and a fresh certificate of incorporation, consequent upon change of name was issued to our Company by the Registrar of Companies, Maharashtra at Mumbai, on November 21, 2024. Further, the name of our Company was changed to "Kusumgar Private Limited" on account of expansion of business, pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders on February 8, 2024, and a fresh certificate of incorporation was issued to our Company by the Registrar of Companies, Central Processing Centre, Manesar on March 28, 2024 pursuant to change of name. Thereafter, our Company was converted into a public limited company pursuant to a special resolution dated December 27, 2024, passed in the extraordinary general meeting of our Shareholders, and consequently the name of our Company was changed to its present name i.e., "Kusumgar Limited" and a fresh certificate of incorporation dated January 28, 2025 was issued by the Registrar of Companies, Central Processing Centre, Manesar upon conversion to public company. For further details of the change in the name and the address of the registered office of our Company, see "History and Certain Corporate Matters" on page 222 of the Red Herring Prospectus dated July 1, 2026 ("RHP").

Registered and Corporate Office: 101, Marjathra, V.M. Road, Corner of N.S. Road No. 5, JVP Scheme, Vile Parle (West), Mumbai - 400 056, Maharashtra, India  
Contact Person: Devansh Parshotam Mojima, Company Secretary and Compliance Officer, Telephone: + 91 22 8112 8100; E-mail: cs@kusumgar.com; Website: https://www.kusumgar.com/

### OUR PROMOTERS: YOGESH KANTILAL KUSUMGAR, SIDDHARTH YOGESH KUSUMGAR, SAPNA SIDDHARTH KUSUMGAR AND SIDDHARTH YOGESH KUSUMGAR HUF

INITIAL PUBLIC OFFERING OF UP TO (a) EQUITY SHARES OF FACE VALUE OF ₹1 EACH ("EQUITY SHARES") OF KUSUMGAR LIMITED (FORMERLY KNOWN AS KUSUMGAR PRIVATE LIMITED) ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ (a) PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ (a) PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹350 MILLION ("OFFER") COMPOSING AN OFFER FOR SALE OF UP TO (a) EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ 200 MILLION BY SIDDHARTH YOGESH KUSUMGAR, UP TO (a) EQUITY SHARES AGGREGATING UP TO ₹2,000 MILLION BY SAPNA SIDDHARTH KUSUMGAR AND UP TO (a) EQUITY SHARES AGGREGATING UP TO ₹300 MILLION BY SIDDHARTH YOGESH KUSUMGAR HUF (THE "PROMOTER SELLING SHAREHOLDERS", AND SUCH OFFER FOR SALE BY THE PROMOTER SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THIS OFFER INCLUDES A RESERVATION OF UP TO (a) EQUITY SHARES AGGREGATING UP TO ₹35 MILLION (CONSTITUTING UP TO (a)%) OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY OFFER A DISCOUNT OF UP TO (a) PERCENT (EQUIVALENT OF (a) PERCENT) OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE (a) AND (a)%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE			
NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)
Siddharth Yogesh Kusumgar	Promoter Selling Shareholder	Up to (a) Equity Shares of face value of ₹1 each aggregating up to ₹4,200 million	Nil
Sapna Siddharth Kusumgar	Promoter Selling Shareholder	Up to (a) Equity Shares of face value of ₹1 each aggregating up to ₹ 2,000 million	Nil
Siddharth Yogesh Kusumgar HUF	Promoter Selling Shareholder	Up to (a) Equity Shares of face value of ₹1 each aggregating up to ₹ 300 million	Nil

PRICE BAND: ₹398 TO ₹419 PER EQUITY SHARE OF FACE VALUE OF ₹1 EACH.

THE FLOOR PRICE IS 398 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 419 TIMES OF THE FACE VALUE  
BID CAN BE MADE FOR A MINIMUM OF 35 EQUITY SHARES AND IN MULTIPLES OF 35 EQUITY SHARES THEREAFTER.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON DILUTED EPS FOR FINANCIAL YEAR ENDED 2026 FOR THE COMPANY AT THE LOWER END OF THE PRICE BAND (I.E. FLOOR PRICE ₹398) IS 42.75 TIMES AND AT THE UPPER END OF THE PRICE BAND (I.E. CAP PRICE ₹419) IS 45.01 AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 39.80 TIMES FOR FISCAL 2026.

A DISCOUNT OF ₹39 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.  
WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FINANCIAL YEARS IS 46.02%.

The details of the Offer for Sale and the post Offer market capitalization of our Company, each at the Floor Price and the Cap Price, are given below:

Particulars	At Floor Price of ₹398 per Equity Share		At Cap Price of ₹419 per Equity Share	
	Up to number of Equity Shares of face value of ₹1 each	Up to Amount (₹ in million)	Up to number of Equity Shares of face value of ₹1 each	Up to Amount (₹ in million)
Offer for Sale	16,341,210	6,500.00	16,521,698	6,500.00
Offer Size	16,341,210	6,500.00	16,521,698	6,500.00
Post Offer market capitalization of the Company	104,991,372	41,786.57	104,991,372	43,991.38

Offer Size has been calculated considering the discount of ₹39 each at Cap Price and Floor Price for shares reserved under Employee Reservation portion

### BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE TUESDAY, JULY 7, 2026\*

BID/OFFER OPENS ON WEDNESDAY, JULY 8, 2026

BID/OFFER CLOSES ON FRIDAY, JULY 10, 2026\*

\*The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date. | \*The UPI message and time slot date shall be at 5:00 p.m. on Bid/Offer Closing Date.

We are a manufacturer of woven, coated and laminated synthetic fabrics, referred to as engineered fabrics. We offer engineered fabrics and solutions focusing on polyamides and polyester filaments and polyurethane chemistry that cater to the high-performance requirements of our customers. Our expertise is manufacturing fabrics where critical performance parameters include tensile strength, tear strength, abrasion resistance, comfort, air-permeability, and water proofing, among others. We have leveraged our process knowledge and product development expertise to manufacture over 1,000 unique fabric configurations (referred to as stock keeping units, or "SKUs") as at March 31, 2026, to build a niche around synthetic functional and performance fabrics, addressing growing demand in the aerospace and defence, industrial and automotive, and outdoor and lifestyle segments.

THE OFFER IS BEING MADE THROUGH THE BOOK BUILDING PROCESS IN ACCORDANCE WITH REGULATION 6(1) OF THE SEBI ICDR REGULATIONS, 2018. THE EQUITY SHARES OF THE COMPANY WILL GET LISTED ON THE MAIN BOARDS OF BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED. NSE SHALL BE THE DESIGNATED STOCK EXCHANGE.

- QIB PORTION: NOT MORE THAN 50% OF THE NET OFFER • NON-INSTITUTIONAL PORTION: NOT LESS THAN 15% OF THE NET OFFER
- RETAIL PORTION: NOT LESS THAN 35% OF THE NET OFFER
- EMPLOYEE RESERVATION PORTION: UP TO (a) EQUITY SHARES OF FACE VALUE OF ₹1 EACH, AGGREGATING UP TO ₹35 MILLION

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST RELY ONLY ON THE INFORMATION INCLUDED IN THE RHP AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER. IN RELATION TO PRICE BAND, POTENTIAL INVESTORS SHOULD ONLY REFER TO THIS PRE-OFFER AND PRICE BAND ADVERTISEMENT FOR THE OFFER AND SHOULD NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION AVAILABLE IN ANY MANNER IN RELATION TO THE VALUATION OF THE COMPANY AS THESE ARE NOT ENDORSED, PUBLISHED OR CONFIRMED EITHER BY THE COMPANY OR THE BOOK RUNNING LEAD MANAGERS TO THE OFFER ("BRLMs").

IN ACCORDANCE WITH THE RECOMMENDATION OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF OUR COMPANY, PURSUANT TO THEIR RESOLUTION DATED JULY 2, 2026, THE ABOVE PROVIDED PRICE BAND IS JUSTIFIED BASED ON QUANTITATIVE FACTORS/ KEY PERFORMANCE INDICATORS ("KPIs") DISCLOSED IN THE "BASIS FOR THE OFFER PRICE" SECTION ON PAGE 116 OF THE RHP VIS-A-VIS THE WEIGHTED AVERAGE COST OF ACQUISITION ("WACA") OF PRIMARY AND SECONDARY TRANSACTION(S), AS APPLICABLE, AS DISCLOSED IN THE "BASIS FOR THE OFFER PRICE" SECTION BEGINNING ON PAGE 116 OF THE RHP AND PROVIDED BELOW IN THIS ADVERTISEMENT.

### Risk to Investors

For details, refer to section titled "Risk Factors" on page 23 of the RHP.

#### 1. Segment concentration risk:

We manufacture products primarily for four market segments: (i) Aerospace and Defence Fabrics; (ii) Aerospace and Defence Solutions; (iii) Industrial and Automotive Fabrics; and (iv) Outdoor and Lifestyle Fabrics. For more details, see "Our Business - Overview" on page 183 of the RHP.

The table below sets forth our revenue for each of our four market segments, as well as other sales, and such revenue from contracts with customers as percentage of revenue from contracts with customers for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	₹ in million	% of revenue from contracts with customers	₹ in million	% of revenue from contracts with customers	₹ in million	% of revenue from contracts with customers
Aerospace and Defence Fabrics	2,136.99	31.67%	3,700.92	48.06%	3,134.88	68.79%
Aerospace and Defence Solutions	1,550.17	22.97%	2,219.02	28.81%	8.64	0.19%
Industrial and Automotive Fabrics	1,648.60	24.43%	1,126.34	14.63%	1,113.86	24.44%
Outdoor and Lifestyle Fabrics	1,253.15	18.57%	569.00	7.39%	291.65	6.40%
Other sales	159.23	2.36%	85.67	1.11%	7.92	0.17%
Revenue from contracts with customers	6,748.14	100.00%	7,700.95	100.00%	4,556.94	100.00%

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Although we have a comprehensive suite of products, as shown in the above table, our business is currently highly dependent on Aerospace and Defence Fabrics, Aerospace and Defence Solutions and Industrial and Automotive Fabrics.

**2. Customer concentration risk:**

We have derived and expect to continue to derive a significant portion of our revenue from our top 10 customers, which exposes us to customer concentration risks. The table below sets forth details of our revenues from our top 10 customers in each of the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue (₹ in million)	% of revenue from contracts with customers	Revenue (₹ in million)	% of revenue from contracts with customers	Revenue (₹ in million)	% of revenue from contracts with customers
Top customer	751.27	11.13%	2,225.88	28.90%	2,153.40	47.26%
Top 5 customers	3,062.38	45.38%	5,715.48	74.22%	3,120.61	68.48%
Top 10 customers	4,016.80	59.52%	6,522.00	84.69%	3,653.67	80.18%
Revenue from contracts with customers	6,748.14	100.00%	7,700.95	100.00%	4,556.94	100.00%

We generally do not have long-term agreements with our customers and we did not have long-term agreements with any of our top 10 customers for Fiscals 2026, 2025 or 2024. As a result, our top customer generally varies from year to year, leading to volatility in our top customer contribution.

**3. Manufacturing facilities concentration risk:**

All six of our manufacturing facilities are in Gujarat. Due to the geographic concentration of our manufacturing facilities, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political changes and other unforeseen events and circumstances. Further, any such adverse development affecting continuing operations at our manufacturing facilities could result in significant loss due to an inability to meet production schedules, which could adversely affect our business, results of operations, financial condition and cash flows. Since April 1, 2023, we have not conducted supply disruption stress testing as there is no assurance that supply disruption stress testing will be able to accurately predict any future events. Since April 1, 2023, our manufacturing facilities have not been affected by any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Gujarat.

**4. Negative cashflow from operations risk:**

We incurred negative cash flows from operating activities in Fiscal 2025. The following table sets forth certain information relating to our cash flows in the Fiscals indicated:

Particulars	Year ended March 31,		
	2026	2025	2024
	₹ in million		
Net cash flows generated from/(used in) operating activities	282.58	(1,549.76)	2,009.64
Net cash flows generated from/(used in) investing activities	(1,026.59)	20.62	(1,995.80)
Net cash flows generated from/(used in) financing activities	697.47	1,507.49	211.84
Cash and cash equivalents at the end of the year	268.29	304.94	326.80

While our cash flows from operating activities were positive in Fiscal 2026, we cannot assure you that we will be able to generate positive cash flows from operating activities in the future. Continued negative cash flows from operating activities could adversely affect our business, financial condition, results of operations and cash flows.

**5. Supplier concentration risk:**

Our business depends on the availability of reasonably priced, high quality materials in the quantities we require. We use a wide range of materials in our manufacturing process. Our primary materials comprise synthetic yarn of various types and chemicals such as polyurethane resin and fabric lamination films.

The table below sets forth details of our cost of material consumed from our top 10 suppliers in each of the fiscal years indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Cost (₹ in million)	% of cost of material consumed	Cost (₹ in million)	% of cost of material consumed	Cost (₹ in million)	% of cost of material consumed
Top supplier	457.02	14.83%	419.53	11.30%	550.66	27.49%
Top 5 suppliers	1,216.34	39.47%	1,167.42	31.44%	1,119.86	55.91%
Top 10 suppliers	1,584.68	51.42%	1,326.40	35.72%	1,325.03	66.16%
Cost of material consumed	3,081.66	100.00%	3,713.71	100.00%	2,002.86	100.00%

**6. Auditor's observations risk:**

Certain observations have been included in the Statutory Auditor's report on our audited financial statements for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, as required under the Companies (Auditor's Report) Order, 2020 ("CARO 2020 Order"), in respect of our Company.

For further details you may refer to risk factor number 7 mentioned on page 28 of RHP.

**7. Inflation risk:**

We do not enter into long-term contracts with material suppliers; we purchase our materials on a purchase order basis. We strive to have more than one supplier for each of our unique fabric configurations (known as stock keeping units, or SKU). The absence of long-term contracts with our suppliers exposes us to the risk of being unable to obtain the materials in the quantities required by us and at the price points required by us. This may lead to unforeseen increases in material prices. We generally have alternate suppliers for our materials, and there have been no instances since April 1, 2023 where we have not been able to purchase the materials we need for our business. The table below set forth our cost of materials consumed plus changes in inventories of finished goods and semi-finished goods and such expenses as a percentage of revenue from operations for the periods indicated.

Particulars	Year ended March 31,		
	2026	2025	2024
Cost of materials consumed [A] (₹ in million)	3,081.66	3,713.71	2,002.86
Changes in inventories of finished goods and semi-finished goods [B] (₹ in million)	(519.12)	(111.76)	(232.62)
Cost of materials consumed and changes in inventories of finished goods and semi-finished goods [C = A + B] (₹ in million)	2,562.54	3,601.95	1,770.24
Cost of materials consumed and changes in inventories of finished goods and semi-finished goods as a percentage of total expenses [D = C/G] (%)	44.43%	56.33%	49.24%
Cost of materials consumed and changes in inventories of finished goods and semi-finished goods as a percentage of revenue from contracts with customers [E = C/F] (%)	37.97%	46.77%	38.85%
Revenue from contracts with customers[F] (₹ in million)	6,748.14	7,700.95	4,556.94
Total expenses [G] (₹ in million)	5,768.20	6,394.29	3,594.80

**8. Import risk:**

The availability and the prices of the materials that we need are affected by numerous factors beyond our control, including, among others, international trade policies, production capacity and transportation costs. For example, heavy reliance on petrochemical-based inputs (polyester, polypropylene, nylon) exposes the industry to crude oil price fluctuations, international trade policies (such as US tariff implications), changes in global demand, which impact availability and cost stability (source: 1Lattice Report).

Furthermore, we import materials, such as synthetic yarn of various types, chemicals, such as polyurethane resin and fabric lamination films, from certain jurisdictions and countries, in particular Taiwan. The table below sets out our cost of imported materials consumed as a percentage of the total cost of materials consumed for the periods indicated:

Particulars	Year ended March 31,					
	2026		2025		2024	
	Cost (₹ in million)	As a percentage of cost of materials consumed (%)	Cost (₹ in million)	As a percentage of cost of materials consumed (%)	Cost (₹ in million)	As a percentage of cost of materials consumed (%)
Cost of imported materials consumed	1,198.93	38.91%	1,037.01	27.92%	1,064.50	53.15%
Of which:						
Taiwan	596.94	19.37%	806.84	21.73%	802.01	40.04%
Others	601.99	19.53%	230.17	6.20%	262.49	13.11%
Cost of materials consumed	3,081.66	100.00%	3,713.71	100.00%	2,002.86	100.00%

**9. Technical knowledge risk:**

We possess technical knowledge and know-how about our products, manufacturing processes and materials expertise and automation capabilities that we have built up through our own research and development capabilities. While we rely on a combination of confidentiality procedures and contractual provisions to protect our intellectual property, we cannot be certain that the steps we have taken will be sufficient to prevent unauthorised use of our intellectual property. As a result, we cannot be certain that our technical knowledge will remain confidential. Certain proprietary knowledge could be leaked, either inadvertently or willfully, by our employees. Since April 1, 2023, nothing has come to our attention to cause us to believe that our confidential technical information has been leaked. Consequently, any leakage of confidential technical information could have a material adverse effect on our business, financial condition, results of operations and cash flows.

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**10. Intellectual Property Risk:**

As at the date of the Red Herring Prospectus, our Company does not own any registered trademarks. However, our Company has filed an application for change in the name of the proprietor to reflect the name of our Company in respect of certain trademarks, including the mark "KUSUMGAR", together with the associated copyrights in the artistic works subsisting therein, which have been assigned to our Company pursuant to a deed of assignment dated September 13, 2025. There can be no assurance that such application will be approved. Since April 1, 2023, nothing has come to our attention to cause us to believe that our "Kusumgar" brand has been imitated.

**11. Exports Risk:**

Our exports to international markets accounted for 39.99%, 23.22% and 25.62% of revenue from contracts with customers for Fiscals 2026, 2025 and 2024, respectively. The tables below set out our revenue from exports by region and country and revenue from exports by country as a percentage of the revenue from contracts with customers for the Fiscals indicated:

Location of customer	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue (₹ in million)	% of revenue from contracts with customers	Revenue (₹ in million)	% of revenue from contracts with customers	Revenue (₹ in million)	% of revenue from contracts with customers
Within India	4,049.70	60.01%	5,912.88	76.78%	3,389.51	74.38%
Outside India	2,698.44	39.99%	1,788.07	23.22%	1,167.43	25.62%
Of which:						
United States	628.03	9.31%	678.94	8.82%	465.58	10.22%
European Union	1,222.42	18.11%	611.75	7.94%	348.95	7.66%
Of which:						
Germany	757.24	11.22%	403.52	5.24%	276.60	6.07%
Others	847.99	12.57%	497.37	6.46%	352.89	7.74%
Revenue from contracts with customers	6,748.14	100.00%	7,700.95	100.00%	4,556.94	100.00%

**12. Competition Risk:**

The markets in which we sell our products are competitive and we face competition from organized and unorganized engineered fabric manufacturers in India and overseas. We compete on the basis of technology, technical qualifications, price, and our ability to fulfil our contractual obligations, including the quality of products and the timely delivery of the products. Our competitors may have substantially greater financial, management, research and marketing resources than we have as a result of which they may be able to utilise their resources and economies of scale to develop improved products and divert sales away from us. Furthermore, our competitors' actions, including expanding manufacturing capacity or the entry of new competitors into our market, could cause us to lower prices in an effort to maintain our sales volume. In addition, customers could decide to compete with us as by backward integrating their operations. If we fail to compete effectively, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

**13. Working capital intensive business risk:**

Our business requires a significant amount of working capital, as there is a considerable time lag between the purchase of materials and the payment from our customers, with an average working capital cycle of 90 to 180 days.

The table below sets forth our Net Working Capital, trade receivables, trade payables and inventories as at the dates indicated and our Working Capital Cycle (in days), Trade Receivables Days, Trade Payables Days and Inventories Days for the fiscal years indicated.

Particulars	As at and for the year ended March 31,		
	2026	2025	2024
Net Working Capital (₹ in million)	2,782.32	645.69	(51.18)
Working Capital Cycle (in days)	90	14	(10)
Trade receivables (₹ in million)	2,332.79	561.10	422.39
Trade Receivables Days (number of days)	123	26	33
Trade payables (₹ in million)	667.62	472.07	522.72
Trade Payables Days (number of days)	79	49	76
Inventories (₹ in million)	1,948.58	1,369.02	1,437.11
Inventories Days (number of days)	103	64	112

**14. Offer for Sale:**

The Offer consists of the Offer for Sale. Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale in proportion

of the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale. The expenses of the Selling Shareholders will, at the outset, be borne by our Company and each Selling Shareholder will reimburse our Company for such expenses (inclusive of taxes) incurred by our Company on behalf of such Selling Shareholders, in relation to the Offer in the manner as prescribed under applicable law and in a manner as may be mutually agreed among our Company and the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale.

**15. The P/E ratio based on diluted EPS for the Financial Year ended 2026 for our Company at the Cap Price is as high as 45.01 as compared to the average industry peer group P/E ratio of 39.80.**

**16. Weighted Average Return on Net Worth for Financial Years ended 2026, 2025 and 2024 is 46.02%.**

**17. Average cost of acquisition per Equity Share for the Promoters and Selling Shareholders as on the date of the Red Herring Prospectus is as mentioned below:**

Name	Number of Equity Shares of ₹ 1 each held	Average cost of acquisition per Equity Share of face value of ₹ 1 each (₹)
<b>Promoters</b>		
Siddharth Yogesh Kusumgar <sup>A</sup>	61,884,021	Nil
Sapna Siddharth Kusumgar <sup>A</sup>	29,561,148	Nil
Siddharth Yogesh Kusumgar HUF <sup>A</sup>	3,485,000	Nil
Yogesh Kantilal Kusumgar	51,000	219.61

<sup>A</sup>Also a Promoter/Selling Shareholder.

**18. Weighted average cost of acquisition for all shares transacted in the last one year, 18 months and 3 years preceding the date of the Red Herring Prospectus is as follows:**

The weighted average cost of acquisition for all Equity Shares acquired in one year, 18 months and three years preceding the date of the Red Herring Prospectus is mentioned below:

Period	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 ₹)
Last one year preceding the date of the Red Herring Prospectus	365.72	1.15	0 – 383.25
Last 18 months preceding the date of the Red Herring Prospectus	41.39	10.12	0 – 383.25
Last three years preceding the date of the Red Herring Prospectus	34.03	12.31	0 – 383.25

**19. Weighted Average Cost of Acquisition at Floor and Cap Price in the last 18 months**

The Floor Price is 1.09 times and the Cap Price is 1.15 times the weighted average cost of acquisition based on the primary issuances and secondary transactions as disclosed below:

Types of Transactions	WACA (₹ per Equity Share)	No. of times at Floor Price (i.e., ₹398)	No. of times at Cap Price (i.e., ₹419)
A. Primary Issuances	N.A.	N.A.	N.A.
B. Secondary Transactions	365	1.09	1.15

**20. The 3 BRLMs associated with the Offer have handled 91 public Issues in the past three financial years, out of which 24 Issues closed below the offer price on listing date:**

Name of the BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	25	4
IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*	23	7
Motilal Oswal Investment Advisors Limited*	17	7
Common issues of above BRLMs	26	6
<b>Total</b>	<b>91</b>	<b>24</b>

\*Issues handled where there were no common BRLMs

**Additional Information for Investors**

- Our Company has not undertaken pre-IPO placement aggregating up to 1% or more of the paid-up equity share capital of the Company from the DRHP till date.
- The aggregate pre-Offer and post-Offer shareholding of our Promoters (including the Promoter Selling Shareholders), members of the Promoter Group, the additional top 10 Shareholders and other public Shareholders is set out below:

S. No	Name of the shareholder	Pre-Offer shareholding as on the date of the Price Band Advertisement		Post-Offer shareholding as at Allotment <sup>AA</sup>			
		Number of Equity Shares of face value ₹1 each	Percentage of total pre-Offer paid up Equity Share capital on a fully diluted basis (%) <sup>A</sup>	At the Floor Price (₹398)		At the Cap Price (₹419)	
				Number of Equity Shares of face value ₹ 1 each held	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis (%) <sup>A</sup>	Number of Equity Shares of face value ₹ 1 each held	Percentage of total post-Offer paid up Equity Share capital on a fully diluted basis (%) <sup>A</sup>
<b>Promoters (including the Promoter Selling Shareholders)</b>							
1.	Siddharth Yogesh Kusumgar	61,884,021	58.71	51,325,085	48.69	51,854,616	49.20
2.	Sapna Siddharth Kusumgar	29,561,148	28.05	24,533,083	23.37	24,785,241	23.51
3.	Siddharth Yogesh Kusumgar HUF	3,485,000	3.31	2,730,791	2.59	2,768,614	2.63
4.	Yogesh Kantilal Kusumgar	51,000	0.05	51,000	0.05	51,000	0.05
<b>Promoter Group (other than the Promoters)</b>							
1.	Concord Weaving Preparatory Private Limited	2,550	Negligible	2,550	Negligible	2,550	Negligible
2.	Sia Siddharth Kusumgar	2,550	Negligible	2,550	Negligible	2,550	Negligible
3.	Sanay Siddharth Kusumgar	2,550	Negligible	2,550	Negligible	2,550	Negligible
4.	Kusumgar Holdings LLP	2,550	Negligible	2,550	Negligible	2,550	Negligible
<b>Additional top 10 Shareholders</b>							
1.	Motilal Oswal Finvest Limited	27,39,726	2.60	27,39,726	2.60	27,39,726	2.60
2.	Edelweiss Discovery Fund – Series I	20,54,795	1.95	20,54,795	1.95	20,54,795	1.95
3.	Spark Midas Investment Fund I	16,43,835	1.56	16,43,835	1.56	16,43,835	1.56
4.	WhiteOak Capital India Opportunities Fund	958,904	0.91	958,904	0.91	958,904	0.91
5.	Ashoka India Equity Investment Trust PLC	958,904	0.91	958,904	0.91	958,904	0.91
6.	Frangipani Capital Advisors LLP	684,932	0.65	684,932	0.65	684,932	0.65
7.	Manohar Lal Agarwal (ARA Investments)	136,987	0.13	136,987	0.13	136,987	0.13
8.	Dinesh Lakhani	130,464	0.12	130,464	0.12	130,464	0.12
9.	Saket Agarwal	104,371	0.10	104,371	0.10	104,371	0.10
10.	Ashoka Whiteoak Emerging Markets Trust PLC	82,192	0.08	82,192	0.08	82,192	0.08
<b>Other public Shareholders</b>							
1.	Others	504,893	0.48	16,846,102	16.05	16,026,591	15.26
	<b>Total</b>	<b>104,991,372</b>	<b>100.00</b>	<b>104,991,372</b>	<b>100.00</b>	<b>104,991,372</b>	<b>100.00</b>

\*To be updated in the Prospectus prior to filing with the RoC.

<sup>A</sup> Subject to finalisation of Basis of Allotment.

<sup>AA</sup> The percentage of the Equity Share capital on a fully diluted basis has been calculated assuming issuance of 414,254 Equity Shares resulting upon exercise of vested options under ESOP Scheme.

**BASIS FOR OFFER PRICE**

The "Basis for Offer Price" on page 116 of the RHP has been updated with the above Price Band. Please refer to the websites of the BRLMs: www.axiscapital.co.in, www.ilfcapital.com and www.motilalosalwal.com, for the "Basis for Offer Price" updated for the below. (You may scan the QR code for accessing the website of Axis Capital Limited)

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is 385 times the face value of the Equity Shares at the lower end of the Price Band and 419 times the face value at the higher end of the Price Band. Bidders should read the below mentioned information along with "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 23, 183, 255, and 333 of the RHP, respectively, to have an informed view before making an investment decision.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

**1. Basic and diluted earnings per share ("EPS"):**

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2026	9.88	9.31	3
Fiscal 2025	11.03	10.81	2
Fiscal 2024	8.32	8.32	1
<b>Weighted Average</b>	<b>9.90</b>	<b>9.65</b>	-

For further details, please refer to "Basis for Offer Price-Quantitative Factors" on page 116 of RHP

**2. Price/Earning ("P/E") ratio in relation to Price Band of ₹398 to ₹419 per Equity Share:**

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2026	41.12	43.29
Based on diluted EPS for Fiscal 2026	42.75	45.01

**3. Industry peer group P/E ratio**

Particulars	P/E ratio
Highest	43.77
Lowest	32.72
Average	39.80

For further details, please refer to "Basis for Offer Price-Quantitative Factors" on page 117 of RHP

**4. Return on Net Worth ("RoNW")**

Particulars	RoNW (%)	Weight
Fiscal 2026	25.82	3
Fiscal 2025	56.26	2
Fiscal 2024	86.13	1
<b>Weighted Average</b>	<b>46.02</b>	-

For further details, please refer to "Basis for Offer Price-Quantitative Factors" on page 117 of RHP

**5. Net Asset Value per Equity Share of face value of ₹1 each ("NAV")**

Particulars	Amount (₹)
As at March 31, 2026	49.56
After the Offer	
- At the Floor Price	47.90
- At the Cap Price	47.90
At the Offer Price	49

For further details, please refer to "Basis for Offer Price-Quantitative Factors" on page 117 of RHP

**6. Comparison of accounting ratios with listed industry peers**

The following peer group has been determined based on the companies listed on the Stock Exchange:

Name of the company	Revenue from operations (in ₹ million)	Face value of equity share (₹)	Closing price on June 30, 2026 (₹ per equity share)	P/E ratio	EPS (Basic) (₹ per share)	EPS (Diluted) (₹ per share)	RoNW (%)	Net Asset Value ("NAV") as at March 31, 2026 (₹ per share)
Our Company	5,920.03	1	-	-	9.88	9.31	25.82	49.56
<b>Listed peers</b>								
Garware Technical Fibres Limited	15,287.90	10	796.40	39.80	20.01	20.01	15.29	136.44
Arvind Limited	93,031.90	10	516.60	32.72	15.80	15.79	10.91	154.47
SRF Limited	157,865.10	10	2,705.80	43.77	61.91	61.91	13.76	473.74

For further details, please refer to "Basis for Offer Price-Quantitative Factors" on page 118 of RHP

**Justification for Basis for Offer Price**

- Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuances are equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")
- There has been no issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuances are equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, the members of the Promoter Group or other Shareholders of our Company with rights to nominate directors on our Board during the 18 months preceding the date of filing of the RHP, where either the acquisition or sale is equal to or more than 5% of the fully diluted

paid-up share capital of our Company (calculated based on the pre-issuance capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

Date of transfer	Name of the transferee	Name of the transferee	Number of Equity Shares transferred	Face value of the Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of consideration	Total consideration
September 26, 2025	Siddharth Yogesh Kusumgar	Ashoka India Equity Investment Trust Plc	5,75,342	1	365	Cash	20,99,99,830
September 26, 2025		Ara Investments	82,192	1	365	Cash	3,00,00,080
September 25, 2025		Motilal Oswal Finvest Limited	16,43,835	1	365	Cash	60,00,00,140
September 26, 2025		Tibrewala Electronics Limited	2,369	1	365	Cash	8,71,995
September 25, 2025		Edelweiss Discovery Fund – Series I	13,69,863	1	365	Cash	49,99,99,995
September 26, 2025		Pam Family Trust	54,795	1	365	Cash	2,00,00,175
September 26, 2025		Ms Elcid Investments Limited	82,192	1	365	Cash	3,00,00,080
September 26, 2025	Sapna Siddharth Kusumgar	WhiteOak Capital India Opportunities Fund	5,75,342	1	365	Cash	20,99,99,830
September 26, 2025		WhiteOak Capital Equity Fund	32,877	1	365	Cash	1,20,00,105
September 26, 2025		Ashoka Whiteoak Emerging Markets Trust Plc	49,315	1	365	Cash	1,79,99,975
September 26, 2025		Tibrewala Electronics Limited	2,406	1	365	Cash	8,78,190
September 25, 2025		Spark Midas investment	10,95,890	1	365	Cash	39,99,99,850
September 26, 2025		Shradha Family Trust	27,397	1	365	Cash	99,99,905
September 26, 2025		Hanuman Freight and Carriers Private Limited	27,397	1	365	Cash	99,99,905
September 26, 2025		Nayan Kantilal Gudka	13,699	1	365	Cash	50,00,135
September 26, 2025		Ajaykrish Kantilal Gudka	13,699	1	365	Cash	50,00,135
September 26, 2025	Siddharth Y Kusumgar HUF	Frangipani Capital Advisors LLP	4,10,959	1	365	Cash	15,00,00,035
September 26, 2025		Tibrewala Electronics Limited	26,982	1	365	Cash	1,02,49,930
September 25, 2025		Ms Navams Custodial Services Limited	4,10,959	1	365	Cash	15,00,00,035

Weighted average cost of acquisition pursuant to the secondary transactions of Equity Shares during the three years preceding the date the Red Herring Prospectus 365

**3. WACA, Floor Price and Cap Price**

The Floor Price is 1.09 times and the Cap Price is 1.15 times the weighted average cost of acquisition based on the primary issuances and secondary transactions as disclosed below:

Types of Transactions	WACA (₹ per Equity Share)	No. of times at Floor Price (i.e., ₹398)	No. of times at Cap Price (i.e., ₹419)
A. Primary Issuances	N.A.	N.A.	N.A.
B. Secondary Transactions	365	1.09	1.15

**4. Detailed explanation for Cap Price being 1.15 times of WACA of primary issuances/ secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for Fiscals 2026, 2025 and 2024 and in view of the external factors:**

- Our expertise is manufacturing fabrics where critical performance parameters include tensile strength, tear strength, abrasion resistance, comfort, air-permeability and water proofing among others. 2. We have leveraged our process knowledge and product development expertise to manufacture over 1,000 unique fabric configurations (referred to as stock keeping units, or "SKUs") as at March 31, 2026, to build a rich around synthetic functional and performance fabrics, addressing growing demand in the aerospace and defence, industrial and automotive, and outdoor and lifestyle segments. 3. Our revenue from operations increased from ₹4,678.08 million for Fiscal 2024 to ₹5,920.03 million for Fiscal 2026, representing a CAGR of 21.81%. 4. Our EBITDA increased from ₹1,318.47 million for Fiscal 2024 to ₹1,878.50 million for Fiscal 2026, representing a CAGR of 19.38%. 5. Our profit for the year increased from ₹843.96 million for Fiscal 2024 to ₹962.00 million for Fiscal 2026, representing a CAGR of 7.87%. 6. In Fiscal 2026, our top six customers accounted for ₹3,336.34 million, or 49.35% of our revenue from contracts with customers. 7. Our Outdoor and Lifestyle Fabrics segment caters to the global market for synthetic performance wear, such as "athleisure" winter wear, rainwear, fashion jackets and personal gear, such as backpacks, luggage, sleeping bags, and tents. 8. We operate out of six manufacturing facilities, all of which are in Gujarat, India, and one fabrication unit in Uttar Pradesh, India. 9. In recent years, we have built on our expertise and industry knowledge to expand into manufacturing finished products for aerospace and military applications, such as parachute systems, stall solutions, and rapid deployment systems. 10. Our business model drives profitable growth, and we believe we are poised for continued growth, driven by exports, global supply chain shifts, modernisation and industrialisation of military equipment, expanded product lines and technological innovations.

**5. The Offer Price of ₹ 49 is based on the face value of the Equity Shares.**

The Offer Price of ₹ 49 has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from Bidders for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 23, 183, 255 and 333 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in "Risk Factors" on page 23 of the RHP and you may lose all or part of your investments.

