*(Please scan this QR Code to view this Draft Red Herring Prospectus and the Draft Abridged Prospectus)*

**DRAFT RED HERRING PROSPECTUS**
**Dated:** September 30, 2026
(Please read section 32 of the Companies Act, 2013)
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
**100% Book Built Offer**

**SARVA FOAM INDUSTRIES LIMITED**
**CORPORATE IDENTITY NUMBER: U22209MP2018PLC046815**

| REGISTERED AND CORPORATE OFFICE | CONTACT PERSON | EMAIL AND TELEPHONE | WEBSITE |
|---|---|---|---|
| 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India | Sambedna Jain<br>*Company Secretary and Compliance Officer* | **Email:** investors@sarvafoam.com<br>**Telephone:** +91 78800 99651 | www.sarvafoam.com |

**OUR PROMOTER: KUNAL GIANI**

**DETAILS OF THE OFFER TO THE PUBLIC**

| TYPE | FRESH ISSUE SIZE# | OFFER FOR SALE SIZE | TOTAL OFFER SIZE | ELIGIBILITY AND SHARE RESERVATION AMONG QUALIFIED INSTITUTIONAL BIDDERS (QIBs), NON-INSTITUTIONAL BIDDERS (NIBs) and RETAIL INDIVIDUAL INVESTORS (RIIs) |
|---|---|---|---|---|
| Fresh Issue and Offer for Sale | Up to 5,400,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million | Up to 1,350,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million | Up to 6,750,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million | This Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, please see *"**Other Regulatory and Statutory Disclosures- Eligibility for the Offer**"* on page 402. For details in relation to the share allocation and reservation among Qualified Institutional Bidders ("**QIBs**"), Non-Institutional Bidders ("**NIBs**") and Retail Individual Investors ("**RIIs**"), please see *"**Offer Structure**"* on page 402. |

**DETAILS OF THE OFFER FOR SALE BY THE PROMOTER SELLING SHAREHOLDER AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE**

| NAME OF THE SELLING SHAREHOLDER | TYPE | NUMBER OF EQUITY SHARES OFFERED OF FACE VALUE OF ₹5 EACH | WEIGHTED AVERAGE COST OF ACQUISITION# (IN ₹ PER EQUITY SHARE OF FACE VALUE OF ₹5 EACH) |
|---|---|---|---|
| Kunal Giani | Promoter Selling Shareholder | Up to 1,350,000 Equity Shares of face value of ₹5 each, aggregating up to ₹[●] million | 1.14 |

*#As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

**RISKS IN RELATION TO THE FIRST OFFER**

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 each Equity Share is ₹5. The Floor Price, Cap Price and Offer Price, as 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, in accordance with the SEBI ICDR Regulations, and as stated under *"**Basis for Offer Price**"* on page 152, 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 or sustained trading in the Equity Shares of our Company, nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 this 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to *"**Risk Factors**"* on page 25.

**OUR COMPANY'S AND THE SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Draft 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. The Promoter Selling Shareholder accepts responsibility for and only confirms the statements expressly and specifically made or confirmed by him in this Draft Red Herring Prospectus solely in relation to himself and his portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements including any of the statements made by or relating to our Company or our Company's business or any other person in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares of face value of ₹5 each, that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (NSE, together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, the Designated Stock Exchange is [●].

**BOOK RUNNING LEAD MANAGER ("BRLM")**

| NAME AND LOGO OF THE BRLM | CONTACT PERSON | EMAIL AND TELEPHONE |
|---|---|---|
| **Beeline Capital Advisors Private Limited** | Nikhil Shah | **Telephone:** +91 7949185784<br>**Email:** mb@beelinemb.com |

**REGISTRAR TO THE OFFER**

| NAME OF THE REGISTRAR | CONTACT PERSON | EMAIL AND TELEPHONE |
|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| **Bigshare Services Private Limited** | | Babu Rapheal | | **Telephone:** +91 22 62638200<br>**Email:** ipo@bigshareonline.com | |
| **BID/OFFER PERIOD** | | | | | |
| **ANCHOR INVESTOR BID/ OFFER PERIOD** | [●][(1)] | **BID/OFFER OPENS ON** | [●] | **BID/OFFER CLOSES ON** | [●][(2)(3)] |

*(1)* *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/ Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

*(2)* *Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

*(3)* *UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Offer Closing Date.*

*#* *Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

*(Please scan this QR Code to view this Draft Red Herring Prospectus and the Draft Abridged Prospectus)*

**DRAFT RED HERRING PROSPECTUS**
**Dated:** September 30, 2026
(Please read section 32 of the Companies Act, 2013)
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
**100% Book Built Offer**

SARVA FOAM
COMMITMENT THROUGH QUALITY

# SARVA FOAM INDUSTRIES LIMITED

Our Company was incorporated as *"Sarva Foam Industries Private Limited"* at Bhopal, Madhya Pradesh as a private limited company on October 8, 2018 under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 9, 2018, issued by the Registrar of Companies, Central Registration Centre. Thereafter, our Company was converted to a public limited company, approved by our Shareholders' *vide* special resolution dated February 05, 2025, pursuant to which the name of our Company was changed to *"Sarva Foam Industries Limited"* and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Central Processing Centre, Manesar, Haryana dated February 22, 2025. For details in relation to the changes in the registered office of our Company, please see ***"History and Certain Corporate Matters - Changes in the Registered Office of our Company"*** on page 255.

**Registered and Corporate Office:** 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India
**Contact Person:** Sambedna Jain, Company Secretary and Compliance Officer
**Telephone:** +91 78800 99651
**Email:** investors@sarvafoam.com; **Website:** www.sarvafoam.com
**Corporate Identity Number:** U22209MP2018PLC046815

**OUR PROMOTER: KUNAL GIANI**

**INITIAL PUBLIC OFFERING OF UP TO 6,750,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF SARVA FOAM INDUSTRIES LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO 5,400,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ [●] MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 1,350,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ [●] MILLION BY KUNAL GIANI ("PROMOTER SELLING SHAREHOLDER") AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER SELLING SHAREHOLDER ("OFFERED SHARES") AND SUCH OFFER, "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE. THE "OFFER"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, MAY CONSIDER A PRE-IPO PLACEMENT, PRIOR TO FILING OF THE RED HERRING PROSPECTUS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957 ("SCRR"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE 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 EXCHANGES. OUR COMPANY SHALL REPORT ANY PRE-IPO PLACEMENT TO THE STOCK EXCHANGES, WITHIN 24 HOURS OF SUCH PRE-IPO PLACEMENT (IN PART OR IN ENTIRETY). FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND PROSPECTUS.**

**THE FACE VALUE OF EQUITY SHARES IS ₹5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), HINDI ALSO BEING THE REGIONAL LANGUAGE OF MADHYA PRADESH WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

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

This Offer is being made in terms of Rule 19(2)(b) of the SCRR, as amended, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process and is in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**") provided that 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 ("**Anchor Investor Portion**"), of which 40% shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for life insurance companies registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act,1938 and pension funds registered with the Pension Fund Regulatory and Development Authority Act, 2013, 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 unsubscribed portion shall be available for allocation to domestic Mutual Funds. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares of face value of ₹5 each shall be added to the remaining QIB Portion ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net 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 Offer 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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("**Non-Institutional Portion**") out of which (a) one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1,000,000, provided that the unsubscribed portion in either of these sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in

accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders ("**Retail Portion**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

All potential Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID for UPI Bidders using UPI Mechanism) (*as defined hereinafter*) in which the corresponding Bid Amount will be blocked by the SCSBs or the Sponsor Banks, as the case may be, to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see *"**Offer Procedure**"* on page 427.

**RISKS IN RELATION TO THE FIRST OFFER**

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 each Equity Share is ₹5. The Floor Price, Cap Price and Offer Price, as 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, in accordance with the SEBI ICDR Regulations, and as stated under *"**Basis for Offer Price**"* on page 152, 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 or sustained trading in the Equity Shares of our Company, nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 this 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to *"**Risk Factors**"* on page 25.

**OUR COMPANY'S AND THE SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Draft 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. The Promoter Selling Shareholder accepts responsibility for and only confirms the statements expressly and specifically made or confirmed by him in this Draft Red Herring Prospectus solely in relation to himself and his portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements including any of the statements made by or relating to our Company or our Company's business or any other person in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, please see *"**Material Contracts and Documents for Inspection**"* on page 495.

| **BOOK RUNNING LEAD MANAGER** | **REGISTRAR TO THE OFFER** |
|---|---|
| BEELINE Capital Advisors Pvt. Ltd. | Bigshare Services Pvt. Ltd. |
| **Beeline Capital Advisors Private Limited**<br>B/1311-1314, 13th Floor, Shilp Corporate Park<br>Rajpath Rangoli Road, Thaltej,<br>Ahmedabad- 380054,<br>Gujarat, India<br>**Telephone:** +91 79 49185784<br>**Email:** mb@beelinemb.com<br>**Contact person:** Nikhil Shah<br>**Investor grievance email:** ig@beelinemb.com<br>**Website:** www.beelinemb.com<br>**SEBI registration number:** INM000012917 | **Bigshare Services Private Limited**<br>Office No S6-2, 6th Floor, Pinnacle Business Park,<br>Next to Ahura Centre, Mahakali Caves Road,<br>Andheri (East), Mumbai- 400093,<br>Maharashtra, India<br>**Telephone:** +91 22 62638200<br>**Email:** ipo@bigshareonline.com<br>**Contact person:** Babu Rapheal C<br>**Investor grievance email:** investor@bigshareonline.com<br>**Website:** www.bigshareonline.com<br>**SEBI registration number:** INR000001385 |

| **BID/OFFER PERIOD** | |
|---|---|
| **ANCHOR INVESTOR BID/ OFFER PERIOD** | **[●]**(1) |
| **BID/OFFER OPENS ON** | **[●]** |
| **BID/OFFER CLOSES ON** | **[●]**(2)(3) |

(1) *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/ Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

(2) *Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Offer Closing Date.*

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## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as assigned below. References to any legislation, act, rules, regulation, circular, notification, clarification, guidelines or policies shall, unless the context otherwise requires, be to such legislation, act, rules, regulation, circular, notification, clarification, guidelines or policies, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*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.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.*

*Notwithstanding the foregoing, the terms not defined herein but used in "**Objects of the Offer**", "**History and Certain Corporate Matters**", "**Financial Indebtedness**", "**Basis for Offer Price**", "**Statement of Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies in India**", "**Restated Consolidated Financial Information**", "**Outstanding Litigation and Other Material Developments**" "**Offer Procedure**", "**Description of Equity Shares and Terms of Articles of Association**" and "**Other Regulatory and Statutory Disclosures**" on pages 117, 255, 391, 152, 161, 169, 249, 292, 393, 427, 451, and 402, respectively, will have the meaning ascribed to such terms in those respective sections.*

### General terms

| Term | Description |
|---|---|
| Our Company / the Company / the Issuer | Sarva Foam Industries Limited, a public limited company incorporated under the Companies Act, 2013 and having its Registered and Corporate Office at 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India |
| We / us / our / Group | Unless the context otherwise indicates or implies, refers to our Company, together with our Subsidiaries on a consolidated basis, as on the date of this Draft Red Herring Prospectus |

### Company related terms

| Term | Description |
|---|---|
| Articles of Association / Articles / AoA | The articles of association of our Company, as amended from time to time |
| Audit Committee | The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations and as described in *"**Our Management - Board Committees - Audit Committee**"* on page 273 |
| Auditors / Statutory Auditors | The current statutory auditors of our Company, being S.L. Chhajed & Co. LLP, Chartered Accountants bearing firm registration number 000709C/ C400277 |
| Board / Board of Directors | The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof. For details, please see *"**Our Management – Board of Directors**"* on page 91 |
| Chairman and Managing Director | The chairman and managing director of our Company, namely Kunal Giani. For details, please see *"**Our Management**"* on page 265 |
| Chief Executive Officer / CEO | The chief executive officer of our Company, namely Deepak Vaswani. For details, please see *"**Our Management - Key Managerial Personnel**"* on page 281 |
| Chief Financial Officer / CFO | The chief financial officer of our Company, namely Payal Mishra. For details, please see *"**Our Management- Key Managerial Personnel**"* on page 281 |
| Committee(s) | Duly constituted committee(s) of our Board of Directors. For details, please see *"**Our Management - Board Committees**"* on page 273 |
| Company Secretary and Compliance Officer | The company secretary and compliance officer of our Company, namely Sambedna Jain For details, please see *"**Our Management - Key Managerial Personnel**"* on page 281 |
| Corporate Social Responsibility | The corporate social responsibility committee of our Board constituted in accordance with the Companies Act. For details, please see *"**Our Management- Board Committees - Corporate Social Responsibility Committee**"* on page 278 |

| Term | Description |
|---|---|
| Committee / CSR Committee | |
| Dadri Unit | The manufacturing unit is situated at Khasra No. 303, Nagla Kirani, Bishara Road, Dadri, Gautam Budh Nagar, Uttar Pradesh – 203207, India |
| Director(s) | The director(s) on our Board, as appointed from time to time. For further details, please see *"**Our Management- Board of Directors**"* on page 91 |
| Dividend Policy | The dividend distribution policy approved and adopted by our Board on August 27, 2026, as amended from time to time |
| D&B/ Dun & Bradstreet | Dun & Bradstreet Information Services India Private Limited |
| D&B Report/ Industry Report | Industry Report on *"Indian Rebonded Polyurethane Foam Market"* dated September 29, 2026 |
| Equity Shares | The equity shares of our Company of face value of ₹5 each, unless otherwise stated |
| Executive Director(s) | The executive director(s) on our Board. For further details of the Executive Directors, please see *"**Our Management**"* on page 265 |
| Group Companies | The group companies of our Company in accordance with the SEBI ICDR Regulations and the Materiality Policy of our Company. For details, please see *"**Our Group Companies**"* on page 289 |
| Independent Chartered Engineer (Biomass gasification and biochar production facility) | Dr Arvind S Mohite, the independent chartered engineer appointed by our Company in relation to our Company's proposed biomass gasification and biochar production facility |
| Independent Chartered Engineer in relation to our Company's Manufacturing Units | Vishal Sunil Joshi, the independent chartered engineer appointed by our Company in relation to our Company's Manufacturing Units |
| Krishnagiri Unit – I | The manufacturing facility is situated at Sy No. 367/5, Thally Road, Belagondapalli, Krishnagiri District, Tamil Nadu – 635114, India |
| Krishnagiri Unit – II | The manufacturing facility is situated at Survey No. 51, Kelamangalam Road, Base Batteries, Denkanikottai Taluk, Anekollo, Krishnagiri District, Tamil Nadu – 635107, India |
| Independent Director(s) | The independent directors on our Board who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of our Independent Directors, please see *"**Our Management - Board of Directors**"* on page 91 |
| Key Managerial Personnel / KMP | The key managerial personnel of our Company in terms of regulation 2(1)(bb) of the SEBI ICDR Regulations and section 2(51) of the Companies Act, 2013. For details, please see *"**Our Management- Key Managerial Personnel**"* on page 281 |
| Manufacturing Units/ Manufacturing Facilities | Collectively, Silvassa Unit, Krishnagiri Unit - I, Krishnagiri Unit- II, and Dadri Unit |
| Materiality Policy | The materiality policy of our Company adopted by our Board pursuant to a resolution of our Board dated September 30, 2026 for identification (a) material outstanding litigation proceedings; (b) group companies; and (c) material creditors of our Company, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus |
| Material Subsidiary | The material subsidiary of our Company namely, Sarva Foam UK Ltd |
| Memorandum of Association / Memorandum/ MoA | The memorandum of association of our Company, as amended from time to time |
| Nomination and Remuneration Committee / NRC Committee | The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations and as described in *"**Our Management- Board Committees - Nomination and Remuneration Committee**"* on page 276 |
| Non- Executive Director(s) | A director, not being an executive director. For further details, please see *"**Our Management**"* on page 265 |
| Promoter | The promoter of our Company namely, Kunal Giani. For further details, please see *"**Our Promoter and Promoter Group**"* on page 286 |
| Promoter Group | Such persons and entities constituting the promoter group of our Company pursuant to regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, please see *"**Our Promoter and Promoter Group**"* on page 286 |
| Promoter Selling Shareholder / Selling Shareholder | The Promoter Selling Shareholder to the Offer, namely Kunal Giani |

| Term | Description |
|---|---|
| Proposed Project | Manufacturing facility of rebonded polyurethane foam products, proposed to be established at Plot No. O 01 (earlier Plot No. AM04), Acharpura Textile Park, Bhopal, Madhya Pradesh on land that has been allotted by the Madhya Pradesh Industrial Development Corporation Limited to our Company |
| Rebonded Foam Blocks | Rebonded polyurethane foam blocks |
| Rebonded Foam Sheets | Rebonded polyurethane foam sheets |
| Rebonded Carpet Underlays | Rebonded polyurethane carpet underlays |
| Registered and Corporate Office | The registered and corporate office of our Company situated at 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India |
| Registrar of Companies / RoC | Registrar of Companies, Madhya Pradesh at Gwalior |
| Restated Consolidated Financial Information / Restated Consolidated Financial Statements | The Restated Consolidated Financial Information of our Company as at and for Fiscals 2026, 2025, and 2024, comprising of the restated consolidated statement of assets and liabilities as at March 31, 2026, March 31, 2025, and March 31, 2024, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of cash flows and restated consolidated statement of changes in equity for the Fiscals 2026, 2025, and 2024 and the material accounting policies and other explanatory information to the Restated Consolidated Financial Information of the Company and included in *"**Restated Consolidated Financial Information**"* on page 292<br><br>*Please note that, the financial information of Maxtar Industries (partnership firm) is consolidated with the financial information of our Company to prepare the Restated Consolidated Financial Information.* |
| SSHA | Share subscription and shareholders' agreement dated March 21, 2026, entered into amongst our Company, Kunal Giani, Vijay Pal Singh Parmar, Existing Shareholders and Investors<br><br>*(Kunal Giani and Vijay Pal Singh Parmar are collectively known as "**Existing Shareholders**"), (Navbharat Investment Opportunities Fund is known as the "**Lead Investor**")*<br>*(Navbharat Investment Opportunities Fund, Vikram Pati Singhania, Pratiksha Kothari, Saurav Raidani, Venturex Fund I, SB Opportunities Fund I, Shah Hitesh Indulal, Shah Sweta Hiteshkumar, KIFS Dealers, Shah Amee D, Shah Deven M, Narmada Agrobase Limited, Vamika Mercantile LLP, Bhaskar Srinivasan, Platinus Technologies Private Limited, Jitendrakumar Maganlal Patel, Maniyar Bhaveshkumar Motilal, Shah Nirupamaben Mukeshkumar, Avinya Ventures, Evergrow Capital Opportunities Fund, Varma Punit Shravankumar HUF, Ketan Kalyanchand Kotecha are collectively referred to as "Investors" and individually as "**Investor**")* |
| SHA Waiver cum Amendment Agreement | Waiver cum amendment agreement dated September 30, 2026, to the Shareholders' Agreement entered into amongst our Company, Kunal Giani, Vijay Pal Singh Parmar, existing Shareholders and the Investors as described in the section *"**History and Certain Corporate Matters- Shareholders' agreements**"* on page 255 |
| Shareholders | The holders of the Equity Shares of our Company from time to time |
| Senior Management / SMP/ Senior Management Personnel | The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in *"**Our Management - Senior Management**"* on page 265 |
| Silvassa Unit | The manufacturing unit is situated at Survey No. 257, Umerkui Road, Saily, Silvassa, Dadra & Nagar Haveli and Daman & Diu – 396230, India |
| Stakeholders Relationship Committee | The stakeholders' relationship committee of our Company constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in *"**Our Management- Committees of our Board - Stakeholders' Relationship Committee**"* on page 277 |
| Subsidiaries | The Subsidiaries of our Company, as on the date of this Draft Red Herring Prospectus, namely:<br><br>(i) Sarva Global Ventures Ltd; and<br>(ii) Sarva Foam UK Ltd; as described in the section *"**Our Subsidiaries**"* on page 284. |

## Offer related terms

| Term | Description |
|---|---|
| Abridged Prospectus | A memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard |
| Acknowledgement Slip | The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form |

| Term | Description |
|---|---|
| Allot / Allotment /Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholder pursuant to the Offer for Sale to successful Bidders |
| Allotment Advice | The 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 | A successful Bidder to whom the Equity Shares are Allotted |
| Anchor Investor(s) | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹100 million |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus at the end of the Anchor Investor Bid/Offer Period, which will be decided by our Company, in consultation with the BRLM on the Anchor Investor Bidding Date |
| 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/Offer Period or Anchor Investor Bidding Date | The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed |
| Anchor Investor Offer Price | The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLM, in compliance with the SEBI ICDR Regulations |
| 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 Offer Price, not later than two Working Days after the Bid/Offer Closing Date and no later than the time on such day specified in the revised CAN |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations.<br><br>40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, and (ii) 6.67% of the Anchor Investor Portion shall be reserved 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. |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorise an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism |
| ASBA Account | A bank account maintained by ASBA Bidders 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 specified in the ASBA Form submitted by such ASBA Bidder and includes the account of a UPI Bidder using the UPI Mechanism which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Bidder(s) | All Bidders except Anchor Investors |
| ASBA Form | An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| ASM | Additional Surveillance Measure |
| Banker(s) to the Offer | Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank(s) and Public Offer Account Bank(s), as the case may be |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in *"**Offer Procedure**"* on page 427 |
| Bid(s) | An indication to make an offer during the Bid/Offer 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 the Red Herring Prospectus and the relevant Bid cum Application Form |

| Term | Description |
|---|---|
| | The term "Bidding" shall be construed accordingly |
| Bid Amount | In relation to each Bid, the highest value of Bids indicated in the Bid cum Application Form and payable by the Bidder, and in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid in the Offer, as applicable |
| Bidding Centres | Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for the Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Bid cum Application Form | The Anchor Investor Application Form or the ASBA Form, as the context requires |
| Bid Lot | [●] Equity Shares of face value of ₹5 each and in multiples of [●] Equity Shares of face value of ₹5 each thereafter |
| Bid/Offer 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, which shall be published in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located).<br><br>In case of any revision, the extended Bid/Offer Closing Date shall also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank(s), as required under the SEBI ICDR Regulations.<br><br>Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations. |
| Bid/ Offer Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located) and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations. |
| Bid/ Offer Period | Except in relation to Bids by Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.<br><br>Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.<br><br>In case of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days |
| Bidder/ Applicant | 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 ASBA Bidder and an Anchor Investor |
| Book Building Process | The book building process as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made |
| Book Running Lead Manager or BRLM | The book running lead manager to the Offer, namely Beeline Capital Advisors Private Limited |
| Broker Centres | Broker centres of the Registered Brokers notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time |

| Term | Description |
|---|---|
| CAN or Confirmation of Allocation Note | The notice or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on/after the Anchor Investor Bidding Date |
| Cap Price | The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price |
| Cash Escrow and Sponsor Bank Agreement | The agreement to be entered into between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLM, the Syndicate Members, the Banker(s) to the Offer, *inter alia*, for the appointment of the Sponsor Bank for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof |
| Client ID | Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account |
| Collecting Depository Participant or CDP | 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 the UPI Circulars issued by SEBI, as per lists available on the websites of the Stock Exchanges i.e., BSE and NSE (at www.bseindia.com and www.nseindia.com,), as updated from time to time. |
| Cut-off Price | The Offer Price, as finalised by our Company, in consultation with the BRLM in compliance with the SEBI ICDR Regulations, which shall be any price within the Price Band.<br><br>Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price |
| Cut-Off Time | For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date |
| Demographic Details | The details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, PAN, DP ID, Client ID and bank account details and UPI ID, where applicable |
| Designated CDP Locations | Such locations of the CDPs where Bidders (other than Anchor Investors) 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 websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer |
| Designated Intermediary(ies) | Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer<br><br>In relation to ASBA Forms submitted by UPI Bidders (not using the UPI Mechanism) with an application size of up to ₹0.50 million (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs<br><br>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 Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs<br><br>In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-Syndicate, Members/ agents, Registered Brokers, CDPs and RTAs<br><br>In relation to ASBA Forms submitted by RIIs Bidding in the Retail Portion, and NIIs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs |
| Designated RTA Locations | Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms. The details of such Designated RTA Locations along with names and contact details of the RTAs eligible to |

| Term | Description |
|---|---|
| | accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time. |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect ASBA Forms, a list of which 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, and at such other websites as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | [●] |
| Draft Abridged Prospectus | The memorandum dated September 30, 2026 containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard |
| Draft Red Herring Prospectus or DRHP | This draft red herring prospectus dated September 30, 2026 filed with SEBI and the Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto |
| Eligible FPI(s) | FPIs that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe/ purchase the Equity Shares offered thereby. |
| Eligible NRI(s) | A non-resident Indian, eligible to invest under the relevant provisions of the FEMA Rules, on a non-repatriation basis, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe/ purchase the Equity Shares |
| Escrow Account(s) | The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid |
| Escrow Collection Bank(s) | The banks which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●] |
| First Bidder/ Sole Bidder | The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Fraudulent Borrower | A fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations |
| Fugitive Economic Offender | A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018 |
| Floor Price | The lower end of the Price Band, i.e. ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids, will be accepted |
| Fresh Issue | The fresh issue component of the Offer comprising of an issuance of up to 5,400,000 Equity Shares of face value of ₹5 each at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million by our Company |
| General Information Document or GID | The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI Circular No: SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI, from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM |
| Gross Proceeds | The gross proceeds from the Fresh Issue |
| Life Insurance Companies | Entities registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938 |
| Monitoring Agency | [●] |
| Monitoring Agency Agreement | The agreement to be entered into between our Company and the Monitoring Agency |
| Mutual Fund Portion | Up to 5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹5 each, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price |
| Mutual Fund(s) | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| Net Proceeds | Proceeds of the Offer, i.e., gross proceeds of the Fresh Issue less the Offer Expenses related to our Company. For further details regarding the use of the Net Proceeds and the Offer related expenses, please see *"**Objects of the Offer**"* on page 117 |
| Net QIB Portion | The portion of the QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors |
| Non-Institutional Investors or NII(s) or Non-Institutional Bidders or NIB(s) | All Bidders, including FPIs which are individuals, corporate bodies and family offices that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs) |

| Term | Description |
|---|---|
| Non-Institutional Portion | The portion of the Offer being not less than 15% of the Offer comprising of [●] Equity Shares of face value of ₹5 each which shall be available for allocation to NIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.<br><br>The allocation to the NIIs shall be as follows:<br><br>(a) One-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million; and<br>(b) Two-thirds of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹1.00 million<br><br>Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. |
| Non-Resident Indians or NRIs | A non-resident Indian as defined under the FEM NDI Rules |
| Offer | The initial public offer of up to 6,750,000 Equity Shares of face value of ₹5 each for cash at a price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share) aggregating up to ₹ [●] million, consisting of a Fresh Issue of up to 5,400,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million by our Company and an Offer for Sale of up to 1,350,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million, by the Promoter Selling Shareholder.<br><br>Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus. |
| Offer Agreement | The agreement dated September 30, 2026 amongst our Company, the Selling Shareholder and the BRLM, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer |
| Offer for Sale | The offer for sale component of the Offer of up to 1,350,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder i.e., Kunal Giani |
| Offer Price | ₹ [●] per Equity Share of face value ₹ [●] each, being the final price within the Price Band, at which the Equity Shares will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process by our Company, in consultation with the BRLM, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.<br><br>The Offer Price will be decided by our Company in compliance with the SEBI ICDR Regulations, in consultation with the BRLM, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus. |
| Offer Proceeds | The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder in proportion to the portion of the Offered Shares of such Selling Shareholder. For further information about the use of Offer Proceeds, please see *"**Objects of the Offer**"* on page 117 |
| Offer Shares | Up to 1,350,000 Equity Shares of face value of ₹5 each aggregating to ₹ [●] million offered by the Promoter Selling Shareholder in the Offer for Sale |
| Pension Fund | A fund registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013 |
| Pre-IPO Placement | Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the |

| Term | Description |
|---|---|
| | Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus. |
| Price Band | Price band of a minimum price of ₹ [●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹ [●] per Equity Share (i.e., the Cap Price) and includes any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.<br><br>The Price Band and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the Book Running Lead Manager, in compliance with the SEBI ICDR Regulations, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor price and at the Cap Price, and shall be available to the Stock Exchanges for the purpose of uploading on their respective websites |
| Pricing Date | The date on which our Company in consultation with the BRLM, will finalise the Offer Price |
| Prospectus | The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto |
| Public Offer Account Bank(s) | A bank which is a clearing member and which is registered with SEBI as a banker to an issue and with which the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●] |
| Public Offer Account(s) | The 'no lien' and 'non-interest bearing' bank account(s) to be opened in accordance with the provisions of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Accounts and from the ASBA Accounts maintained with the SCSBs on the Designated Date |
| QIB Bidders | QIBs who Bid in the Offer |
| QIB Portion/ QIB Category | The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares of face value of ₹5 each, aggregating up to [●] million, which will be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors) |
| Qualified Institutional Buyers or QIBs | A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations |
| Red Herring Prospectus or RHP | The red herring prospectus, including any corrigenda or addenda thereto, to be issued in accordance with section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto. |
| Refund Account(s) | The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Bidders shall be made |
| Refund Bank(s) | The Banker(s) to the Offer which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●] |
| Registered Brokers | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals other than the Members of the Syndicate |
| Registrar Agreement | The agreement dated September 30, 2026 entered amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the website of BSE and NSE, and the UPI Circulars |

| Term | Description |
|---|---|
| Registrar or Registrar to the Offer | The Registrar to the Offer namely, Bigshare Services Private Limited |
| Resident Indian | A person resident in India, as defined under FEMA |
| Retail Individual Bidders or RIB(s) or Retail Individual Investors or RII(s) | Individual Bidders (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the Bidding options in the Offer |
| Retail Portion | The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares of face value of ₹5 each, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price |
| Revision Form | The form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable<br><br>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date |
| SCORES | Securities and Exchange Board of India Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI |
| Self-Certified Syndicate Bank(s) or SCSB(s) | 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.<br><br>Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time |
| Share Escrow Agent | The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●] |
| Share Escrow Agreement | The agreement to be entered into amongst our Company, the Selling Shareholder, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholder in escrow and credit of such Equity Shares to the demat account of the Allottees |
| Specified Locations | The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time |
| Sponsor Bank(s) | The Banker(s) to the Offer registered with SEBI which are appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●] |
| Stock Exchanges | Collectively, BSE Limited and National Stock Exchange of India Limited |
| Sub-syndicate members | The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms |
| Syndicate Agreement | The agreement to be entered into among our Company, the Selling Shareholder, the BRLM, the Syndicate Members and the Registrar, in relation to collection of Bid cum Application Forms by Syndicate |
| Syndicate Members | Syndicate members as defined under regulation 2(1)(hhh) of the SEBI ICDR Regulations. Intermediaries (other than BRLM) registered with SEBI who are permitted to accept Bids, applications and place orders with respect to the Offer and carry out activities as an underwriter namely, [●] |
| Syndicate or members of the Syndicate | Together, the BRLM and the Syndicate Members |
| Systemically Important Non-Banking Financial Company or NBFC-SI | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations |

| Term | Description |
|---|---|
| Underwriters | [●] |
| Underwriting Agreement | The agreement to be entered into amongst the Underwriters, the Selling Shareholder and our Company on or after the Pricing Date, but prior to filing of the Prospectus with the RoC. For further details, please see *"**General Information**"* on page 91. |
| UPI | Unified Payments Interface, which is an instant payment mechanism developed by NPCI |
| UPI Bidders | Collectively, individual investors applying as RIBs in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹0.50 million 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.<br><br>Pursuant to SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI and 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 issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI Circulars | The SEBI ICDR Master Circular, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI RTA Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 (to the extent that such circulars pertain to the UPI Mechanism), NSE circulars (23/2022) dated July 22, 2022 and (25/2022) dated August 3, 2022, the BSE notices (20220722-30) dated July 22, 2022 and (20220803-40) dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard as updated from time to time |
| UPI ID | ID created on UPI for single-window mobile payment system developed by the NPCI |
| UPI Mandate Request | A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Banks to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment |
| UPI Mechanism | The Bidding mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars |
| UPI PIN | Password to authenticate UPI transaction |
| Wilful Defaulter | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations. |
| Working Day | All days, on which commercial banks in Mumbai, Maharashtra, India are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, Working Day shall mean all days except all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circulars issued by SEBI, including the UPI Circulars |

**Technical/ Industry and Business- related terms or abbreviations**

| Abbreviation | Full Form / Meaning |
|---|---|
| AED | United Arab Emirates dirham |
| AI | Artificial Intelligence |
| APAC | Asia-Pacific |
| AUD | Australian Dollar |
| BE | Budget Estimates |
| BEV | Battery Electric Vehicle |
| BFIPL | Brahma Foam Industries Private Limited |
| BIS | Bureau of Indian Standards |
| bps | Basis points |
| CAGR | Compound Annual Growth Rate |
| CEPA | Comprehensive Economic Partnership Agreement |
| CMIE | Centre for Monitoring Indian Economy |
| CNC | Computer Numerical Control |
| CPCB | Central Pollution Control Board |
| CPI | Consumer Price Index |
| CPSE | Central Public Sector Enterprise |
| CY | Calendar Year (January to December) |

| Abbreviation | Full Form / Meaning |
|---|---|
| D&B | Dun & Bradstreet |
| DBT | Direct Benefit Transfer |
| DFC | Dedicated Freight Corridor |
| DLD | Dubai Land Department |
| D-U-N-S | Data Universal Numbering System |
| E / Est. | Estimated |
| EBITDA | Earnings Before Interest, Taxes, Depreciation and Amortization |
| EPR | Extended Producer Responsibility |
| ESG | Environmental, Social and Governance |
| EU | European Union |
| FDI | Foreign Direct Investment |
| FE | First Estimate |
| FRE | First Revised Estimate |
| FTA | Foreign Tourist Arrivals / Free Trade Agreement, as applicable |
| FY | Financial Year (April to March) |
| G7 | Group of Seven |
| GBP | Pound sterling |
| GCC | Gulf Cooperation Council |
| GCC-Stat | Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf |
| GDP | Gross Domestic Product |
| GFCF | Gross Fixed Capital Formation |
| GHG | Greenhouse Gas |
| GL 11 | Gulf–Levant 11 economies |
| GNDI | Gross National Disposable Income |
| GVA | Gross Value Added |
| HCES | Household Consumption Expenditure Survey |
| HR | High Resilience |
| HSIIDC | Haryana State Industrial and Infrastructure Development Corporation |
| HVAC | Heating, Ventilation and Air Conditioning |
| IEA | International Energy Agency |
| IEEPA | International Emergency Economic Powers Act |
| IGBC | Indian Green Building Council |
| IIP | Index of Industrial Production |
| IMF | International Monetary Fund |
| INR | Indian Rupee |
| IoT | Internet of Things |
| ISO | International Organization for Standardization |
| IT | Information Technology |
| kg | Kilogram |
| LEED | Leadership in Energy and Environmental Design |
| LNG | Liquefied Natural Gas |
| LVT | Luxury Vinyl Tile |
| MCA | Ministry of Corporate Affairs |
| MDI | Methylene Diphenyl Diisocyanate |
| Mn / mn | Million |
| MoEF&CC | Ministry of Environment, Forest and Climate Change |
| MOSPI | Ministry of Statistics and Programme Implementation |
| MPC | Monetary Policy Committee |
| MT | Metric Tonne |
| NPCI | National Payments Corporation of India |
| NSO | National Statistical Office |
| NSWS | National Single Window System |
| NVH | Noise, Vibration and Harshness |
| OBBBA | One Big Beautiful Bill Act |
| OEM | Original Equipment Manufacturer |
| P | Projected |
| PAT | Profit After Tax |
| PE | Provisional Estimates |
| PFCE | Private Final Consumption Expenditure |
| PIBOs | Producers, Importers and Brand Owners |
| PLI | Production Linked Incentive |
| PLFS | Periodic Labour Force Survey |
| PRASAD | Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive |

| Abbreviation | Full Form / Meaning |
|---|---|
| PU | Polyurethane |
| PV | Photovoltaic |
| Q1–Q4 | First to Fourth Quarter |
| RBI | Reserve Bank of India |
| RE | Revised Estimates |
| REIT | Real Estate Investment Trust |
| SBR | Styrene-Butadiene Rubber |
| SFIL | Sarva Foam Industries Limited |
| SIAM | Society of Indian Automobile Manufacturers |
| SMMT | Society of Motor Manufacturers and Traders |
| SPCBs | State Pollution Control Boards |
| SWOT | Strengths, Weaknesses, Opportunities and Threats |
| TDI | Toluene Diisocyanate |
| trn | Trillion |
| UAE | United Arab Emirates |
| UK | United Kingdom |
| UP | Uttar Pradesh |
| UPI | Unified Payments Interface |
| US / U.S. / USA | United States of America |
| USD / US$ | United States Dollar |
| VOC | Volatile Organic Compounds |
| WEO | World Economic Outlook |
| WPI | Wholesale Price Index |
| YoY / y-o-y | Year-on-Year |

**Conventional and general terms or abbreviations**

| Term | Description |
|---|---|
| "₹" or "Rs." or "Rupees" or "INR" | Indian Rupees, the official currency of the Republic of India |
| A/c | Account |
| AGM | Annual general meeting |
| AIF | An alternative investment fund as defined in and registered with SEBI under the SEBI AIF Regulations |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| Calendar Year / year | Unless the context otherwise requires, shall refer to the twelve-month period ending December 31 |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| Companies Act, 1956 | Erstwhile Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires |
| Companies Act, 2013 / Companies Act | Companies Act, 2013 along with the relevant rules, regulations, notifications, circulars, and clarifications issued thereunder, as amended to the extent currently in force |
| Contract Labour Act | The Contract Labour (Regulation and Abolition) Act, 1970. |
| CSR | Corporate social responsibility |
| DC | Direct Current |
| Demat | Dematerialised |
| Depositories Act | Depositories Act, 1996 read with the rules and regulations thereunder |
| Depository / Depositories | NSDL and CDSL |
| DIN | Director Identification Number |
| DP ID | Depository Participant's Identification Number |
| DP / Depository Participant | A depository participant as defined under the Depositories Act |
| DPIIT | The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India |
| EBITDA | Earnings before interest, tax, depreciation and amortisation |
| EGM | Extraordinary general meeting |
| EPS | Earnings per share |
| FAQs | Frequently asked questions |
| FCNR | Foreign currency non-resident account |
| FDI | Foreign direct investment |

| Term | Description |
|---|---|
| FDI Policy or Consolidated FDI Policy | The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| FEMA | The Foreign Exchange Management Act, 1999, including the rules and regulations thereunder |
| FEMA Rules/ FEM NDI Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended |
| Financial Year / Fiscal / FY / F.Y. | Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 on that particular year, unless stated otherwise |
| FI | Financial institutions |
| FIR | First information report |
| FPI(s) | A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations |
| FVCI | Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| FVCI Regulations | The Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| GDP | Gross domestic product |
| Government/ Central Government / GoI | Government of India |
| GST | Goods and services tax |
| HUF | Hindu undivided family |
| IT Act | The Information Technology Act, 2000 |
| I.T. Act | The Income Tax Act, 2025, as applicable |
| ICAI | The Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards of the International Accounting Standards Board |
| Ind AS | Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 |
| Ind AS Rules | Companies (Indian Accounting Standards) Rules, 2015 |
| Indian GAAP | Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended |
| IPO | Initial public offering |
| IRDAI | Insurance Regulatory and Development Authority of India |
| IT | Information technology |
| MCA | Ministry of Corporate Affairs, Government of India |
| MCLR | Marginal cost of fund-based lending rate |
| MCA | Ministry of Corporate Affairs, Government of India |
| MTPA | Metric Tonne Per Annum |
| N.A / NA | Not applicable |
| NACH | National Automated Clearing House |
| National Investment Fund | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005, of the GoI, published in the Gazette of India |
| NAV | Net asset value |
| NBFC | Non-Banking Financial Companies |
| NBFC - SI | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations. |
| NCLT | National Company Law Tribunal |
| NEFT | National electronic fund transfer |
| Negotiable Instruments Act | The Negotiable Instruments Act, 1881 |
| Non-Resident | A person resident outside India, as defined under FEMA |
| NPCI | National payments corporation of India |
| NRE Account | Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NRI/ Non-Resident Indian | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955 |
| NRO Account | Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NSDL | National Securities Deposit Limited |
| NSE | National Stock Exchange of India Limited |
| 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 trusts in which not less than 60% of the beneficial |

| Term | Description |
|---|---|
| | interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer |
| p.a. | Per annum |
| P/E Ratio | Price/earnings ratio |
| PAN | Permanent account number allotted under the I.T. Act |
| PAT | Profit After Tax |
| R&D | Research and development |
| RBI | Reserve Bank of India |
| Regulation S | Regulation S under the U.S. Securities Act |
| RONW | Return on net worth |
| RTGS | Real time gross settlement |
| SCORES | SEBI Complaints Redress System |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended |
| SEBI BTI Regulations | Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended |
| SEBI ICDR Master Circular | SEBI master circular bearing number HO/49/14/14(2)2026-CFD/PoD2/1/4518/2026 dated February 9, 2026 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended |
| SEBI Merchant Bankers Regulations | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended |
| SEBI Mutual Funds Regulations | Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, as amended |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended |
| SEBI RTA Master Circular | SEBI master circular bearing number HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026 |
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations |
| Specified Securities | Equity shares and/or convertible securities |
| State Government | Government of a state of India |
| Stock Exchanges | Collectively, the BSE and NSE |
| STT | Securities transaction tax |
| TAN | Tax deduction account number |
| TDS | Tax deducted at source |
| U.S. Securities Act | United States Securities Act of 1933, as amended |
| US GAAP | Generally Accepted Accounting Principles in the United States of America |
| USA/ U.S/ US | The United States of America |
| USD/ US$/ $ | United States Dollars |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations |
| WTG | Wind Turbine Generator |

**Key performance indicators (under the section "Basis for Offer Price")**

| Sr. No. | KPI | Explanation |
|---|---|---|

| | | |
|---|---|---|
| 1 | Revenue from operations | Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business. |
| 2 | Profit before Tax | The amount that remains after the Company has paid off all of its operating and non-operating expenses. It provides information regarding the profitability before tax of our Company. |
| 3 | Profit/ (Loss) after tax | The amount that remains after a company has paid off all of its operating and non-operating expenses and taxes. It provides information regarding the profitability of our Company. |
| 4 | Net Worth | Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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. This is helpful in evaluating current financial standing of the Company |
| 5 | Growth in revenue from operations (%) | Growth in Revenue from Operations provides information regarding the growth of the business for the respective period |
| 6 | Profit/ (Loss) after tax margin (%) | Percentage of the amount that remains after a company has paid off all of its operating and nonoperating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company. |
| 7 | EBITDA | Earnings before interest, tax, depreciation and amortization is calculated as the restated profit before tax for the period, finance cost, depreciation and amortization expenses less other income. EBITDA provides information regarding operational profitability and efficiency of our Company |
| 8 | EBITDA Margin (%) | EBITDA Margin (%) is computed as EBITDA divided by revenue from operations. This metric helps in benchmarking the operating profitability against the historical performance of our Company. |
| 9 | EBIT | Earnings before interest and tax is calculated as the restated profit before tax for the period or year plus finance cost less other income. |
| 10 | EBIT Margin (%) | EBIT Margin (%) helps in keeping track of the operational efficiency of our company after the depreciation and amortization expenses calculated as EBIT as a percentage of revenue from operations |
| 11 | RoE (%) | Return on Equity is calculated on the basis of net profit after tax divided by shareholder's equity and is calculated by profit after tax divided by our net worth (share capital and other equity). It indicates our Company's ability to turn equity investments into profits |
| 12 | RoCE (%) | Return on Capital Employed provides us information on efficiency of our capital deployment and utilization. |
| 13 | Debt To Equity Ratio | Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage. |
| 14 | Operating Cash Flows | Operating cash flows provides how efficiently our company generates cash through its core business activities. |
| 15 | Installed Capacity (in MTPA) | Installed Capacity indicates the aggregate production capacity of the Company's manufacturing facilities and provides an indication of the scale of the Company's manufacturing operations. It is useful in assessing the Company's production capabilities and potential to scale its operations. |
| 16 | Utilised Capacity (in MTPA) | Utilised Capacity indicates the actual quantity of products manufactured by the Company during the relevant Fiscal. It provides an indication of the Company's actual production levels and the extent of utilisation of its manufacturing infrastructure. |
| 17 | Utilised Capacity (in %) | Utilised Capacity (%) indicates the proportion of the Company's installed production capacity that was utilised during the relevant Fiscal. It is useful in evaluating the Company's operational efficiency and utilisation of its available manufacturing capacity. |
| 18 | Number of Employees | Number of Employees indicates the size of the Company's permanent workforce as at the end of relevant Fiscal. It provides an indication of the human resources supporting the Company's overall activities. |
| 19 | Sales Volume (in MTPA) | Sales Volume indicates the aggregate quantity of products sold by the Company during the relevant Fiscal, expressed in MTPA. It provides an indication of the scale of the Company's sales and the volume of products sold during the relevant period. |
| 20 | Number of Customers | Number of Customers indicates the number of unique customers to whom the Company has made sales during the relevant Fiscal. It provides an indication of the breadth of the Company's customer base and its market reach. |
| 21 | Number of Manufacturing Units | Number of Manufacturing Units indicates the total number of manufacturing facilities operated by the Company as at the relevant date. It provides an indication of the geographical and operational footprint of the Company's manufacturing operations. |
| 22 | Total Manufacturing Area | Total Manufacturing Area indicates the aggregate area utilised for manufacturing operations at the Company's manufacturing facilities. It provides an indication of the |

| | | |
|---|---|---|
| | | physical scale of the Company's manufacturing infrastructure and its operational footprint. |

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can be generally identified by words or phrases such as ***"aim"***, ***"anticipate"***, ***"are likely"***, ***"believe"***, ***"continue"***, ***"expect"***, ***"estimate"***, ***"intend"***, ***"will likely"***, ***"likely to"***, ***"may"***, ***"seek to"***, ***"shall"***, ***"objective"***, ***"plan"***, ***"project"***, ***"propose"***, ***"will"***, ***"will continue"***, ***"will pursue"***, ***"will achieve"***, ***"can"***, ***"could"***, ***"goal"*** or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are 'forward looking statements'. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates 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 and globally which have an impact on our business activities, investments, or the industry in which we operate, 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, regulations and taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. For further details, please see ***"Risk Factors"*** on page 25.

For further discussion of factors that could cause our actual results to differ from our estimates and expectations, please see ***"Risk Factors"***, ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Position and Results of Operations"*** on pages 25, 218 and 368, respectively.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe 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.

Neither our Company, our Promoter (including Promoter Selling Shareholder), our Directors, the Syndicate Members, the Book Running Lead Manager, nor any of their respective affiliates 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. There can be no assurance to 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 to be a guarantee of our future performance.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company from the date of filing of the Red Herring Prospectus until the time of grant of listing and trading approvals by the Stock Exchanges.

In accordance with the SEBI ICDR Regulations, the Promoter Selling Shareholder will ensure (through our Company and the BRLM) that investors are informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by him in relation to him and the Offered Shares from the date of the Red Herring Prospectus, until the time of grant of listing and trading approvals by the Stock Exchanges for this Offer. Only statements and undertakings which are specifically confirmed or undertaken by the Promoter

Selling Shareholder to the extent of information pertaining to him and/or his portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Promoter Selling Shareholder.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or "State Government" are to the Government of India, central or state, as applicable.

All references in this Draft Red Herring Prospectus to the (i) "US", "U.S." "USA" or "United States" are to the United States of America and its territories and possessions; (ii) "Europe", "EU", "European Union" are to the European Union, its territories and possessions.

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal or a Fiscal Year are to the year ended on March 31, of that calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time ("**IST**").

### Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular Financial Year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless stated or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Information. The Restated Consolidated Financial Information, comprises the restated consolidated statement of assets and liabilities as at and for the Fiscals 2026, 2025, and 2024, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows as at and for the Fiscals 2026, 2025, and 2024, the material accounting policies, and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

For further information of our Company's financial information, please see *"**Restated Consolidated Financial Information**"* on page 292.

There are significant differences between Indian GAAP, Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited. For details, please see *"**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus**"* on page 71.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places, unless otherwise stated. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in *"**Risk Factors**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on pages 25, 218 and 368, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

**Non-Generally Accepted Accounting Principles (Non-GAAP) Financial Measures**

This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, EBIT, EBIT Margin, Return on Equity, Return on Capital Employed and certain other statistical information relating to our operations and financial performance (together, "**Non-GAAP Measures**") that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. For the risks relating to our Non-GAAP Measures, please see *"**Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio, Net Asset Value per Equity Share have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable**"* on page 66.

**Currency and Units of Presentation**

All references to:

- "Rupee(s)", "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India;
- "AED" or "UAE Dirhams" are to the United Arab Emirates Dirham, the official currency of United Arab Emirates;
- "EUR" or "€" are to Euro, the official currency of the European Union;
- "GBP" or "£" are to the British pound sterling, the official currency of the United Kingdom; and
- "U.S. Dollar(s)" or "USD" or "US Dollar" are to United States Dollars, the official currency of the United States of America.

All the figures in this Draft Red Herring Prospectus have been presented in 'million' units or in whole numbers where the numbers have been too small to present in million, unless stated otherwise. One million represents 1,000,000, one billion represents 1,000 million and one trillion represents 1,000 billion.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded off to such number of decimal points as provided in such respective sources.

**Exchange Rates**

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the other currencies used in this Draft Red Herring Prospectus:

*(In ₹)*

| Currency | March 31, 2026 | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| 1 AED | 25.77 | 23.26 | 22.70 |
| 1 EUR | 109.01 | 92.32 | 90.22 |
| 1 USD | 94.65 | 85.58 | 83.37 |
| 1 GBP | 125.63 | 110.74 | 105.29 |

*Source: www.fbil.org.in*, *exchange-rates.org*
*Note: The exchange rate is rounded off to two decimal places. In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered.*

**Industry and Market Data**

Unless stated otherwise, information pertaining to the industry in which our Company operates in, contained in this Draft Red Herring Prospectus is derived industry publications, in particular, the report titled *"Indian Rebonded Polyurethane Foam Market"* dated September 29, 2026 ("**D&B Report**"). The D&B Report has been commissioned and paid for by our Company exclusively for the purposes of the Offer, pursuant to an engagement letter dated August 5, 2026 and is available on our Company's website at https://www.sarvafoam.com/investors/ and has also been included in *"**Material Contracts and Documents for Inspection- Material Documents**"* on page 495.

D&B is an independent agency which has no relationship with our Company, our Promoter (including Promoter Selling Shareholder), any of our Directors, Key Managerial Personnel, Senior Management, the BRLM, or the Subsidiaries. For risks in relation to commissioned reports, please see *"**Risk Factors - Industry information included in the Offer Documents has been derived from the D&B Report, which was prepared by Dun & Bradstreet Information Services India Private Limited and exclusively commissioned and paid for by our Company for the purposes of the Offer, and any reliance on information from the D&B Report for making an investment decision in the Offer is subject to inherent risks**"* on page 63

D&B *vide* their consent letter dated September 29, 2026 has accorded their no objection and consent to use the D&B Report, in full or in part, in relation to the Offer.

The D&B Report is available on the website of our Company at https://www.sarvafoam.com/investors/, from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date. Unless otherwise indicated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained or derived from the D&B Report has been commissioned by our Company for an agreed fee. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. 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. Accordingly, no investment decision should be made solely on the basis of such information. Further, industry sources and publications are also prepared based on information as of a specific date and may no longer be current or reflect current trends.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in *"**Risk Factors**"* on page 25.

There are no listed peers in India or globally that are comparable to our scale of operations. Accordingly, no

information in relation to peers or industry averages is available. However, we have provided Sheela Foam Limited as peer comparison since some of the vertical of Sheela Foam Limited matches with our industry in which we operate. For further information, the section *"**Basis for Offer Price**"* on page 152. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends.

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## SECTION II – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section addresses general risks associated with the industry in which we operate, and specific risks associated with our Company. To obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with the sections "**Industry Overview**", "**Our Business**", "**Key Industry Regulations and Policies in India**", "**Management's Discussion and Analysis of Financial Position and Results of Operations**" and "**Outstanding Litigation and Material Developments**" on pages 169, 218, 249, 368 and 393 respectively, as well as "**Other Financial Information**" on page 366 in this Draft Red Herring Prospectus.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all risk factors that may arise in connection with our business, or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate or any decisions to purchase own or dispose of Equity Shares. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. Further, some events may be material collectively rather than individually. Potential Investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us, our business and the terms of the Offer including the merits and risks involved. Potential Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See the section "**Forward-Looking Statements**" beginning on page 19.*

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscals 2026, 2025 and 2024, included herein is based on or derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For details, see "**Restated Consolidated Financial Information**" beginning on page 292. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations.*

*Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.*

*The industry and market data used in this section, unless otherwise indicated, has been derived from the report titled "Indian Rebonded Polyurethane Foam Market" dated September 29, 2026 ("**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B**"), and commissioned and paid for by our Company for an agreed fee, exclusively for the purpose of this Offer. A copy of the D&B Report is available on the website of our Company at https://www.sarvafoam.com/investors/, from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Further, the D&B Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the D&B Report. The views expressed in the D&B Report are that of D&B. For more information and risks in relation to commissioned reports, please see "**Risk Factors- Industry information included in the Offer Documents has been derived from the D&B Report, which was prepared by Dun & Bradstreet Information Services India Private Limited and exclusively commissioned and paid for by our***

***Company for the purposes of the Offer, and any reliance on information from the D&B Report for making an investment decision in the Offer is subject to inherent risks*** *" on page 63. Also see, "****Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*** *" on page 63.*

*Further, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. For details relating to the defined terms in the section, see "****Definitions and Abbreviations*** *" beginning on page 2. Unless the context otherwise requires, in this section, references to "our Company" or "the Company" or "we", "us", "our" refers to Sarva Foam Industries Limited on consolidated basis.*

## INTERNAL RISK FACTORS

1. ***We are dependent on our top three, top five and top ten customers. We derive a significant portion of our revenue from our top 10 customers, who contributed 81.00%, 96.34% and 95.06% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively. The loss of such customers or a significant reduction in demand of our products from these customers could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring. While our customers may vary annually, we generate significant revenues from our top 10 customers every year. Consequently, our business and financial condition in any given financial year is reliant on our top 10 customers. Our revenue from operations from our top 3 customers, top 5 customers and top 10 customers for the years indicated are set out below:

| Particulars | Financial year ended March 31, 2026* | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Revenue contribution (₹ in million) | As a % of revenue from operations | Revenue contribution (₹ in million) | As a % of revenue from operations | Revenue contribution (₹ in million) | As a % of revenue from operations |
| Top 3 customers | 940.15 | 45.61% | 1,058.22 | 60.52% | 842.76 | 63.83% |
| Top 5 customers | 1,283.14 | 62.25% | 1,419.63 | 81.20% | 1,165.66 | 88.28% |
| Top 10 customers | 1,669.45 | 81.00% | 1,684.38 | 96.34% | 1,255.16 | 95.06% |

*Note: Our Top 10 customers for Fiscal 2026 include Sheela Foam Limited, Duroflex Limited, Infinity Flooring, Shrivaarna Technofoams Private Limited and Repose Mattress Private Limited. Names of our other top 10 customers for Fiscal 2026 have not been included in this Draft Red Herring Prospectus due to non-receipt of their consents.*

While we have retained several customers for a long duration and maintain good relations with them, the loss of any of our top customers for any reason or if such customers decide to choose our competitors over us or choose alternate products which are not manufactured by us may lead to a corresponding decrease in demand for our products, thereby affecting the volume and timing of sales to our customers, which could have a material adverse impact on our business, results of operations, financial conditions and cash flows. Our customers may also demand price reductions, discounts and change in payment terms.

While we have entered into agreements with some of our customers, we majorly operate based on purchase orders from our customers. During Fiscals 2026, 2025 and 2024, we have not had any instances of losing any of our key customers, however, there can be no assurance that we will not lose all or a portion of sales from these customers, which could adversely affect our business, financial condition and results of operations. Our success in adding new customers depends on numerous factors, including our ability to execute our sales and marketing strategy, attract, effectively train, and retain new employees and workforce, develop or expand relationships with customers, expand into new geographies and verticals and effectively manage and forecast our customer demand. We also cannot assure you that we will be able to maintain historic levels of business from our key customers, or that will be able to significantly reduce customer concentration in the future, all of which could have an impact on our business prospects and financial performance.

2. ***We rely on limited number of suppliers for our material requirements which constitutes a significant part***

***of our total expenses and the revenue contribution as a percentage of total purchases from our top 10 suppliers were 81.76%, 86.21% and 80.41% in Fiscals 2026, 2025 and 2024, respectively. Any increase in the prices, availability and quality of materials or loss of these suppliers could adversely affect our reputation, business, results from operations, financial conditions and cash flows.***

Our raw materials primarily include PU foam trims, PU foam off-cuts and various grades of binders. We do not enter into long term contracts or other arrangements with the suppliers of our materials and rely on purchase orders which are placed as required. In the absence of long-term contracts establishing formal relationships between us and such parties, we cannot assure you that we will be able to procure materials on favourable terms. We undertake procurement of materials from both domestic and international suppliers based on factors including but not limited to market availability, pricing and quality. The table below sets out our cost of materials consumed for the years indicated and such expenses as a percentage of our total expenses for the same periods:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | In ₹ millions | As a percentage of total expenses (%) | In ₹ millions | As a percentage of total expenses (%) | In ₹ millions | As a percentage of total expenses (%) |
| Cost of materials consumed including changes in inventories of finished goods and work in progress | 732.06 | 39.68% | 407.65 | 25.51% | 362.21 | 29.22% |

While there are a number of suppliers for materials used by us, we generally procure our materials from select suppliers with whom we have worked in the past and who have provided us materials of acceptable quality at commercially viable rates and favourable payment terms. Set out below is the cost of materials purchased from our top 3 suppliers, top 5 suppliers and top 10 suppliers for the years indicated:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Revenue contribution (in ₹ million) | As a % of total purchases | Revenue contribution (in ₹ million) | As a % of total purchases | Revenue contribution (in ₹ million) | As a % of total purchases |
| Top 3 suppliers | 660.32 | 47.80% | 713.06 | 48.92% | 489.26 | 45.57% |
| Top 5 suppliers | 928.43 | 67.21% | 1,019.27 | 69.92% | 661.02 | 61.56% |
| Top 10 suppliers | 1,129.35 | 81.76% | 1,256.66 | 86.21% | 863.37 | 80.41% |

*Note: Our Top 10 suppliers for Fiscal 2026 include Sheela Foam Limited, Duroflex Limited, and Shrivaarna Technofoams Private Limited. Names of our other top 10 suppliers for Fiscal 2026 have not been included in this Draft Red Herring Prospectus due to non-receipt of their consents.*

If our suppliers, in particular our top 10 suppliers discontinue supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our materials from alternative suppliers on similar commercial terms or within a reasonable timeframe which could, in turn, adversely affect our manufacturing operations, our product quality and our product delivery timelines. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also delay the delivery of products to our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

Further, our suppliers may impose conditions including minimum order quantity, minimum lead time to delivery, requirement for advance payments, quotas on supplies, commit to purchase of their inventory without us having firm orders which may require us to carry higher inventory levels and take impairments on inventory if such orders don't materialize. While we have not been required to take any charges towards impairment of inventory, we cannot assure you that the same will continue in future. We cannot assure you that we will be able to pass on any increase in the cost of materials to our customers in the event of any fluctuation in cost of materials, which may then lead to a decline in our profit margins and adversely affect our results of operations.

3. ***For the Fiscal 2026, 2025 and 2024 the inventory level days were 100 days, 80 days, and 59 days respectively, failure to maintain optimal inventory levels could increase our operating costs or lead to unfulfilled customer orders, either of which could have an adverse effect on our business, financial***

***condition, results of operations and prospects.***

We need to ensure optimal inventory levels and are exposed to inventory risk as a result of rapid changes in consumer demand, uncertainty of global disruptions, higher lead times due to import of our raw materials and other related problems as well as the general economic environment in India. There can be no assurance that we can accurately predict these demands or trends and events and avoid over-stocking or under-stocking of our products. If we overestimate customer demand, we may experience inventory surplus, which may lead to a wastage of products and write-down in inventory. If we underestimate customer demand or if our suppliers fail to provide products to us or deliver products to our customers in a timely manner, we may experience inventory shortages, which may, in turn, result in unfulfilled customer orders, leading to an adverse effect on our customer relationships.

The table below sets forth our details relating to our inventory levels and inventory turnover ratio for the years indicated:

| Particulars | Financial year ended March 31, 2026 | Financial year ended March 31, 2025 | Financial year ended March 31, 2024 |
|---|---|---|---|
| Inventory (₹ in millions) [(1)] | 381.58 | 362.72 | 196.70 |
| Inventory days [(2)] | 100 | 80 | 59 |
| Inventory turnover ratio (Revenue / Cost of Goods Sold) [(3)] | 3.66 | 4.62 | 6.28 |

*[(1)] Inventory of Raw materials, Work-in-progress, finished goods, stores and spare and packing materials as per the restated financial statements.*
*[(2)] Inventory days are calculated by dividing average of opening and closing inventory by Cost of Goods Sold and multiplying the result by 365 days.*
*[(3)] Inventory turnover ratio is calculated by dividing Cost of Goods Sold by average of opening and closing inventory.*

We place orders for products based on confirmed orders, demand forecast during the recent past and our assessment of the market. While we have not faced any such instances in the past three Fiscals, our failure to maintain proper inventory levels for our business may have an adverse effect on our business, financial condition, results of operations and prospects. For further details, please see *"**Risk Factor - Our business operations require significant working capital and any failure on our part to effectively manage our working capital requirements may require us to raise additional financing and any inability to do that may result in an adverse effect on our business, revenue from manufacturing operations and financial condition**"* on page 31.

***4. Significant increases or fluctuations in prices of, or shortages of, or delay or disruption in supply of primary raw materials could affect our estimated costs, expenditures and timelines which may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our business depends on the availability of commercially viable raw materials in the quality and quantity required by us. The primary raw material which we utilize at our Manufacturing Units consists of PU foam trims, off-cuts and various grades of binders. We undertake procurement of materials from both domestic and international suppliers based on factors including but not limited to market availability, pricing and quality.

Set forth below are details of cost of materials consumed, purchases of stock-in-trade and changes in inventories of finished goods, work in progress and stock-in-trade for the years indicated are set out below:

| Particulars | Financial year ended March 31, 2026 | | | Financial year ended March 31, 2025 | | | Financial year ended March 31, 2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) |
| Cost of Material Consumed | 712.88 | 34.59% | 38.64% | 429.36 | 24.56% | 26.87% | 379.94 | 28.78% | 30.65% |
| Purchases of Stock-in-trade | 635.71 | 30.84% | 34.46% | 887.99 | 50.79% | 55.57% | 644.92 | 48.84% | 52.03% |

| Particulars | Financial year ended March 31, 2026 | | | Financial year ended March 31, 2025 | | | Financial year ended March 31, 2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) | Amount (in ₹ million) | Percentage of revenue from operations (%) | Percentage of total expenses (%) |
| Changes in inventories of finished goods, work in progress and stock-in-trade | 13.90 | 0.67% | 0.75% | (25.67) | (1.47%) | (1.61%) | (26.95) | (2.04%) | (2.17%) |
| **Total** | **1,362.49** | **66.10%** | **73.85%** | **1,291.69** | **73.88%** | **80.83%** | **997.90** | **75.58%** | **80.51%** |

The details of our raw material consumed for the Fiscals 2026, 2025 and 2024 are set forth below:

*(₹ in million)*

| Material Name | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Consumption Amount | % of total consumption | Consumption Amount | % of total consumption | Consumption Amount | % of total consumption |
| PU Foam Trims and off cuts | 456.14 | 63.99% | 289.46 | 67.42% | 269.16 | 70.84% |
| Foam Binders | 180.25 | 25.28% | 103.86 | 24.19% | 100.82 | 26.54% |
| Double sided non-woven | 22.87 | 3.21% | - | - | - | - |
| Stitch Crepe Paper | 14.33 | 2.01% | - | - | - | - |
| Packing Material | 30.17 | 4.23% | 20.76 | 4.83% | 8.87 | 2.33% |
| Other Material | 9.12 | 1.28% | 15.28 | 3.56% | 1.09 | 0.29% |
| **Total Consumption** | **712.88** | **100.00%** | **429.36** | **100.00%** | **379.94** | **100.00%** |

The price and availability of such input materials is subject to, supply side disruptions and is dependent on several factors beyond our control, including overall economic conditions, taxes, the prevailing Indian regulatory environment, geopolitical uncertainty, foreign exchange rate, production levels of our suppliers, transportation costs and trade sanctions. Further, input materials are subject to price volatility and any fluctuation in the price of our input materials may have an adverse impact on our margins. Except for the increase in our raw material procurement costs we have not faced any raw material disruptions in the last three Fiscals.

Further, we purchase our raw materials on purchase order basis and we do not enter into any long term agreements with our suppliers. Further, if our suppliers are unable to supply adequate quantities of the raw materials which we require for our operations or if our suppliers are otherwise unable to meet their delivery obligations to us, we may not be able to find adequate replacements for such materials or suppliers. While there have been no such instances in the last three Fiscals which had a material impact on our business, results of operations and financial condition, any delay or default in procuring raw materials may consequently impact our delivery schedules and commitments to our customers. During such periods of shortages, we may not be able to produce our products according to our pre-determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, reputation, results of operations, financial condition and cash flows.

5. ***We are yet to register the lease deed for the allotment of land where our Proposed Project shall be established.***

One of the Objects of the Offer is funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("**PU**") foam products ("**Proposed Project**") in Bhopal, Madhya Pradesh. The Proposed Project is being established at Plot No. O 01 (earlier Plot No. AM04), Acharpura Textile Park, Bhopal, Madhya Pradesh on land that has been allotted from Madhya Pradesh Industrial Development Corporation Limited ("**MPIDC**") *vide* a Letter of Intent ("**LoI**") bearing no MPIDCL/ROB/BF-3(iii)/2026-27/S 438 dated September 23, 2026 ("**LoI**") for a term of 99 years. As per the LoI, total deposits of ₹38.91 million ("**Deposit**") were required to be deposited within 60 days from the date of issuance of the LoI and our Company has made the requisite payment towards the Deposit from internal accruals. Further, as per the LoI, a letter of allotment would be issued to our Company after receipt of abovementioned Deposit and our Company would be required to execute a lease deed within 30 days.

Our Company was in receipt of Letter of Allotment ("**LoA**") bearing reference number: MPIDCL/ROBPL/BF-3(iii)/2026-27/662 dated September 28, 2026, for a term of 99 years. Further, our Company is in the process of registering the lease deed in relation to the same. The execution of the lease deed is subject to several contingencies including but not limited to, potential administrative delays, third party litigations/disputes regarding the title of the land. Further, we have applied for consent to establish, *vide* application number 14324352 dated September 24, 2026, with the Madhya Pradesh Pollution Control Board, and the same is pending as on the date of this Draft Red Herring Prospectus.

We cannot assure you that the lease deed for the allotment of land in relation to the Proposed Project shall be registered in a timely manner i.e., within 30 days as per the terms of the LoA or at all. Further, we cannot assure you that the consent to establish approval will be issued in a timely manner, or at all. If we are unable to register the lease deed or receive the consent to establish approval, in a timely manner or at all, it may lead to time and cost over-runs for the Proposed Project.

6. ***Our revenue from operations outside India constituted 34.71%, 0.06% and Nil of our total revenue from operations in Fiscals 2026, 2025 and 2024, respectively. Our inability to operate or expand our business in such countries, or any adverse changes in the conditions affecting these markets, could adversely impact our business, financial condition, results of operations, cash flows, and future growth prospects.***

As a part of our strategy, we have expanded our operations in the overseas market and currently, derive significant revenue from outside India. While historically our revenue from customers outside India has been low, one of our strategies is to drive expansion in our current international markets and expand our global footprint over time. For more details, please see *"**Our Business- Our Strategies**"* on page 225. We derive our revenue from operations from outside India from sale of products to countries like United Kingdom, Australia, Qatar and Ireland. Set out below is our revenue from operations outside India and our revenue from operations within India:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations |
| Revenue from operations from within India | 1,336.56 | 64.84% | 1,747.29 | 99.94% | 1,320.36 | 100.00% |
| Revenue from operations from outside India | 715.35 | 34.71% | 1.10 | 0.06% | - | - |
| Export Benefits | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

Loss of all or a substantial portion of sales from any of our customers from outside India, for any reason (including due to any material adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or local government in these countries) could have an adverse effect on our business results of operations, financial conditions, cash flows and future business prospects in these countries. We cannot assure you that such an event will not occur in the future or upon occurrence of such an event, our Company will be able to successfully venture into other geographies to mitigate the loss.

Further, we derive a substantial portion of our revenue from operations outside India, with the majority

concentrated in the United Kingdom. For Fiscal 2026 revenue generated from the United Kingdom market was ₹ 604.15 million which was 29.31% of our total consolidated revenue from operations and 84.45% of our revenue from operations outside India. Our significant dependence on the United Kingdom market exposes us to region-specific risks, including but not limited to downturns in the United Kingdom economy, changes in inflation, interest rate hikes, or reduced capital/consumer spending in our business segment, changes in local trade policies, fluctuations in the exchange rate between the GBP and the INR. Any of the factors mentioned above could lead to a drop in demand for our products in the United Kingdom and loss of major customers which could adversely affect our results of operations, cash flows and financial condition.

Further, our operations may be impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- differing accounting standards and interpretations;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- difficulty in staffing and managing widespread operations;
- transportation costs of products to such geographies;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements; and
- availability and terms of financing, if applicable.

Even though the majority of our revenue from operations are based in India, significant of our revenue is dependent on our revenue from operations outside India. To the extent that we are unable to effectively manage our global operations and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge and resources), we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and cash flows may be adversely affected.

7. ***Our business operations require significant working capital and any failure on our part to effectively manage our working capital requirements may require us to raise additional financing and any inability to do that may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.***

Our business operations are subject to significant working capital requirements to maintain optimum inventory levels of materials, work-in-progress and finished goods as well as to offer credit to our customers and fulfil our payment obligations towards our suppliers. Currently, we meet our working capital requirements through a mix of internal accruals and working capital facilities from lenders. The key components of our working capital requirement and our net working capital requirements for Fiscal 2026, 2025 and 2024 respectively are set out in the table below:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ million) | Number of days | Amount (₹ million) | Number of days | Amount (₹ million) | Number of days |
| Inventories (**I**) [(1)] | 381.58 | 100 | 362.72 | 80 | 196.70 | 59 |
| Trade Receivables (**II**) [(2)] | 623.66 | 79 | 258.21 | 38 | 100.59 | 42 |
| Other Financial and current assets (excluding cash and cash equivalents and Bank Balances) (**III**) [(2)] | 35.88 | 8 | 43.72 | 6 | 8.78 | 3 |
| Trade payables (**IV**) [(1)] | 358.06 | 74 | 190.28 | 35 | 55.10 | 23 |
| Other financial and current liabilities (excluding current borrowings) (**V**) [(1)] | 101.93 | 19 | 49.12 | 9 | 16.19 | 4 |
| **Net Working Capital (VI = I + II + III – IV – V)** | **581.13** | **94** | **425.25** | **80** | **234.79** | **77** |

*[(1)]The average of opening and closing balances of inventories, trade payables, and other financial and current liabilities are divided by the Cost of Goods Sold for the relevant fiscal year and multiplied by 365 days to derive the corresponding number of days.*

*(2)The average of opening and closing balances of trade receivables, other financial and current assets are divided by the Revenue from Operations for the relevant fiscal year and multiplied by 365 days to derive the corresponding number of days.*

Our working capital requirements may increase in the future due to expansion of operations, growth in order execution, higher inventory holding, extended credit periods to customers, volatility in raw material prices and supply chain constraints. Any such increase may require us to rely on internal accruals, bank borrowings and other sources of financing to meet our liquidity requirements.

There can be no assurance that we will be able to generate sufficient cash flows from operations or secure adequate credit facilities or other sources of funding in a timely manner, or at all. Any delays in collection of trade receivables, higher-than-expected inventory levels, increase in borrowing costs or tightening of credit conditions could adversely affect our liquidity position and, consequently, our business, results of operations, financial condition and future prospects.

***8. Our success depends on our continuing relationship with our existing customers and majority of our customers are repeat customers. Loss of any of these customers or reduction in their demand for our products could adversely affect our business, results of operation and financial conditions.***

We have established long-term relationship with our existing customers and we are dependent on the repeat business from these customers. Set out below are the number of our repeat customers and their revenue contribution during Fiscal 2026, Fiscal 2025 and Fiscal 2024:

| Particulars | Fiscal 2026 | | | Fiscal 2025 | | | Fiscal 2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Number of repeat customers | Revenue from sale of product to repeat customers (in ₹ million) | As a % of revenue from sale of product | Number of repeat customers | Revenue from sale of product to repeat customers (in ₹ million) | As a % of revenue from sale of product | Number of repeat customers | Revenue from sale of product to repeat customers (in ₹ million) | As a % of revenue from sale of product |
| Repeat customers | 29 | 1,184.91 | 57.75% | 27 | 1,419.91 | 81.21% | 42 | 1,314.46 | 99.55% |

While, over the years we have also increased our customer base, we expect that we will continue to be reliant on certain customers for the foreseeable future. Accordingly, any failure to retain these customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

Many of the purchase orders we receive from our customers specify the requirements of the customers and a delivery schedule. However, such orders may be amended or cancelled prior to completion. Any cancellation or termination by our customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of materials and of production schedules, thereby increasing our costs relating to maintaining our inventory and adversely impact our capacity utilizations. Further, some of our agreements with our customers are governed by foreign laws and any adverse legal actions that may be taken against us by customers owing to breach of terms of agreements could expose us to the laws of such foreign jurisdiction that we do not have a detailed understanding of.

While there has been no instance of customers blacklisting us in Fiscals 2026, 2025 and 2024, we cannot assure you that such an event will not occur in the future, or our Company will be able to successfully mitigate the loss of any customer or will be able to replace them new customers.

***9. Our inability to collect receivables and defaults in payment from our customers could result in the reduction of our profits and affect our cash flows.***

Our operations involve the practice of extending credit to our customers as per the commercial arrangements entered into between our Company and each customer and which may range from 7 days to 120 days and as a result we are exposed to counterparty credit risk in the usual course of our business dealings with our customers who may delay or fail to make payments or perform their other contractual obligations. Set out below are details of our outstanding trade receivables for the years indicated:

| Particulars | Financial year ended March 31, 2026 | Financial year ended March 31, 2025 | Financial year ended March 31, 2024 |
|---|---|---|---|
| Trade receivables (₹ million) | 623.66 | 258.21 | 100.59 |
| Trade receivables days [(1)] | 79 | 38 | 42 |
| Trade receivable turnover ratio [(2)] | 4.67 | 9.75 | 8.75 |

*[(1)] Trade receivable days are calculated by dividing average of opening and closing trade receivables by revenue from operations and multiplying the result by 365 days.*
*[(2)] Trade receivable turnover ratio is calculated by dividing revenue from operations by average of opening and closing trade receivables.*

We cannot assure you that we will be able to accurately assess the creditworthiness of our customers in the future. Further, financial difficulty, deterioration in their business performance, or a downturn in the economy could cause our customers to delay payments, request for modification of their payment terms or default in their payment obligations. Any default in payment may also cause us to enter into litigation for which our Company may have to bear unwarranted cost. If such customers delay or default in making payments in the future, our profit margins and cash flows may be adversely affected.

While we have not experienced any material payment default by our customers in the last three Fiscals, there can be no assurance that we will be able to collect receivables from our customers as per the contractual terms, which may require us to utilise greater amounts of our operating working capital and result in increase in financing costs, thereby adversely affecting our results of operations and cash flows.

***10. We are completely reliant on third-party logistics service providers for transport of input materials and our finished products.***

We procure raw materials from domestic and international suppliers, which are brought to our Manufacturing Facilities through third party logistics providers including shipping companies and overland transport companies. Similarly, our finished products are transported from our Manufacturing Facilities to our customers by road and sea. The logistics service providers are, therefore, integral to our Company's business operations. We do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

Our final products are both bulky and dense in nature leading to significant transportation expense and freight and forwarding charges. Set out in the table below are the transportation expense and freight and forwarding charges we incurred for the years indicated:

| Particulars | Financial year ended March 31, 2026 | Financial year ended March 31, 2025 | Financial year ended March 31, 2024 |
|---|---|---|---|
| Freight and forwarding charges *(in ₹ million)* | 121.79 | 66.56 | 97.02 |
| As a % of our total expenses | 6.60% | 4.16% | 7.83% |

While we have over the years engaged the services of various logistics service providers for our business operations, we have not entered into, contractual arrangements with such third-party logistics providers. While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain the services of other service providers, our business operations could be adversely impacted, at times, significantly. Moreover, we cannot assure you that we will not be liable for acts of negligence or other acts which may result in harm or injury to third parties.

While there have been no instances of discontinuance of logistics services during the last 3 Fiscals, we cannot assure you that we will not face discontinuance of logistic services in the future which could have a material adverse effect on our overall business, result of operations, cash flows and financial condition of our Company.

***11. Our business is dependent and will continue to depend on our Manufacturing Facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations that could interfere with our operations could have an adverse effect on our business, results of operations and financial condition.***

Presently, we operate out of our four (4) existing strategically located Manufacturing Facilities with one Facility

in Northern India at Dadri, Uttar Pradesh, one Facility in Western India at Silvassa, Dadra & Nagar Haveli and two Facilities in Southern India at Krishnagiri, Tamil Nadu. Our business is dependent upon our ability to manage our Manufacturing Facilities, which are subject to various operating risks, including those beyond our control, such as the malfunction or failure of equipment as well as industrial accidents, fire, power interruptions severe weather conditions and natural disasters. Any significant malfunction or failure of our machinery, our equipment, or any other part of our manufacturing processes or systems (together, our "**Manufacturing Assets**") may entail significant repair and maintenance costs and cause delays in our operations. Although we carry out equipment maintenance, we cannot assure you that we will not experience any malfunction or failure of our Manufacturing Assets in the future. If we are unable to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we procure the appropriate Manufacturing Assets to replace them.

In addition, we may be required to carry out planned shutdowns of our Manufacturing Facilities for maintenance, or due to some reasons beyond our control such as an outbreak of a pandemic or any materially adverse social, political or economic development, civil disruptions, statutory inspections, quality inspections could adversely affect operations. In the future, we may also experience shutdowns or periods of reduced production because of regulatory issues, power outage, natural disaster, equipment failure, employee-related incidents that result in harm or death, delays in raw material deliveries. On June 28, 2023, we faced a major fire incident at our Silvassa Unit which was earlier operated by us in on a leasehold basis which resulted in temporary shutdown of the Silvassa Unit. We cannot assure you that there will not be any such significant disruptions in our operations in the future. After this fire incident at the Silvassa Unit resulted in loss of fixed assets of ₹ 4.73 million and loss of stock of ₹17.52 million and the total amount paid to our Company after assessment of loss by the insurance company was ₹16.00 million. Pursuant to which the Silvassa Unit was entirely not operational until February 01, 2025. Our inability to effectively respond to such events and rectify any such disruption in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilization of our Manufacturing Facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

***12. There have been certain delays in payment of statutory dues in the past. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.***

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. The table below sets forth details of statutory dues paid by our Company in relation to our employees for the years indicated:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Number of employees * | Paid (₹ in Millions) | Number of employees * | Paid (₹ in Millions) | Number of employees * | Paid (₹ in Millions) |
| The Employees Provident Fund and Miscellaneous Provisions Act, 1952 | 74 | 2.32 | 43 | 1.55 | 39 | 1.43 |
| Employee State Insurance Act, 1948 | 5 | 0.04 | 7 | 0.07 | 24 | 0.01 |
| Professional Taxes | 10 | 0.10 | 20 | 0.08 | 13 | 0.03 |
| Income Tax Act, 1961 (TDS and TCS) | NA | 12.04 | NA | 9.63 | NA | 5.67 |
| Goods and Service Tax Act, 2017 | NA | 395.64 | NA | 432.51 | NA | 419.74 |
| Income Tax Act, 1961 (Income Tax Liability) | NA | 61.78 | NA | 55.76 | NA | 23.00 |

**Number of employees represents the closing headcount as at the end of each respective period.*

There have been no instances of non-payment, delay in the payment of statutory dues/liabilities for the years indicated, except as follows:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Number of Instances | Amount delayed (₹ in millions) | Number of Instances | Amount delayed (₹ in millions) | Number of Instances | Amount delayed (₹ in millions) |
| The Employees Provident Fund and Miscellaneous Provisions Act, 1952 | Nil | Nil | 1 | 0.14 | Nil | Nil |
| Employee State Insurance Act, 1948 | Nil | Nil | 3 | 0.01 | Nil | Nil |
| Professional Taxes | 12 | 0.08 | 9 | 0.06 | 8 | 0.03 |
| Income Tax Act, 1961 (TDS and TCS) | Nil | Nil | Nil | Nil | Nil | Nil |
| Goods and Service Tax Act, 2017 | 1 | Nil | Nil | Nil | Nil | Nil |
| Income Tax Act, 1961 (Income Tax Liability) | Nil | Nil | Nil | Nil | Nil | Nil |
| **Total** | **13** | **0.08** | **13** | **0.21** | **8** | **0.03** |

*# The number of instances of default has been determined on a **month-wise basis**. Accordingly, where delays in payment of statutory dues occurred across one or more companies/employees within the same month, such delays have been **aggregated and reported as a single instance** for above table for that month.*

While no actions have been initiated against our Company in relation to the abovementioned non-compliances or delays, we cannot assure you that any regulatory or statutory actions including imposition of penalties will not be initiated against us in relation to the said non-compliances which may have a material adverse effect on our financial condition and cash flows. While our Company has subsequently made payment of all pending dues, we cannot assure you that there will not be any delays in the future and that the relevant regulatory authorities will not impose significant penalties which may impede our operations and results from operations.

***13. Our Company has in the past entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties and that such transactions will not have an adverse effect on our financial conditions and result of operations.***

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Promoter, Directors, Key Managerial Personnel and their relatives, on an arm's length basis and in compliance with applicable law. Such transactions are inter-alia in relation to salaries and remuneration, loans given etc. A summary details of our transactions with related parties (including transactions with our Subsidiaries) are set out below:

***[Remainder of the page has been intentionally left blank]***

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| **Loan given** | | | | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | - | 11.33 | 0.65% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 44.11 | 2.14% | - | - | - | - |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 14.76 | 0.72% | 11.16 | 0.64% | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | - | 0.61 | 0.03% | 2.36 | 0.18% |
| **Total** | | | **58.86** | **2.86%** | **23.10** | **1.32%** | **2.36** | **0.18%** |
| **Loan taken** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | - | - | 11.33 | 0.65% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 44.11 | 2.14% | - | - | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | 14.76 | 0.72% | 11.16 | 0.64% | - | - |
| **Total** | | | **58.86** | **2.86%** | **22.49** | **1.29%** | - | **-** |
| **Loan repaid** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 2.13 | 0.10% | 5.65 | 0.32% | - | - |
| Sarva Foam Industries Limited | Geetika Giani | Whole Time Director (upto March 13, 2024) | - | - | 12.05 | 0.69% | 0.41 | 0.03% |
| Maxtar Industries | Geetika Giani | Partner | - | - | 2.12 | 0.12% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 11.33 | 0.55% | - | - | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 11.33 | 0.55% | - | - | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | - | 0.90 | 0.05% | 2.06 | 0.16% |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| **Total** | | | **24.80** | **1.20%** | **20.72** | **1.19%** | **2.47** | **0.19%** |
| **Capital/ Equity Investment** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | - | - | 67.48 | 3.86% | - | - |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | - | - | 0.00 | 0.00% | - | - |
| **Total** | | | **-** | **-** | **67.48** | **3.86%** | **-** | **-** |
| **Capital Contribution Received** | | | | | | | | |
| Maxtar Industries | Kunal Giani | Partner | 2.02 | 0.10% | - | - | - | - |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | - | 0.24 | 0.01% | | - |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | - | 67.48 | 3.86% | - | - |
| **Total** | | | **2.02** | **0.10%** | **67.72** | **3.87%** | - | **-** |
| **Investment Received** | | | | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | - | - | 0.00 | 0.00% | - | - |
| **Total** | | | **-** | **-** | **0.00** | **0.00%** | **-** | **-** |
| **Drawings from Partnership Firm** | | | | | | | | |
| Maxtar Industries | Kunal Giani | Partner | - | - | 67.98 | 3.89% | 4.69 | 0.36% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.69 | 0.03% | - | - | - | - |
| Maxtar Industries | Geetika Giani | Partner | - | - | - | - | 3.65 | 0.28% |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 10.59 | 0.51% | - | - | - | - |
| **Total** | | | **11.28** | **0.55%** | **67.98** | **3.89%** | **8.35** | **0.63%** |
| **Receipts from Partnership Firm** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 15.27 | 0.74% | 7.56 | 0.43% | - | - |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% | 10.59 | 0.51% | - | - | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| | | interest (w.e.f 01st April 2024) | | | | | | |
| **Total** | | | **25.86** | **1.25%** | **7.56** | **0.43%** | **-** | **-** |
| **Partnership Profit Distributed** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 15.27 | 0.74% | 7.56 | 0.43% | - | - |
| **Total** | | | **15.27** | **0.74%** | **7.56** | **0.43%** | **-** | **-** |
| **Sale of goods** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 0.52 | 0.03% | 17.23 | 0.99% | 274.24 | 20.77% |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 625.61 | 30.35% | 290.61 | 16.62% | 570.38 | 43.20% |
| **Total** | | | **626.13** | **30.38%** | **307.84** | **17.61%** | **844.62** | **63.97%** |
| **Purchase of goods** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 0.52 | 0.03% | 17.23 | 0.99% | 274.24 | 20.77% |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 625.61 | 30.35% | 290.61 | 16.62% | 570.38 | 43.20% |
| **Total** | | | **626.13** | **30.38%** | **307.84** | **17.61%** | **844.62** | **63.97%** |
| **Director/ Partner Remuneration** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 6.00 | 0.29% | 2.00 | 0.11% | - | - |
| Sarva Foam Industries Limited | Vijay Singh Parmar | Whole Time Director (w.e.f February 4, 2025) and Executive Director (w.e.f September 21, 2026) | 3.60 | 0.17% | 1.40 | 0.08% | - | - |
| Sarva Foam Industries Limited | Deepak Vaswani | Chief Executive Officer (w.e.f February 4, 2025) | 1.80 | 0.09% | 0.90 | 0.05% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| Sarva Foam Industries Limited | Payal Mishra | Chief Financial Officer (w.e.f February 4, 2025) | 1.71 | 0.08% | 0.28 | 0.02% | - | - |
| Sarva Foam Industries Limited | Sakshi Singh Chauhan | Company Secretary ( upto October 23, 2025) | 0.48 | 0.02% | 0.24 | 0.01% | - | - |
| Maxtar Industries | Kunal Giani | Partner | - | - | 1.76 | 0.10% | 3.54 | 0.27% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | - | 0.91 | 0.05% | - | - |
| **Total** | | | **13.59** | **0.66%** | **7.48** | **0.43%** | **3.54** | **0.27%** |
| **Sitting Fee** | | | | | | | | |
| Sarva Foam Industries Limited | Milind Sharma | Independent Director (w.e.f. June 2, 2025) | 0.01 | 0.00% | - | - | - | - |
| Sarva Foam Industries Limited | Sumit Shashtri | Independent Director (w.e.f February 27, 2025) | 0.01 | 0.00% | - | - | - | - |
| Sarva Foam Industries Limited | Smritai Mehta | Independent Director (w.e.f February 4, 2025) | 0.01 | 0.00% | - | - | - | - |
| **Total** | | | **0.03** | **0.00%** | **-** | **-** | **-** | **-** |
| **Purchase of Machinery** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | - | - | 3.00 | 0.17% | 1.02 | 0.08% |
| **Total** | | | - | **-** | **3.00** | **0.17%** | **1.02** | **0.08%** |
| **Sale of Machinery** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | - | 3.00 | 0.17% | 1.02 | 0.08% |
| **Total** | | | **-** | **-** | **3.00** | **0.17%** | **1.02** | **0.08%** |
| **Interest Expense** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | - | - | 1.76 | 0.10% | 1.10 | 0.08% |
| Maxtar Industries | Kunal Giani | Partner | 0.08 | 0.00% | 4.36 | 0.25% | 5.88 | 0.45% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.13 | 0.01% | 0.01 | 0.00% | - | - |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 9.39 | 0.46% | 3.55 | 0.20% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 0.79 | 0.04% | - | - | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | 2.86 | 0.14% | 0.15 | 0.01% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | - | - | 0.15 | 0.01% | - | - |
| **Total** | | | **13.25** | **0.64%** | **9.98** | **0.57%** | **6.98** | **0.53%** |
| **Interest Income** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 2.86 | 0.14% | 0.15 | 0.01% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | - | 0.15 | 0.01% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 0.79 | 0.04% | - | - | - | - |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 9.39 | 0.46% | 3.55 | 0.20% | - | - |
| **Total** | | | **13.04** | **0.63%** | **3.85** | **0.22%** | - | **-** |
| **Rent Expenses** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam Proprietorship | Proprietorship Firm of Managing Director | 1.13 | 0.06% | 1.13 | 0.06% | 1.13 | 0.09% |
| **Total** | | | **1.13** | **0.06%** | **1.13** | **0.06%** | **1.13** | **0.09%** |
| **Trade advance given** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | - | - | 4.60 | 0.26% | - | - |
| **Total** | | | **-** | **-** | **4.60** | **0.26%** | **-** | **-** |
| **Trade advance received back** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | 4.60 | 0.22% | - | | - | - |
| **Total** | | | **4.60** | **0.22%** | **-** | | **-** | **-** |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| **Trade advance repaid** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | 4.60 | 0.22% | - | - | - | - |
| **Total** | | | **4.60** | **0.22%** | **-** | **-** | **-** | **-** |
| **Trade advance taken** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | - | - | 4.60 | 0.26% | - | - |
| **Total** | | | **-** | **-** | **4.60** | **0.26%** | **-** | **-** |

While all such transactions have been conducted on an arm's length basis and in accordance with the Companies Act and other applicable laws, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations.

***14. The land and premises for our Registered and Corporate Office and certain of our Manufacturing Facilities are taken on lease by us. If we are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition, result of operations and cash flows. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, cash flows, results of operations and financial condition.***

Some of the premises on which we operate are not currently owned by us. Our Registered and Corporate Office is on premises that have been leased by us from third parties. Upon expiration of the relevant agreement for such leased premises, wherever applicable, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all.

Further, some of our lease deeds for our properties may not be registered and some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. In the event that these existing leases are terminated, or they are not renewed on commercially acceptable terms or at all, or if we fail to successfully transfer the title deeds of the abovementioned immovable properties, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, cash flows, financial condition and results of operations may be adversely affected.

Further, we may require additional amount of land for the purposes of operating our Manufacturing Facilities and future expansion plans. However, we cannot assure you that we will be able to identify or acquire adequate land either on a freehold or leasehold basis, or that land acquisitions will be completed in a timely manner, at acceptable costs and/or on commercially reasonable terms, without opposition, or at all. The cost of acquiring land on a freehold or leasehold basis for our Manufacturing Facilities may be higher than we estimated and is subject to a number of factors, including the type of land being acquired, market prices, the level of economic development in the area where the land is located and government regulations pertaining to the price of land, among others. In addition, we may face significant opposition to the construction of our Manufacturing Facilities from local communities, tribes, non-government organizations and other parties. Such opposition or circumstances may be beyond our control. If we are unable to acquire the required amount of land for our Manufacturing Facilities, the viability and efficiency of such projects may be affected. In addition, any inability to complete the acquisition of the necessary land in a timely manner may cause construction delays. The occurrence of any such event could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

***15. We have faced a fire incident at one of our manufacturing units in the past, any such incidents in the future could adversely affect our business, operations and financial conditions.***

Our manufacturing process involves upcycling of PU foam trims and off-cuts into rebonded PU foam products using various grades of binders, these binders act like an adhesive for this process. In Fiscal 2024, we have faced a major fire incident at our Silvassa Unit which was earlier operated by us in on a leasehold basis which resulted in temporary shutdown of the Silvassa Unit. Although we maintain fire and material damage insurance policies for our factory, machinery, and inventory, our coverage may prove insufficient to absorb the full extent of loss suffered. After this fire incident at the Silvassa Unit resulted in loss of fixed assets of ₹ 4.73 million and loss of stock of ₹17.52 million and the total amount paid to our Company after assessment of loss by the insurance company was ₹16.00 million. Pursuant to which the Silvassa Unit was entirely not operational until February 01, 2025.

Such incidents can cause destruction of critical machinery at our manufacturing units. Further, such incidents can cause loss of raw material stocks, work-in-progress goods and finished inventory, leading to missed delivery schedules, loss of key customers. There can be no assurance that similar or more severe incidents will not recur in the future.

***16. Exchange rate fluctuations may adversely affect our results of operations as a portion of our expenditures and our sales from exports are denominated in foreign currencies.***

Our Company's financial statements are prepared in Indian Rupees. As of the date of this Draft Red Herring Prospectus, certain of our sales and expenses are denominated in foreign currencies.

In particular, a some of our raw materials are imported directly from vendors in United Kingdom, Srilanka, China, Spain, UAE on spot prices, with the rest being procured from local vendors. Our expenditure on import of raw material for the years indicated are set out below:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in million) | As a % of purchases of raw material | Amount (₹ in million) | As a % of purchases of raw material | Amount (₹ in million) | As a % of purchases of raw material |
| Expenditure on imports of raw material | 8.43 | 0.61% | 40.64 | 2.79% | 116.59 | 10.86% |

These raw material imports are settled in U.S. Dollars. In addition, we have from Fiscal 2026, started deriving a portion of our revenue from operations from outside India. The table below sets forth break up of our revenue from operations derived from outside of India for the fiscal years respectively as indicated:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Revenue (₹ in million) | % of Total revenue from operations | Revenue (₹ in million) | % of Total revenue from operations | Revenue (₹ in million) | % of Total revenue from operations |
| Revenue from operations from outside India | 715.35 | 34.71% | 1.10 | 0.06% | - | - |

These exports are primarily settled in U.S. Dollars and GBP, among others.

Set out below is the gain on foreign exchange variation (net) during Fiscal 2026, Fiscal 2025 and Fiscal 2024:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (in ₹ million) | As a % of total income | Amount (in ₹ million) | As a % of total income | Amount (in ₹ million) | As a % of total income |
| Gain / (Loss) on foreign exchange variation (net) | 24.05 | 1.15% | (0.15) | (0.01%) | 1.05 | 0.08% |

We do not have any hedging policy or enter into any hedging transaction. Accordingly, we have currency exposures relating to buying and selling in currencies other than Indian Rupees, particularly the U.S. Dollar and GBP. Accordingly, our business, results of operations and financial condition may be adversely affected by fluctuations in the value of the Indian Rupee against the U.S. Dollar, GBP or, if we use other foreign currencies as settlement currencies, other foreign currencies.

***17. Our operations are reliant on human resources, and our employee benefit expenses form a significant part of our overall expenses. Any disruption in steady and regular supply of workforce for our operations or our inability to manage our employee benefit expenses could have an adverse impact on our business operations and financial conditions.***

We are reliant on availability of steady and regular supply of human resources for our business operations. Any disruption in the availability of workforce (including due to strikes or work stoppage or labour disputes) could have an adverse impact on our business operations and financial conditions. While there have been no such instances of disruption in availability of workforce or strikes or labour disputes, we cannot assure you that such an event will not occur in the future and that occurrence of such an event will not have an adverse impact on our business operations and financial conditions.

As a part of our employee compensation, we incur various costs, including salaries, wages and bonus, staff welfare

expenses, gratuity expense and contribution to provident and other funds. The table below sets out our employee benefit expenses incurred on our permanent employees and such expenses as a percentage of our total expenses as at and for the years indicated:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ million) | % of total expenses | Amount (₹ million) | % of total expenses | Amount (₹ million) | % of total expenses |
| Employee benefits expenses | 64.80 | 3.51% | 41.33 | 2.59% | 30.12 | 2.43% |

Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number employees that our business requires. Set out below is our Company's average attrition rate for the years indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Number of permanent employees at the end of respective Fiscal | 101 | 64 | 61 |
| Attrition Rate (%)* | 28.47% | 25.84% | 49.59% |

**Attrition rate is calculated by dividing the number of employees who left by the total of opening headcount and new employees who joined.*

We may be required to incur significant expenses and devote time and efforts by senior management to recruit, train and retain employee. While we have not faced a disproportionate increase in our attrition rate or employee benefit expenses in the last three Fiscals, a significant increase in attrition or employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects.

We are also subject to the laws and regulations in India governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees and work permits. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. Further, these labour legislations require compliance, from time to time, which may among others, involve payments to be made depending upon their period of employment. If we fail to comply with labour welfare legislations, we may be exposed to fines and we may also face the risk of our licenses under applicable legislations being cancelled or suspended. Further, regulatory agencies in different states and courts in India may interpret compliance requirements differently, which may make compliance with laws and regulations more complex, time consuming and costly.

***18. We derive a substantial portion of our revenue from the sales derived from our Rebonded Foam Sheets and Rebonded Carpet Underlay segments. Our revenue from sales in these segments were 81.01%, 57.24% and 70.45% of our revenue from operations for the Fiscals 2026, 2025 and 2024 and any loss of sales due to reduction in demand in the mattress segments could adversely affect our business, financial condition, results of operations and cash flows. In addition, we may not be able to diversify into new product lines which may adversely affect our business, revenue from operations, cash flows and financial condition.***

We rely heavily on revenue generated from the sale in our Rebonded Foam Sheets and Rebonded Carpet Underlay. In case there is a significant shift in the demand for our products in these segments, or if our customers start relying on other suppliers for such products, or if better substitutes are available in market, it could adversely affect our business, results of operations, profitability and margins, cash flows and financial condition. While we have not experienced any material decline in our sales in the Rebonded Foam Sheets and Rebonded Carpet Underlay segments in the Fiscals 2026, 2025 and 2024, there is no assurance that we will not face any such decline in the future.

The table below sets forth the ratio of the revenue contribution from our key segments as a percentage of our revenue from operations for the for the years indicated:

*(₹ in million)*

| Company's operation | Fiscal 2026 | % of Total Revenue | Fiscal 2025 | % of Total Revenue | Fiscal 2024 | % of Total Revenue |
|---|---|---|---|---|---|---|
| ***Revenue generated from Manufacturing:*** | | | | | | |
| Rebonded Foam Sheets | 810.33 | 39.31% | 680.44 | 38.92% | 610.29 | 46.22% |
| Rebonded Carpet Underlays | 488.57 | 23.70% | - | - | - | - |
| Rebonded Foam Blocks | 22.38 | 1.09% | 30.00 | 1.72% | 12.90 | 0.98% |
| Sale of Scrap and By-Product | 55.10 | 2.67% | 51.60 | 2.95% | 35.36 | 2.68% |
| Others* | 3.10 | 0.15% | 4.19 | 0.24% | 3.69 | 0.28% |
| **Total of Manufacturing Revenue (A)** | **1,379.48** | **66.93%** | **766.23** | **43.82%** | **662.24** | **50.16%** |
| ***Revenue generated from Trading:*** | | | | | | |
| Rebonded foam sheets | 152.77 | 7.41% | 505.23 | 28.90% | 319.87 | 24.23% |
| Rebonded Carpet underlays accessories | 218.31 | 10.59% | - | - | - | - |
| Rebonded foam Blocks | 3.89 | 0.19% | 24.27 | 1.39% | - | - |
| Foam Binders | 56.37 | 2.73% | 183.99 | 10.52% | 96.46 | 7.31% |
| Foam Trims | 241.09 | 11.70% | 268.67 | 15.37% | 241.05 | 18.26% |
| Others | - | - | - | - | 0.75 | 0.06% |
| **Total of Trading Revenue (B)** | **672.43** | **32.62%** | **982.16** | **56.17%** | **658.13** | **49.84%** |
| Export Incentive (C) | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total (A+B+C)** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

**it primarily constitutes of freight reimbursements.*

Our future success will also depend in part on our ability to reduce our dependence on these segments by introducing new products based on the evolving market trends in a timely manner. There can be no assurance that the products we introduce will achieve market acceptance. We may be unable to anticipate changes in customer preferences and regulatory standards in the future. As a result, we may not be able to successfully develop and bring to market new or improved products.

Further, we cannot assure you that we will succeed in effectively implementing our new product strategies in our new product offerings or that we will be able to recover our investments since we will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, and possible defects in products. Any failure to successfully manufacture and market new products could adversely affect our business, results of operations, profitability and margins, cash flow and financial condition.

***19. We have indebtedness which requires cash flows to service and limits our ability to operate freely. Any breach of terms under our financing arrangements or our inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating.***

As of August 31, 2026, our total sanctioned (fund based) and outstanding indebtedness (fund based) was ₹ 1,632.98 million and ₹ 832.45 million, respectively. The table below sets forth certain information on our total borrowings, debt to equity ratio, finance cost and debt service coverage ratio as at the dates indicated:

| Particulars | As at and for Fiscal 2026 | As at and for Fiscal 2025 | As at and for Fiscal 2024 |
|---|---|---|---|
| Total borrowings (₹ in million) | 987.33 | 620.69 | 339.22 |
| Debt to equity ratio (i.e., total debt / total equity) (in times) | 1.39 | 3.27 | 2.22 |
| Finance costs (₹ in million) | 58.54 | 45.89 | 27.57 |
| Debt service coverage ratio (in times)* | 1.63 | 2.44 | 3.94 |

**It is calculated by dividing earning available for debt service by Debt Servicing.*

The level of our indebtedness could have several important consequences, including but not limited to the following:

i. a significant portion of our operating cash flow may be required to service our existing debt, which will reduce the available cash flow to fund our capital expenditures and other business requirements;

ii. defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets;

iii. a portion of our indebtedness is subject to floating rates of interest. Fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings; and

iv. our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions including incur additional debt, declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Offer, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future.

While our Company has not defaulted in repayment of our borrowings during the last 3 Fiscals, if we are unable to comply with the covenants and conditions set forth in our financing agreements, or if we fail to obtain the necessary consents from our lenders, this could result in an event of default under such agreements. This may give our lenders the right to enforce their security, accelerate repayment, or impose additional restrictions on our operations, which could adversely impact our business, financial condition, and cash flows. Additionally, failure to comply with these covenants may restrict our ability to raise further financing, which could limit our growth prospects and operational flexibility.

***20. Potential conflict of interest of the promoters or directors of the issuer if involved with one or more ventures which are in the same line of activity or business as that of the issuer.***

As on the date of this Draft Red Herring Prospectus, our promoter or directors are involved in one or more ventures which are in the same line of activity or business as our Company. These entities include Bondpro Foam Industries Private Limited, Bondpro Foam Industries Private Limited, Universal Foam (Proprietorship firm) for further details, please see *"**Our Group Companies**"* and "***Our Promoter and Promoter Group***" on page 289 and 286, respectively. Further, our Promoter and Directors may have interests in entities, to the extent of their shareholding and/or directorships, which are in businesses similar to ours and this may result in conflict of interest with us. We cannot assure you that our Promoter or Promoter Group will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. In the event that any conflicts of interest arise, our Promoter and Promoter Group may make or influence decisions regarding our operations, financial structure or commercial transactions that may not be in our shareholders' best interest.

We cannot assure that our Promoter or Directors would be able to effectively allocate their time and resources between managing the businesses of our Company and that of these entities or if decisions taken by them will be in the best interest of our Company. While we have not faced any such conflicting situation in the past, we cannot assure you that our Company will not face such situations in the future.

***21. Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company.***

Our Company's operations are subject to various risks and hazards which may adversely affect revenue generation and profitability of our Company. While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, including by purchasing and maintaining relevant insurance cover, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances.

While our Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance. If any uninsured loss occur, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. Further, even in the case of an insured risk occurring there can be no assurance that our Company will be successful in claiming insurance in part or full, or that the insurance purchased by us will be sufficient to cover the loss occasioned by the risk. For instance, in Fiscal 2024, we had faced a major fire incident at our Silvassa Unit which was earlier operated by us in on a leasehold basis which resulted in loss

of fixed assets of ₹ 4.73 million and loss of stock of ₹17.52 million and the total amount paid to our Company after assessment of loss by the insurance company was ₹16.00 million. Pursuant to which the Silvassa Unit was entirely not operational until February 01, 2025. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our Company's insurance premium.

Details of our total insurance coverage *vis-à-vis* our net assets as at and for the years indicated are set out below:

*(₹ in million, unless otherwise stated)*

| Particulars | Ref | As of | | |
|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| Net value of all tangible assets [(1)] (₹ in millions) | A | 981.88 | 674.68 | 375.81 |
| Net value of insured tangible assets (₹ in millions) | B | 783.34 | 662.65 | 375.81 |
| Amount of insurance coverage (₹ in millions) | C | 1,618.51 | 1,204.55 | 471.01 |
| Percentage of insured tangible assets (%) | B/A*100 | 79.78 | 98.22 | 100.00 |
| Insurance coverage as a percentage of insured tangible assets (%) | C/B*100 | 206.62 | 181.78 | 125.33 |

*[(1)] Tangible assets include inventories and fixed assets, where fixed assets consist of property, plant and equipment, capital work-in-progress, investment property, excluding right-of-use assets and freehold land.*

In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffer loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected.

***22. We source a portion of our raw materials from overseas suppliers. Events such as restrictions on import of raw materials, or changes in tariffs and tax rates, may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our business depends on the availability of commercially viable and high-quality input materials in the quantities required by us. The key input materials involved in our manufacturing process includes PU foam trims, off-cuts and various grades of binders. These key input materials are purchased from the domestic and international markets. Our expenditure on import of raw material and stock-in-trade for the years indicated are set out below:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in million) | As a % of total purchases | Amount (₹ in million) | As a % of total purchases | Amount (₹ in million) | As a % of total purchases |
| Expenditure on imports | 8.43 | 0.63% | 40.64 | 2.85% | 116.59 | 11.34% |

Although our dependency on import of raw materials has reduced over the years, any adverse fluctuation in foreign exchange or steady depreciation in the value of the Indian Rupee against the currency of our imports will increase our costs of operations, may adversely affect our margins, and consequently our profitability. Further, any restriction on the sourcing of materials from certain countries could adversely affect our business and financial condition.

We cannot assure you that we will always be able to meet our material requirements from overseas suppliers at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of materials to our customers. Any inability on our part to import sufficient quantities of materials, on commercially acceptable terms, may impact our delivery commitments, lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

***23. We intend to utilise the Net Proceeds for funding our capital expenditure requirements which aggregates to ₹ 900.00 million and we are yet to place orders for our capital expenditure requirements. There is no***

***assurance that we would be able to source such capital expenditure requirements in a timely manner or at commercially acceptable prices.***

We propose to utilize ₹ 900.00 million of our Net Proceeds for funding capital expenditure requirements for Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("**PU**") foam products ("**Proposed Project**") at Bhopal, Madhya Pradesh. The Proposed Project is being established at Plot No. O 01 (earlier Plot No. AM04), Acharpura Textile Park, Bhopal, Madhya Pradesh on land that has been allotted from Madhya Pradesh Industrial Development Corporation Limited ("**MPIDC**") *vide* a Letter of Allotment ("**LoA**") bearing reference number: MPIDCL/ROBPL/BF-3(iii)/2026-27/662 dated September 28, 2026, for a term of 99 years. We have not entered into any definitive agreements with any of the vendors and have relied on the quotations received from vendors for further information, please see *"**Objects of the Offer**"* on page 117. Further, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution or any other independent agency, except the Cost Vetting Report dated September 29, 2026, issued by D&B. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations, that there will not be cost escalations and that we would be able to procure such equipment in a timely manner, or that we will complete our expansion works within the estimated timelines, and if not, obtain extensions for the quotations at reasonable cost to us, if at all. There is no assurance that we would be able to source such upgradation in a timely manner or at commercially acceptable prices, which could adversely affect our expansion plans and consequently, our business and results of operations.

In case, at the time of placing the order, our Company would not be able to acquire such plant and machinery at the expected price, we are subject to risks on account of inflation in the price of machineries. In case of increase in price of such plant and machinery our Company shall require to arrange such additional funds for completion of the project. If we are not able to arrange such additional funds in due time which may result in delay in implementation of our project and which may adversely affect the profitability and financial results of the Company.

***24. Our Company has applied for the registration of the trademark in relation to our Company's logo. Until such registration is granted, we may not be able to prevent unauthorised use of such trademarks by third parties, which may lead to the dilution of our goodwill and adversely affect our business. If we are unable to protect our intellectual property rights, our business, results of operations, cash flows and financial condition may be adversely affected.***

As on date of the Draft Red Herring Prospectus, we have made a trademark registration application dated June 09, 2025, under class 27 for our Company's logo SARVA FOAM COMMITMENT THROUGH QUALITY, with the Registrar of Trademarks in India under the Trade Marks Act, 1999, the current status of the application is *"Objected"*. There can be no assurance that this trademark will be registered. Pending the registration of this trademark, we may have a lesser recourse to initiate legal proceedings to protect our private label. However, we may have to incur additional cost in relation to this. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may adversely affect our goodwill and business.

Although no such proceedings have been initiated during Fiscal 2026, Fiscal 2025 and Fiscal 2024, we may need to litigate to protect our intellectual property or to defend against third party infringement. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed. Any inability to use or protect our intellectual property could affect our relationships with our customers, which could materially and adversely affect our brand, business, results of operations, cash flows and financial condition.

***25. We face significant competitive pressures in our industry. Our inability to compete effectively would be detrimental to our business and prospects for future growth.***

The Indian rebonded polyurethane foam market is characterized by a mix of specialized rebonded foam manufacturers, vertically integrated foam producers, mattress companies with captive recycling capabilities, and numerous regional unorganized players. Competition is driven not only by price and manufacturing capabilities

but also by control over foam trims, customer relationships, geographic presence, and degree of vertical integration. *(Source: D&B Report).* We face competition from players such as Brahma Foam Industries Private Limited, Sleeploop India Private Limited, Saloni Coir Private Limited, and AR Foam Industries.

There can be no assurance that we will maintain our competitiveness in any of these areas with respect to any of our products. While we work to offset pricing pressures, introduce new products, improve our services and enhance our production efficiency to reduce costs, such efforts may not be successful. Also, as we plan to expand our offerings to launch new products, we may face strong competition from other players in the same markets. Many of our existing and potential competitors may seek to be at par with us or exceed us in terms of their financial, production, sales, marketing and other resources. If we fail to compete effectively in the future, our results of operations, financial condition and cashflows could be adversely affected

***26. There are certain outstanding litigations involving our Company, which if determined adversely, could affect our business, cash flows and results of operations.***

As on the date of this Draft Red Herring Prospectus, we are involved in certain civil, and tax proceedings which are pending at different levels of adjudication before various courts, tribunals, forums and appellate authorities. We cannot assure you that these legal proceedings will be decided in our favour. Decisions in proceedings adverse to our interests may have a significant adverse effect on our business, management, financial condition, results of operations and cash flows. In relation to tax proceedings, in the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward.

A summary of pending material civil, tax, regulatory and criminal proceedings involving our Company, Promoter, Directors (other than Promoter), Subsidiaries, Key Managerial Personnel and Senior Management, as identified by our Company pursuant to the Materiality Policy adopted by our Board is provided below:

| Name of the Entity | Criminal proceedings | Tax proceedings | Statutory or Regulatory proceedings | Disciplinary actions by SEBI or Stock Exchanges against our Promoter | Material civil litigation | Aggregate amount involved* (₹ in million) |
|---|---|---|---|---|---|---|
| ***Company*** | | | | | | |
| By our Company | Nil | Nil | Nil | Not applicable | 1 | 5.00 |
| Against our Company | Nil | 3 | Nil | Not applicable | Nil | 0.89 |
| ***Directors (other than Promoter)*** | | | | | | |
| By our Directors | Nil | Nil | Nil | Not applicable | Nil | Nil |
| Against our Directors | Nil | Nil | Nil | Not applicable | Nil | Nil |
| ***Promoter*** | | | | | | |
| By our Promoter | Nil | Nil | Nil | Nil | Nil | Nil |
| Against our Promoter | Nil | Nil | Nil | Nil | Nil | Nil |
| ***Subsidiaries*** | | | | | | |
| By our Subsidiaries | Nil | Nil | Nil | Not applicable | Nil | Nil |
| Against our Subsidiaries | Nil | 4 | Nil | Not applicable | Nil | 2.38 |
| ***Key Managerial Personnel*** | | | | | | |
| By our Key Managerial Personnel | Nil | Not applicable | Nil | Not applicable | Not applicable | Nil |
| Against our Key Managerial Personnel | Nil | Not applicable | Nil | Not applicable | Not applicable | Nil |
| ***Senior Management*** | | | | | | |

| Name of the Entity | Criminal proceedings | Tax proceedings | Statutory or Regulatory proceedings | Disciplinary actions by SEBI or Stock Exchanges against our Promoter | Material civil litigation | Aggregate amount involved* (₹ in million) |
|---|---|---|---|---|---|---|
| By our Senior Management | Nil | Not applicable | Nil | Not applicable | Not applicable | Nil |
| Against our Senior Management | Nil | Not applicable | Nil | Not applicable | Not applicable | Nil |

#*In accordance with the Materiality Policy*
**To the extent ascertainable and quantifiable*

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations involving our Group Companies which may have a material impact on our Company.

For further details on the outstanding litigation matters involving our Company, its Promoter, its Directors (other than Promoter), its Subsidiaries, its Key Managerial Personnel and its Senior Management see *"**Outstanding Litigation and Other Material Developments**"* at page 393.

***27. Any delays in the schedule of implementation of our proposed objects could have an adverse impact on our business, financial condition and results of operations.***

We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements which includes, inter alia, for Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("**PU**") foam products ("**Proposed Project**"). For further information, see *"**Objects of the Offer**"* on page 117. Further, the details of our proposed schedule of implementation and deployment of proceeds is as follows:

*(₹ in million)*

| Sr. No. | Particulars | Total estimated amount | Amount deployed as on September 27, 2026 | Amount to be funded from the Internal Accruals | Estimated amount to be funded from the Net Proceeds | Estimated deployment of the Net Proceeds in Fiscals | |
|---|---|---|---|---|---|---|---|
| | | | | | | 2027 | 2028 |
| 1. | Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("PU") foam products ("**Proposed Project**"); | 980.00 (1) | 38.04 (2) | 41.96(3) | 900.00 | 70.00 | 830.00 |
| 2. | Repayment and/or pre-payment, in part or full, of certain borrowings availed by our Company | 300.00 | - | - | 300.00 | 200.00 | 100.00 |
| 3. | General corporate purposes (4) | [●] | [●] | [●] | [●] | [●] | [●] |
| | **Total**(5) | **[●]** | [●] | **[●]** | **[●]** | **[●]** | **[●]** |

(1) *Total estimated cost as per Cost Vetting Report dated September 29, 2026, issued by Dun & Bradstreet Information Services India Private Limited in respect of the Proposed Project.*

(2) *As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026.*

(3) *The Company has sufficient existing internal accruals as certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026.*

(4) *To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

(5) *Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size*

*of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

We are subject to risks associated with delays in the schedule of implementation of our Proposed Project. These include risks on account of market conditions, delay in procuring and operationalizing assets or necessary licenses and approvals, competition, price fluctuations, interest rate fluctuations and other external factors. In the event we are unable to adhere to our proposed schedule of implementation of our objects, we may be subject to cost escalations which in-turn could have a material adverse impact on our business, financial condition and results of operations.

***28. We face certain risks that are specific to the Indian Rebonded Polyurethane Foam Market. If some or all of these materialise it could have a material adverse effect on our business, results of operations and financial condition.***

We operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring.

As per the D&B Report (on page200), the Indian rebonded polyurethane foam market in India faces certain challenges which include:

**1. Landfill Persistence Concerns -** Although rebonded foam helps divert trims from landfill, polyurethane itself remains a difficult material from a waste-management perspective. In general, PU foam degrades slowly, is resistant to biological breakdown, can remain in landfills for decades and contributes to long-term plastic waste accumulation. Consequently, even recycled PU products eventually face disposal challenges at their end of life.

**2. Limited Collection Infrastructure for Post-Consumer Trims -** India has a limited formal infrastructure for mattress take-back, PU trims segregation and End-of-life foam collection. As a result, the industry relies predominantly on Factory trims, Furniture manufacturing offcuts and Mattress production offcuts. This limits access to potentially large post-consumer streams that could support industry growth.

As per the D&B Report (on page 193), the Indian rebonded polyurethane foam market in India faces certain threats which include:

**1. Competition from Alternative Sustainable Materials**

Emerging materials include Natural latex, Coir-based products, Recycled polyester systems, Bio-based foams and Plant-derived polyurethane foams. Sustainability-focused customers may seek alternatives perceived as more environmentally friendly. Sustainability-focused customers may seek alternatives perceived as more environmentally friendly.

**2. Stricter Chemical and Environmental Regulations**

Governments are increasingly regulating aspects related to Isocyanates, VOC emissions, Flame retardants and Waste management practices. This may lead to increasing compliance costs. Hence, smaller and unorganized manufacturers may face operational challenges.

For further information, please see *"**Industry Overview**"* on page 169.

If any or a combination of the foregoing challenges or threats materialise, it could have a material adverse effect on our business, results of operations and financial condition.

***29. In the event our contingent liabilities and capital commitments materialize, our financial condition and profitability may be adversely affected.***

Set out below are the details of our contingent liabilities and commitments as at and for the years indicated is set out below:

*(₹ in million)*

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **Claims against the company not acknowledged as debts (Tax matters in dispute under appeal):** | | | |
| (i) Goods and Services Tax[(1)] | 1.89 | 1.10 | 0.11 |
| (ii) Income tax | 1.39 | - | - |
| (iii) Customs | - | - | - |
| **Guarantees excluding financial guarantees:** | | | |
| (i) Bank guarantees | - | - | - |
| (ii) Corporate guarantees given to / on behalf of related party | - | - | - |
| Other money for which the company is contingently liable[(2)] | 89.17 | 22.20 | 11.37 |
| **Commitments:** | | | |
| (i) Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 37.30 | - | - |
| (ii) Other commitments[(3)] | 150.69 | 165.45 | - |

***Note 1- Goods and service tax & Income Tax***

*The Parent Company has received orders/demands of Rs.0.11 Mn in relation to e-way bill and Input Tax Credit in 2024.*
*GST demand of ₹0.99 Mn & ₹0.78 Mn raised by the tax authorities in relation to excess Input Tax Credit (ITC) claimed by subsidiary & Parent Company for FY 2022-23 & FY 2021-22, respectively.*
*Maxtar Industries has been :*
*- Issued under Section 154 & 143 (1) of Income Tax Act 1961 on 30.12.2024 & 05.05.2022 and re-issued on 04.03.2026 involving demand of Rs. 0.20 Mn*
*- Issued under Section 143(3) of Income Tax Act 1961 on 26.12.2019 and re-issued on 30.12.2024 involving demand of Rs. 1.19 Mn*

*The Company is contesting these demands and the management including its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations.*

***Note 2- Other Money for which the company is contingently liable***

*The Company has imported machineries under the EPCG Scheme of the Foreign Trade Policy, availing exemption/concessional rate of Customs duty, against which the Company is required to fulfil an export obligation equivalent to 6 times the duty saved, within a period of 6 years from the date of issue of the license. The Company has commenced exports during the financial year 2025-26 towards fulfilment of this export obligation, and the balance obligation is to be completed within the stipulated period as per the extant regulations.*

***Note 3- Other Commitments***

*As per the agreement dated February 20, 2025, the Parent Company agrees to extend Unsecured loan upto GBP 1.6 million to the Sarva Global Ventures Ltd (Subsidiary). The Loan will be used for its business purposes only, including but not limited to meet working capital requirement or operational expenses.*

We cannot assure you that these contingent liabilities shall not become established as liabilities. If these contingent liabilities or commitments were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. For further details, see '*Restated Consolidated Financial Statements - Note no. 40 – Commitments and Contingencies' on page 292.* Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities or commitments in the future.

***30. We have power, fuel and water requirements and any disruption to electrical power, fuel or water sources could increase our production costs and adversely affect our results of operations.***

We require power, fuel and water for the operation of our Manufacturing Facilities. If energy costs rise, or if electricity, fuel or water supplies are disrupted, our manufacturing operations could be disrupted, and our profitability could decline. The power requirements for our business are sourced from respective state power

utility providers. Further, the water requirements for our business are primarily met through bore wells present at our Manufacturing Facilities and external sources.

Set out below are the power, fuel and water charges incurred by us for years indicated:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Amount *(in ₹ million)* | % of total expenses | Amount *(in ₹ million)* | % of total expenses | Amount *(in ₹ million)* | % of total expenses |
| Power & Fuel charges | 32.81 | 1.78% | 24.73 | 1.55% | 14.22 | 1.15% |
| Water charges | 0.40 | 0.02% | 0.22 | 0.01% | 0.15 | 0.01% |

As our business operations grow, we believe that our requirements for power, fuel and water will increase significantly. We cannot assure you that we will be able to secure such additional resources for power, fuel and water on commercially viable terms or at all. Failure to manufacture our products on account of unavailability of electrical power, fuel or water may restrict us in maintaining optimum capacity utilization which in-turn may impact our business and results of operation.

While there has not been any instance of any abrupt electrical power failure or unavailability of fuel and water at our Manufacturing Facilities for the last 3 Fiscals**,** any such event in the future may significantly impact our business and results of operation. Further, if any of the electrical power, fuel or water charges increase, it may not be possible for us to pass on such increase in our costs to our customers.

***31. As part of our business strategies, we intend to expand our geographical reach. Our inability to successfully expand into new geographical areas may have an adverse effect on our business, results of operations and financial condition.***

As part of our business strategies, we intend to expand our geographical reach into regions such as United Kingdom, Europe, Australia and the Middle East. Further, we plan to setup a manufacturing facility in Scotland. We, through our wholly owned subsidiary Sarva Global Ventures Ltd have entered a memorandum of understanding with J&D Wilkie Limited ("**Wilkie**") dated September 17, 2026 ("**MoU**") for a proposed joint venture for setting up a PU carpet underlay factory in Dundee, Scotland. For details, please refer to *"**Our Business – Our Strategies – Expand our geographical reach**"* on page 225.

Our ability to reach new customers in new geographical areas, setting up the manufacturing unit in Dundee, Scotland, are dependent on many factors, some of which are out of our control, such as economic conditions, political scenario and customer preferences in the new geographical areas. If we cannot successfully expand into new geographical areas, our business prospects and financial condition may be adversely affected.

***32. We have dues which are outstanding to our creditors. Any failure in payment of these dues may have a material adverse effect on our reputation, business and financial condition.***

As of March 31, 2026, our Company had 235 creditors and the aggregate amount due by us to these creditors was ₹ 358.06 million, as detailed below:

| Types of Creditors | Number of Creditors | Amount involved (in ₹ million) |
|---|---|---|
| Dues to micro, small and medium enterprises* | 61 | 114.42 |
| Material Creditors | 6 | 210.83 |
| Other Creditors | 168 | 32.81 |
| **Total** | **235** | **358.06** |

** As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*
*Total creditors include material creditor of our Company as per Materiality Policy.*

Any failure to make payments to our creditors in a timely manner in accordance with the terms and conditions of the agreements or purchase orders with them, or at all, may lead to our creditors not providing us with materials in future or to disassociate their relationship with us. In addition, delay or failure in payment of dues to our creditors may also result in creditors initiating legal proceedings against us. All these factors may have a material adverse effect on our reputation, business and financial condition.

***33. We are dependent on contract labour and any disruption to the supply of such labour or our inability to***

***control the composition and cost of our contract labour could adversely affect our operations and financial performance.***

We generally appoint permanent employees for our regular business operations and manufacturing activities. In addition to our employees, we also engage contract labourers, mainly for our production activities. The contractual labourers are mainly appointed by us for any project expansion and modifications for our Manufacturing Facilities including the installation of captive power plant. Accordingly, the count of contractual labour has increased over the last 3 Fiscals.

The table below sets forth details of our contract labourers as at the Fiscals indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Number of contract labourers | 368 | 190 | 110 |

**Headcounts for each fiscal year are based on the contract labourer invoices received for March of respective Fiscal*.

We incur certain contract labour charges for engaging workforce through independent contractors. The table below sets forth the contractual labour charges and such charges as percentage of revenue from operations for the Fiscals indicated.

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | ₹ in million | % of total expenses | ₹ in million | % of total expenses | ₹ in million | % of total expenses |
| Labour charges | 70.05 | 3.80% | 42.29 | 2.65% | 28.05 | 2.26% |

Although we do not engage these labourers directly, we may be held responsible for any wage payments to these labourers in the event of default by our independent contractors. While the amount paid in such an event can be recovered from the independent contractor, any significant requirement to fund the wage requirements of the engaged labourers or delay in recovering such amounts from the contractors may have an adverse effect on our cash flows and results of operations. If we are unable to obtain the services of skilled and unskilled workmen or at reasonable rates, it may adversely affect our business and results of operations.

***34. Our funding requirements and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds for the purposes described in "***Objects of the Offer***" on page 117 of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our funding requirements have not been appraised by any bank or financial institution. Although, our Company has procured a Cost Vetting Report dated September 29, 2026 issued by D&B, our funding requirements have not been appraised by any bank or financial institution. They are based on current conditions and management estimates and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds in the manner specified in *"**Objects of the Offer**"* on page 117, the amount of Net Proceeds to be actually used will be based on our management's discretion. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value which may require us to reschedule or reallocate our capital expenditure and may have an adverse effect on our business, financial condition, results of operations and cash flows.

However, the deployment of the Gross Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

***35. Our Promoter has provided personal guarantees for certain borrowings obtained by our Company and Subsidiaries, and any failure or default by our Company and Subsidiaries to repay such loans could trigger repayment obligations on our Promoter, which may impact their ability to effectively service their***

***obligations and thereby, adversely impact our business and operations.***

As of August 31, 2026, certain of our borrowings are backed by personal guarantees provided by our Promoter. Our Promoter and certain members of our Promoter Group have also provided us with certain loans.

Set out below are details of personal guarantees provided by our Promoter and members of our Promoter Group in connection with the borrowings availed by our Company and our Subsidiaries:

| Sr. No. | Date of guarantee | Guarantee issued in favour of | Borrower | Security available in relation to borrowings for which guarantee has been issued | Guarantee amount (₹ in million) | Type of facility |
|---|---|---|---|---|---|---|
| 1 | August 7, 2026 | Kotak Mahindra Bank Limited | Sarva Foam Industries Limited | Plot No 29, Aakriti Exotica, Village Phanda Kalan, Tehsil Huzur, Bhopal, Madhya Pradesh, 462010<br><br>Plot No. 2, Khasra No 87-89/2, 87-89/3, 87-89/8 Chunabhatti, Bhopal, Madhya Pradesh, 462010 | 559.80 | Machinery term loan, LCBD sale, EPC/ PCFC, Cash credit, WCTL GECL |
| 2 | August 19, 2025 | Export Import Bank of India | Sarva Foam Industries Limited | - | 50.00 | Machinery term loan |
| 3 | August 23, 2023 and May 11, 2026 | Union Bank of India | Sarva Foam Industries Limited | - | 128.90 | Machinery term loan |
| 4 | February 26, 2026 | Jana Small Finance Bank | Sarva Foam Industries Limited | - | 30.00 | Purchase bill discounting |
| 5 | May 19, 2026 | Bajaj Finance Limited | Sarva Foam Industries Limited | - | 140.00 | Purchase bill discounting |
| 6 | June 8, 2026 | Yes Bank Limited | Sarva Foam Industries Limited | - | 293.00 | Export Packing Credit (EPC) |
| 7 | September 10, 2026 | Union Bank of India | Maxtar Industries | Residential Flat-Rudraksh Park Flat No 604<br><br>Bunglow No B3 Bb Premium Campus Aakriti Eco City | 3.20 | Working capital limit |
| 8 | June 3, 2026 | Union Bank of India | Maxtar Industries | Flat No. 604, VIth Floor, Block SR06, admeasuring 111.52 Sq. Mtr., Rudraksh Park, situated at Village Bawadiya Kalan, Ward No. 52, Patwari Halka No. 42/50, Tehsil | 0.57 | Term loan |

| Sr. No. | Date of guarantee | Guarantee issued in favour of | Borrower | Security available in relation to borrowings for which guarantee has been issued | Guarantee amount (₹ in million) | Type of facility |
|---|---|---|---|---|---|---|
| | | | | Huzur, District Bhopal<br><br>Residential House No. B-03, Blue Bird, Aakriti Eco City, part of Khasra No. 151/3/1/18, 15/1/3/1/10, 151/3/1/17, 151/3/1/8, 151/3/1/14, 151/3/1/6, 151/2/2/kha, 151/2/ka, 151/2/ga, situated at Village Bawadiya Kalan, Ward No. 52, Patwari Halka No. 42, Bhopal | | |
| 9 | July 9, 2026 | Central Bank of India | Sarvapratham Hospitality Private Limited | - | 150.00 | Term Loan |
| | **Total** | | | | **1,355.47** | |

For further details in relation to our borrowings, please see *"**Financial Indebtedness**"* on page 391. Any default or failure by our Company to repay loans in a timely manner or at all could trigger repayment obligations on the part of our Promoter in respect of such loans. This, in turn, could have an impact on the Promoter's ability to effectively service his obligations as the Promoter of our Company, thereby having an adverse effect on our business, results of operations and financial condition.

Further, in the event that our Promoter withdraw or terminate the guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our business, results of operations and financial condition.

***36. We may not be able to secure additional funding in the future. If we are unable to obtain sufficient funding, it may delay our growth plans and have a material adverse effect our business, cash flows and financial condition.***

From time to time, our plans may change due to changing circumstances, new business developments, new challenges or investment opportunities or unforeseen contingencies. If our plans change or if we are required to adapt to changing circumstances or business realities, we may need to obtain additional financing to meet *inter alia* capital expenditure requirements. Such financing may be in the form of debt funding, which may be raised through borrowings from commercial banks, issue of debentures or other debt securities. If we raise funds in future by incurring additional debt, our interest and debt repayment obligations will increase, and we may be subject to supplementary or new covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Moreover, these additional funds could come at a higher cost which may impact our profitability. Further, we cannot assure you that it will be able to obtain adequate financing to find future capital requirements on acceptable terms, in time.

***37. Our Company has suo moto filed applications for adjudication of penalty under section 454 of the Companies Act. Any penalty or action taken by any regulatory authorities in future in this regard could impact the financial position of the Company to that extent.***

Our Company has *suo moto* filed applications for adjudication of penalty under section 454 of the Companies Act before the RoC as regards the following matters: (i) non-compliance of section 149(1)(a) of the Companies Act (default in maintaining minimum Board strength for a continuous period of 79 days); (ii) non-compliance of section 174(1) read with section 174(2) of the Companies Act (failure to maintain quorum requirements prescribed under the Companies Act); and (iii) non-compliance of section 12(3)(c) of the Companies Act (certain business letters, billheads, letter papers, notices and other official publications issued by our Company did not contain particulars prescribed under section 12(3)(c) of the Companies Act).

With the expansion of our operations, there can be no assurance that such non-compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such non-compliances, in a timely manner or at all. Any penalty or regulatory action taken against us may adversely impact our cash flows and results of operations.

***38. Our Company has filed an exemption application dated September 27, 2026 with SEBI for seeking exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations from identifying Megha Singh (mother of Kunal Giani- Promoter) ("Relevant Person") and related entities, as members of the Promoter Group. We cannot assure you that complete disclosures relating to the Relevant Person and related entities are included in this Draft Red Herring Prospectus.***

In connection with the Offer, our Company is required to identify persons and entities, in accordance with the requirements of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as members of the 'promoter group' of the Company. In terms of the Regulation 2(1)(pp) of the SEBI ICDR Regulations, Megha Singh (mother of our Promoter- Kunal Giani) and the entities in which Megha Singh has an interest as per Regulation 2(1)(pp)(iv) of SEBI ICDR Regulations ("**Relevant Entities**"), are required to be identified as members of the promoter group of our Company.

Our Company filed an application dated September 27, 2026 ("**Exemption Application**") under Regulation 300(1)(c) of the SEBI ICDR Regulations to SEBI seeking relaxation from disclosing (i) Megha Singh and the Relevant Entities, as members of the promoter group.

Accordingly, our Company has included disclosures pertaining to Megha Singh as member of the Promoter Group in this Draft Red Herring Prospectus based on, and limited to the extent of, publicly available information from the websites of certain government authorities, in order to comply with the requirements of the SEBI ICDR Regulations. Further, there is no information publicly available about the Relevant Entities, and accordingly, such disclosures have not been made in this Draft Red Herring Prospectus. Given that the information related to Megha Singh as member of the Promoter Group in this Draft Red Herring Prospectus is solely based on the information which was available and accessible in the public domain, our Company has not ascertained the veracity or completeness of the information or if such information is updated. Our Company will also not be in a position to ascertain any subsequent developments in relation to the information. For further information, please see *"**Our Promoter and Promoter Group**"* on page 286.

***39. Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, cash flows and results of operations.***

We are required to obtain, renew and maintain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out / undertake our operations. These approvals, licenses, registrations and permissions may be subject to numerous conditions. For instance, as on the date of this Draft Red Herring Prospectus, there are certain material approvals for which applications have been made by our Company for instance- (i) Our Company has made an application for renewal of the Consolidated Consent and Authorization for our Silvassa Unit, vide application no.2557605 dated August 19, 2026, to Pollution Control Committee, Daman & Diu and Dadra Nagar Haveli; (ii) Our Company has applied for a Fire NOC for its Silvassa Unit with the Department of Fire and Emergency Services, Nani Daman, vide Application No. NOC/F202627/08212 dated September 25, 2026; (iii) Our Company has made an application for usage of ground water authorisation for our Silvassa Unit, *vide* application no. IND/DN/2024/1975 – REV - 1 dated September 09, 2026, to Central Ground Water Authority; and (iv) Our Company has made an application for usage of ground water authorisation for our

Dadri Unit, *vide* application no. UP015260929104940165 dated September 29, 2026, to Government of Uttar Pradesh (Nivesh Mitra Single Window System (INVESTUP). For further details see *"**Government and Other Approvals**"* on page 399.

If we fail to obtain and maintain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition.

***40. Under-utilization of our capacities in our operations and an inability to effectively utilize our expanded capacities could have an adverse effect on our business, future prospects and future financial performance.***

We operate out of our four (4) existing strategically located manufacturing units with one unit in Northern India at Dadri, Uttar Pradesh, one unit in Western India at Silvassa, Dadra & Nagar Haveli and two units in Southern India at Krishnagiri, Tamil Nadu. For further details in relation to our Manufacturing Facilities and installed capacity, available capacity, actual production and capacity utilization of our products, please refer to section titled "***Our Business***" on page 218.

Our ability to maintain our profitability depends on our ability to maintain sufficient levels of capacity utilization. Further, capacity utilization is affected by our raw material availability, transportation of raw material, product mix, our ability to accurately carry out uninterrupted operations, labour shortages or unrest, industry/ market conditions as well as overhead costs and manufacturing costs. In the event that there is a decline in the demand for our products, or if we face prolonged disruptions at our existing operational or proposed facility including due to interruptions in the supply of water, electricity or as a result of labor unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our facilities, resulting in operational inefficiencies which could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

***41. Our future success will depend on our ability to effectively implement our business and growth strategies. Our failure in effectively implementing our business and growth strategies may adversely affect our results of operations.***

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. Our current growth strategies include *(i) Expanding our manufacturing capacity and domestic presence; (ii) Expand our geographical reach; (iii) Capture growth opportunities in sustainability and the circular economy; and (iv) Diversify our product portfolio to capture higher wallet share*; and (v) *Continue to focus on improving operational efficiencies*. For details, see *"**Our Business – Strategies**"* on page 218. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

***42. We have availed unsecured loans from certain lenders and certain related parties which may be recalled at any time.***

As of August 31, 2026, our Company has availed unsecured loans aggregating ₹ 131.69 million from certain lenders and certain related parties which may be recalled at any time and our Company may need to borrow monies at higher rates of interest than presently available or utilise our Company's internal accruals, which may have an adverse impact on the profitability and future growth of our Company. The details of some of the unsecured loans availed pursuant to agreements entered into by our Company, as of August 31, 2026, are set out below:

| Category of borrowing | Sanctioned Amount (Rs. in millions) | Outstanding amount (Rs. in millions) as on August 31, 2026 |
|---|---|---|
| Unsecured Loans from Banks/NBFCs (India) | 88.82 | 61.18 |

| Category of borrowing | Sanctioned Amount (Rs. in millions) | Outstanding amount (Rs. in millions) as on August 31, 2026 |
|---|---|---|
| Unsecured Loans from Related Parties/Individuals (India) | 64.07 | 64.07 |
| Unsecured Loans Others (including GBP-denominated, converted to INR) | 6.44 | 6.44 |
| **Total** | **159.33** | **131.69** |

***43. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to use the Net Proceeds as described in "***Objects of the Offer***" on page 117. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013 and in accordance with other applicable laws, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining shareholders' approval through a special resolution. In the event of any such circumstances that require us to vary from the disclosed proposed utilization of the Net Proceeds, we may not be able to obtain Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoter would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of any contract referred to in this Draft Red Herring Prospectus, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to a variation from the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company.

Further, we cannot assure you that the Promoter or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to use any unutilized proceeds of the Offer in variation from the objects of the Offer, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, which may adversely affect our business, financial condition and results of operations. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth.

***44. Inability to obtain or protect our intellectual property rights may adversely affect our reputation and our business.***

Details of key trademarks are as set out below:

| Sr. No. | Application Number | Trademark | Class | Date of registration / application / renewal application | Status |
|---|---|---|---|---|---|
| 1 | 2873625 | SARVA FOAM COMMITMENT THROUGH QUALITY Manufacturers Of PU Foam Cushions & Mattress | 20 | December 31, 2024 | Registered |
| 2 | 7052100 | SARVA FOAM COMMITMENT THROUGH QUALITY | 27 | June 09, 2025 | Objected |
| 3 | 7052298 | SLEEPMAKER TECHNOLOGIES | 27 | June 09, 2025 | Under examination |

| Sr. No. | Application Number | Trademark | Class | Date of registration / application / renewal application | Status |
|---|---|---|---|---|---|
| 4 | 7052273 |  | 27 | June 09, 2025 | Objected |
| 5 | 7052121 |  | 27 | June 09, 2025 | Under examination |
| 6 | 7052154 |  | 27 | June 09, 2025 | Objected |
| 7 | 7052177 |  | 27 | June 09, 2025 | Objected |
| 8 | 7052523 |  | 27 | June 09, 2025 | Under examination |
| 9 | 7052249 |  | 27 | June 09, 2025 | Under examination |

In the absence of the registered wordmark and the trademarks which are currently objected, and copyright for which the application is pending, our ability to protect our intellectual property may be diluted to such extent, and could adversely affect our reputation and business, which could in turn adversely affect our financial performance. We cannot assure you that the wordmark and the trademarks which are currently objected and copyright for which applications which are pending, will be registered in our name, and that we will continue to enjoy uninterrupted use of the said intellectual property. If we are unable to obtain registration of the said wordmark and trademarks which are objected, and copyright for which applications are pending we will not be able to use it. Any claim of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending, and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. Our inability to obtain or maintain our trademarks and wordmark in our business, could adversely affect our reputation, goodwill, business prospectus, and results of operations. For further details, see '***Our Business - Intellectual Property***' on page 245.

***45. We are subject to various law and regulations, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.***

Our operations are subject to various national, state and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes. For instance, we require certain material approvals including approvals under the Water (Prevention and Control of Pollution) Act, 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended in order to establish and operate our manufacturing facilities in India, and registrations with the relevant tax, labour and municipal authorities in India. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. A majority of these approvals are granted for a limited duration. Some of these approvals, licenses and

permits have expired and we have either made or are in the process of making applications for renewing these approvals. For details of our material approvals for which applications are pending before relevant authorities, see *"**Government and Other Approvals**"* on page 399. We cannot assure you that our applications for renewal of these approvals will be issued or granted to us in a timely manner, or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, results of operations and cash flows.

It is possible that the environmental laws that our Company is governed by will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention and consume financial resources in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

For details of our material permits and approvals, see *"**Government and Other Approvals**"* on page 399.

***46. We could incur losses under our purchase orders with our customers or be subjected to disputes or contractual penalties as a result of delays in delivery or failures to meet contract specifications or delivery schedules which may have a material adverse effect on our business, results of operations and financial condition.***

We could incur losses under our purchase orders or be subjected to disputes or contractual penalties as a result of delays in delivery or failures to meet specifications or delivery schedules. We do not maintain insurance to cover losses resulting from such potential disputes or contractual penalties. In the past three fiscal years, there have been no instances of time overruns, due to which we have been required to re-negotiate some of the terms, such as date of delivery of our purchase orders due to a delay in delivery (owing to a combination of internal as well as external factors beyond our control). While there have been no delays in delivery or failures to meet the contract specifications by the Company in the past, there can be no assurance that our customers in the future will not rescind their purchase orders with us if there is a delay in delivery beyond the time stipulated in the purchase order. This may have an impact on our reputation, which could have a material adverse effect on our business, results of operations and financial condition. Further, payment of damages and renegotiation of terms of purchase orders could also have an adverse impact on our business, results of operations and financial condition. In addition, certain of our customer purchase orders, enable our customers to set off payments for goods delivered against previous outstanding balances. Any such instances may also impact our cash flows and have an adverse impact on our business operations.

***47. Any downgrade of our credit ratings may adversely affect our business and financial conditions and our ability to raise capital in the future.***

As of the date of this Draft Red Herring Prospectus, we have received the following credit ratings on our debt and credit facilities.

| Name of entity | Instrument or Rating Type | ₹ in million | Date | Long term rating |
|---|---|---|---|---|
| Sarva Foam Industries Limited | Total Bank Loan | 620.00 | June 25, 2026 | CRISIL BBB/Stable |

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Further, there can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

***48. We might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty that as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers: (b) result in costly litigation; (c) cause supplier delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. In the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, results of operations and financial condition.

***49. We are reliant on our Promoter, Key Managerial Personnel, Senior Managerial Personnel and persons with technical expertise. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the services of our Promoter, Key Managerial Personnel and Senior Managerial Personnel, and their ability to attract, train, motivate and retain skilled employees and other professionals.

If we are unable to hire additional personnel or retain existing skilled personnel, in particular our Key Managerial Personnel and persons with requisite skills, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Managerial Personnel, Senior Managerial Personnel and skilled and experienced employees could adversely affect our business and results of operations.

***50. Conflicts of interest may arise out of common pursuit between our Company and our Subsidiaries.***

There are common pursuits amongst our Company, and our wholly owned subsidiary i.e., Sarva Global Ventures Ltd and our step-down subsidiary i.e, Sarva Foam UK Ltd by virtue of engagement in similar business activities. However, the objects of the constitutional document of these Subsidiaries permit them to undertake business activities that are similar to our Company. Whilst we cannot assure you that a conflict of interest will not arise these entities decide to pursue such activities in future, our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise.

***51. None of our directors do not have any experience of being a director in a listed company. This may require them to divert their attention from our business concerns to understand the detailed operations of a listed company.***

Currently, our Board comprises of 8 directors out of which 4 are independent directors. None of our Directors are a director on the board of a listed company. While our Directors possess the required qualifications and appropriate skills, experience and knowledge required to act as independent director of our Company and are experienced in their respective fields, they may not have adequate experience in being a director of a listed company. Accordingly, such directors will need to familiarise themselves with the regulatory framework within which listed companies in India operate and to the extent that they are unfamiliar with such framework their ability to discharge their functions as independent directors could be adversely affected. As a listed company, we will be subject to increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company and will also be subject to increased corporate governance requirements. Accordingly, the lack of experience of our directors of never having been directors of a listed company, may require them to divert their attention from our business concerns to understand the detailed operations of a listed company.

***52. Our Company has issued Equity Shares during the last twelve months at a price which may be lower than the Offer Price.***

We have, in the 12 months preceding the filing of this Draft Red Herring Prospectus, issued Equity Shares at prices that may be lower than the Offer Price. See '*Capital Structure – Notes to Capital Structure – Offer of equity*

*shares at a price lower than the Offer Price in the last one year'* on page 100. The price at which our Company has issued the Equity Shares in the past is not indicative of the price at which they will be issued or traded.

***53. Inability to maintain adequate internal controls may affect our ability to effectively manage our operations which may adversely affect our business operations.***

As we continue to expand, our success depends on our ability to effectively utilise our resources and maintain internal controls. We may need to modify and improve our financial and management control processes, and other internal controls and compliance procedures to meet our evolving business needs. If we are unable to improve our controls, systems and procedures, they may become ineffective and adversely affect our ability to manage our operations which may adversely affect our business operations. Our efforts in improving our internal control systems may not result in eliminating all risks. If we are not successful in discovering and eliminating weaknesses in our internal controls, our ability to manage our business effectively may materially and adversely be affected.

***54. Information relating to the installed manufacturing capacity, actual production and capacity utilisation of our manufacturing facilities in India included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical installed capacity, actual production and estimated capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and independent chartered engineers, including assumptions relating to standard capacity calculation practice of the foam industry, period during which the manufacturing facility operates in a year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. For detailed information on our capacity and capacity utilization, please see "***Our Business - Capacity and capacity utilisation***" on page 238. Actual production volumes and capacity utilization rates may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Draft Red Herring Prospectus.

***55. Industry information included in the Offer Documents has been derived from the D&B Report, which was prepared by Dun & Bradstreet Information Services India Private Limited and exclusively commissioned and paid for by our Company for the purposes of the Offer, and any reliance on information from the D&B Report for making an investment decision in the Offer is subject to inherent risks***

This Draft Red Herring Prospectus includes information that is derived from an industry report titled *"Indian Rebonded Polyurethane Foam Market"* dated September 29, 2026 ("**D&B Report**"), prepared by Dun & Bradstreet Information Services India Private Limited ("**D&B**"), a research house, pursuant to an engagement letter dated August 5, 2026, with the Company. We commissioned and paid for the D&B Report for the purpose of confirming our understanding of the rebonded polyurethane foam industry in India. All such information in this Draft Red Herring Prospectus indicates the D&B Report as its source, as applicable. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the D&B Report should be read taking into consideration the foregoing. We have no direct or indirect association with D&B other than as a consequence of such an engagement.

D&B has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable ("**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. Our position in the market may differ, favourably or unfavourably, from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Prospective Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report before making

any investment decision regarding the Offer.

***56. Our Promoter and Promoter Group will, even after the completion of the Offer, continue to be our largest Shareholders and can influence the outcome of resolutions, which may potentially involve conflict of interest with the other Shareholders.***

Currently, our Promoter and members of the Promoter Group collectively hold 82.65 % of the Equity Share capital of our Company and they will continue to hold [●] % of the Equity Share capital after the completion of this Offer. While there is no shareholder agreement in place with our Promoters and members of the Promoter Group, they will nevertheless, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters and members of the Promoter Group in any such scenario will not conflict with the interest of other Shareholders or with our Company's interests. Any such conflict may adversely affect our Company's ability to execute its business strategy or to operate our Company's business effectively or in the best interests of the other Shareholders of our Company.

***57. Our Company has not paid dividends in the last 3 Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future.***

Our Company has not paid dividends during the last 3 Fiscals and the current Fiscal. However our Company's ability to pay dividends in the future will depend upon a variety of internal and external parameters, including (i) profits earned during the financial year; (ii) retained earnings; (iii) earnings outlook; (iv) present and future capital expenditure plans / working capital requirements of the our Company; (v) past dividend trends; (v) any other relevant factors and material events as may be deemed fit by our Board; (vi) dividend pay-out ratios of companies in the same industry; (ii) macro-economic environment – significant changes in macro-economic environment materially affecting the businesses in which our Company is engaged in the geographies in which our Company operates; (vii) capital markets – dividend pay-out may depend upon the capital market environment and cost of capital to raise fresh funds through alternate resources. In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes and restrictive covenants under our future loan or financing documents or arrangements, our Company may enter into financing arrangements to fund requirements for our business activities from time to time, applicable Indian legal restrictions, our Articles of Association, and other factors considered relevant by the Board of Directors of our Company. For further details, see the '*Dividend Policy*' at page 291.

***58. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and cash flows.***

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees which may go unnoticed for certain periods of time before corrective action is taken. Fraudulent and unauthorised conduct by our employees could also bind us to transactions that exceed the scope of authorisation and present significant risks to us. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Further, we employ third parties for certain operations and accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, which could adversely affect our goodwill.

While during the last three Fiscals we have not had any instances of fraud, theft, employee negligence operations may be subject to incidents of fraud, theft, employee negligence in the future. The business may also encounter some inventory loss on account of employee theft, vendor fraud, security lapse and general administrative error.

***59. Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

Our Company has implemented a digital system for covering order management, pricing, production costing, inventory management, and financial reporting across its manufacturing units. These systems have enabled the

Company to (i) maintain a unified, real-time view of orders across channels, with orders placed and tracked on a single platform accessible to sales, production and logistics teams, enabling real-time visibility and coordination across functions (ii) apply automated, effective-dated pricing and cost data, (iii) generate daily production cost and efficiency data across its manufacturing units. Our Company has separately engaged to implement a formal enterprise resource planning (ERP) system, which is currently under implementation and is expected to integrate these existing digital workflows upon completion. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. While we have not any such instance in the last three Fiscals, a disruption or failure of our IT systems could have a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems).

A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our IT systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***60. The Offer Price, and price to earnings ratio based on the Offer Price of our Company may not be indicative of the market price of our Company on listing or after the Offer.***

For Fiscals 2026, our revenue from operations and profit for the year was ₹ 2,061.21 million, and ₹ 176.53 million respectively and our price to earnings ratio (based on our restated profit / (loss) after tax for Fiscal 2026) is [●] times based on the Offer Price and [●] times at the upper end of the price band. The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process and certain quantitative and qualitative factors as set out in the section titled *"**Basis for Offer Price**"* on page 152. The Offer Price, multiples and ratios may not be indicative of our market price on listing or thereafter.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

Any valuation exercise undertaken for the purposes of the Offer by us, in consultation with the Book Running Lead Manager, is not based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products or superior products, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

***61. Our Promoter and some of our Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoter, some of our Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoter and certain Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them or their relatives or members of Promoter Group and on account of unsecured loans taken by our Company from such individuals. Our Company cannot assure you that our Promoter, Directors and

our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, please see *"**Our Management- Interest of Directors**"* and *"**Our Promoter and Promoter Group- Interest of our Promoter**"* on pages 271 and 286, respectively.

***62. Our Company will not receive any proceeds from the Offer for Sale portion amounting to ₹ [●] million, and the Promoter Selling Shareholder shall be entitled to the Offer Proceeds to the extent of the Equity Shares offered by them in the Offer for Sale.***

The Offer includes a fresh issue of up to 5,400,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹[●] million ("**Fresh Issue**") and an offer for sale of up to 1,350,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million. The Offer for Sale as a percentage of the Offer is [●]% and amounts to ₹ [●] million out of the total Offer of ₹ [●] million. The Promoter Selling Shareholder is, therefore, interested in the Offer Proceeds to the extent of the Equity Shares offered by him in the Offer for Sale. The entire proceeds (net of applicable offer related expenses) from the Offer for Sale will be paid to the Promoter Selling Shareholder in proportion to his respective portions of the Offer for Sale transferred pursuant to the Offer for Sale, and our Company will not receive any such proceeds. Please see *"**Objects of the Offer**"* on page 117.

***63. Our employees may engage in misconduct or other improper activities, including non - compliance with regulatory standards and requirements.***

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include inventory loss and intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. There can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. Although we have had no material incidents of employee misconduct during the Fiscal 2026, Fiscal 2025 or Fiscal 2024, if our employees engage in any such future misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business, results of operations or financial condition.

***64. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio, Net Asset Value per Equity Share have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio, Net Asset Value per Share among others have been included in this Draft Red Herring Prospectus. These are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. These measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and has limited usefulness as a comparative measure.

**EXTERNAL RISK FACTORS**

***65. Political, economic or other factors that are beyond our control may have an adverse effect on our business, cash flows and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

Further, economic developments globally can have a significant impact on India. For instance, the global economy has been negatively impacted by the conflict between Russia and Ukraine and between US/Israel and Iran. Governments in the United States, United Kingdom, and European Union have imposed sanctions on certain products, industry sectors, and parties in Russia. The conflict could negatively impact regional and global financial markets and economic conditions, and result in global economic uncertainty and increased costs of various commodities, raw materials, energy and transportation. More recently, ongoing geopolitical instability in the Middle East, including recent military conflict involving Iran, Israel and the United States, could adversely affect global economic conditions, financial markets and investor sentiment. In early 2026, military strikes by the United States and Israel against Iranian targets, followed by retaliatory actions by Iran, significantly increased geopolitical tensions in the Middle East. The situation remains volatile and unpredictable, and any further escalation could adversely affect global markets, commodity prices, supply chains and investor confidence. In particular, this conflict could disrupt oil and natural gas supplies, particularly if shipping through the Strait of Hormuz is interrupted, leading to increased energy prices, inflationary pressures and adverse macroeconomic conditions. In addition, recent increases in inflation and interest rates globally, including in India, could adversely affect the Indian economy

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, cash flows, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***66. Adverse geopolitical conditions such as an increased tension between India and its neighbouring countries, Middle East conflict, tariff hike from USA and European countries could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries including the Government of India imposing restrictions on the import or export of our products, among others. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or in the countries in which we service our customers, or changes in trade agreements between countries.

Further, economic developments globally can have a significant impact on India. For instance, the global economy has been negatively impacted by the conflict between Russia and Ukraine and between US/Israel and Iran. Governments in the United States, United Kingdom, and European Union have imposed sanctions on certain products, industry sectors, and parties in Russia. The conflict could negatively impact regional and global financial markets and economic conditions, and result in global economic uncertainty and increased costs of various commodities, raw materials, energy and transportation. More recently, ongoing geopolitical instability in the Middle East, including recent military conflict involving Iran, Israel and the United States, could adversely affect global economic conditions, financial markets and investor sentiment. In early 2026, military strikes by the United States and Israel against Iranian targets, followed by retaliatory actions by Iran, significantly increased geopolitical

tensions in the Middle East. The situation remains volatile and unpredictable, and any further escalation could adversely affect global markets, commodity prices, supply chains and investor confidence. In particular, this conflict could disrupt oil and natural gas supplies, particularly if shipping through the Strait of Hormuz is interrupted, leading to increased energy prices, inflationary pressures and adverse macroeconomic conditions. In addition, recent increases in inflation and interest rates globally, including in India, could adversely affect the Indian economy

***67. A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our Company's borrowing costs and our Company's access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating by disparate global rating agencies varies over time and any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our Company's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are beyond our control. This could have an adverse effect on our Company's ability to fund our Company's growth on favourable terms or at all, and consequently adversely affect our Company's business and financial performance and the price of our Equity Shares.

***68. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 0.125 million arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018, on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of Equity Shares held for more than 12 months, 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. Further, 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. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

***69. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition.

Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. 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 market price of the Equity Shares.

***70. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, cash flows, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. The governmental and regulatory bodies in the jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently.

In particular, the Government may impose quality standards on the raw materials that we import, or place certain restrictions in this regard, which may have a significant impact on our cost of raw materials and results of operations. Such changes may adversely affect our business, cash flows, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

In addition, unfavourable 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.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see "***Outstanding Litigation and Other Material Developments***" on page 393. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, cash flows, 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.

### *71. Financial instability in other countries may cause increased volatility in Indian financial markets*

The Indian economy is influenced by economic and market conditions in other countries, including, but not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

These could include further falls in stock exchange indices and/or greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In particular, there are rising concerns of a possible slowdown in the Chinese economy, and China is one of India's major trading partners. Such factors might also result in a slowdown in India's export growth momentum.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

### *72. If inflation were to rise in India, we might not be able to increase the prices of our services in order to pass costs on to our customers and our profits might decline.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increasing inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses, and we may be unable to reduce our costs or fully pass the increased costs on to our customer by increasing the price that we charge for our products, and our business, prospects, cash flows, financial condition and results of operations may therefore be adversely affected.

***73. The determination of the Price Band and Offer Price is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below the respective issue price.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under *"**Basis for Offer Price**"* on page 152 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. For further details, please see *"**Other Regulatory and Statutory Disclosures- Price information of past issues handled by the Book Running Lead Manager**"* on page 409. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***74. Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us.***

We are a limited liability public company incorporated under the laws of India. Majority of our directors and key managerial personnel named in this Draft Red Herring Prospectus are residents of India. Further, our assets are primarily located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons, or to enforce judgments obtained against us or such persons in jurisdictions outside India.

The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Code of Civil Procedure, which provide that a suit must be brought in India within three years from the date of the judgment sought to be enforced. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a 'reciprocating territory', it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalty. The United Kingdom, Singapore and Hong Kong, among other countries, have been declared by the Government to be a 'reciprocating territory' for the purposes of Section 44A of the Civil Procedure Code.

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any such amount recovered and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

***75. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the BSE and the NSE. Any dividends in respect

of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

***76. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.***

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for the Fiscal 2026, Fiscal 2025 and Fiscal 2024 included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

***77. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to GoI regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure you that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

Further, pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can only be made through Government approval route, as prescribed in the Consolidated FDI Policy and the FEMA Rules.

Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy and NDI Rules has been further amended to, inter alia, define the expression "beneficial ownership of an investment" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, independently or collectively, with any other citizen or entity of a land bordering country, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. In the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Further, investments into India from an investor entity: (a) having any direct or indirect ownership by a citizen or an entity of a land bordering country; and (b) not requiring prior

Government approval, shall be subject to certain reporting by the Company. The amendments under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026.

These investment restrictions shall also apply to subscribers of offshore derivative instruments. The Company cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms, or at all. For further details, please see *"**Restriction on Foreign Ownership of Indian Securities**"* on page 449.

***78. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, of India, as amended (Competition Act) regulates practices having an appreciable adverse effect on competition (AAEC) in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On April 11, 2023, the Competition (Amendment) Bill 2023 received the assent of the President of India to become the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**"), amending the Competition Act and giving the CCI additional powers to prevent practices that harm competition and the interests of consumers. It has been enacted to increase the ease of doing business in India and enhance transparency. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI and empowers the CCI to impose penalties based on the global turnover of entities, for anti- competitive agreements and abuse of dominant position. The Competition Commission of India has on September 9, 2024, issued The Competition Commission of India (Combinations) Regulations, 2024, which came into effect on September 10, 2024, and which repeals The CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011. The impact of these regulations is yet to be ascertained.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are currently not a party to an outstanding proceeding, nor have we received any notice in relation to non-compliance with the Competition Act and the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

***79. The requirements of being a publicly listed company may strain our resources.***

We are not a publicly listed company and none of our securities are listed on any stock exchange. We have not, consequently, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted

from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

***80. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the Stock Exchanges, securities markets in other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

***81. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

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

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such 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 your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

***83. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under *"**Basis for Offer Price**"* on page 152 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

***84. Future sales of Equity Shares by our Promoter and significant shareholders may adversely affect the market price of the Equity Shares.***

After the completion of the Offer, our Promoter and significant shareholders will own, directly and indirectly, majority of our outstanding Equity Shares. Sales of a large number of the Equity Shares by our Promoter and/or significant shareholders could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page 100, no assurance may be given that our significant

shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***85. Our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors, once the Equity Shares of our Company are listed.***

The Equity Shares of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of our Company are listed. The price of the Equity Shares may fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the Equity Shares. If the Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of the Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active trading market for the Equity Shares.

***86. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within 3 Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

## SECTION III – INTRODUCTION

## THE OFFER

The following table summarizes details of the Offer:

| | |
|---|---|
| **The Offer[(1) (2)]** | Up to 6,750,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million |
| *of which:* | |
| Fresh Issue[(3)] | Up to 5,400,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million |
| Offer for Sale[(2)] | Up to 1,350,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million |
| **The Offer consists of:** | |
| **A. QIB Portion[(3)(5)(6)]** | Not more than [●] Equity Shares of face value of ₹5 each, aggregating to ₹ [●] million |
| *of which:* | |
| (i) Anchor Investor Portion[(4)] | Up to [●] Equity Shares of face value of ₹5 each |
| *of which 40% of the Anchor Investor Portion shall be reserved in the following manner:* | [●] Equity Shares of face value of ₹5 each |
| reserved for domestic mutual funds only (33.33% of the Anchor Investor Portion) | [●] Equity Shares of face value of ₹5 each |
| reserved for life insurance companies and pension funds (6.67% of the Anchor Investor Portion) | [●] Equity Shares of face value of ₹5 each |
| (ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed) | Up to [●] Equity Shares of face value of ₹5 each |
| *of which:* | |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Up to [●] Equity Shares of face value of ₹5 each |
| (b) Balance of the Net QIB Portion for all QIBs including Mutual Funds | Up to [●] Equity Shares of face value of ₹5 each |
| **B. Non-Institutional Portion[(5)(6)]** | Not less than [●] Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million |
| *of which:* | |
| One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million up to ₹1.00 million | Up to [●] Equity Shares of face value of ₹5 each |
| Two-thirds of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million | Up to [●] Equity Shares of face value of ₹5 each |
| **C. Retail Portion** | Not less than [●] Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million |
| **Pre and post-Offer Equity Shares** | |
| Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus) | 16,969,605 Equity Shares of face value of ₹5 each |
| Equity Shares outstanding post the Offer* | [●] Equity Shares of face value of ₹5 each |
| **Use of Net Proceeds** | Please see *"**Objects of the Offer**"* on page 117 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale. |

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

***Notes:***

*(1) The Offer has been authorised by our Board pursuant to its resolution dated September 17, 2026 and the Fresh Issue has been authorised by a special resolution passed by our Shareholders dated September 21, 2026.*

*(2) Our Board has taken on record the consent for the Offer for Sale by the Promoter Selling Shareholder, to participate in the Offer for Sale, pursuant to its resolution dated September 30, 2026. The Promoter Selling Shareholder, has authorised his participation in the Offer for Sale to the extent of his portion of the Offered Shares pursuant to his consent letter as set out below:*

| Name of the Selling Shareholder | Number of Equity Shares offered in the Offer for Sale (up to)* | Date of consent letter |
|---|---|---|
| Kunal Giani | Up to 1,350,000 Equity Shares of face value of ₹5 each | September 30, 2026 |

**To be updated at Prospectus stage.*

*The Promoter Selling Shareholder confirms that his portion of the Offered Shares have been held by him for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations. For details, please see "**Other Regulatory and Statutory Disclosures - Authority for the Offer**" on page 402.*

(3) *Subject to valid Bids being received at or above the Offer 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 combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law. In case of under-subscription in the Offer, in the event valid Bids are received for less than the total Offer size, subject to receiving valid Bids for the minimum subscription amount, i.e., for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR , the Allotment for the valid Bids will be made in the following order of priority: (a) Such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (b) Upon achieving (a), the Offered Shares held by the Promoter Selling Shareholder will be Allotted; and (c) Once Equity Shares have been allotted as per (a) and (b) above, such number of Equity Shares will be Allotted by the Company towards the balance 10% of the Fresh Issue portion. Please see "**Terms of the Offer – Minimum Subscription**" on page 415.*

(4) *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. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. 40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved 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 accordance with the SEBI ICDR Regulations. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds, at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the 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 QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if 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 Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Please see "**Offer Procedure**" beginning on page 427.*

(5) *Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million; and (ii) two-thirds of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allocation to each Non-Institutional Bidder shall not be less than the applicable minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*

(6) *Allocation to Bidders in all categories, except the Retail Portion, Non-Institutional Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price, as applicable. The Allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the SEBI ICDR Regulations.*

For further details, please see *"**Terms of the Offer**", "**Offer Structure**"* and *"**Offer Procedure**"* on pages 415, 422 and 427, respectively.

## SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information as at and for the Fiscals 2026, 2025, and 2024. The summary financial information presented below should be read in conjunction with *"**Restated Consolidated Financial Information**"* and *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on pages 292 and 368, respectively.

***[Remainder of the page has been intentionally left blank]***

## SUMMARY OF RESTATED CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES

*(₹ in million, unless otherwise stated)*

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **1 Non-Current Assets** | | | |
| a. Property, Plant and Equipment | 401.76 | 299.92 | 179.10 |
| b. Right-of-use assets | 60.94 | 63.97 | 55.51 |
| c. Capital work-in-progress | 198.54 | 12.04 | - |
| d. Intangible assets | 10.22 | - | - |
| e. Goodwill | 4.68 | - | - |
| f. Financial assets | | | |
| i. Investments | 5.00 | - | - |
| ii. Loans and advances | 56.11 | - | - |
| iii. Other financial assets | 40.05 | 43.14 | 78.28 |
| g. Deferred tax asset | 5.92 | 8.12 | 2.01 |
| h. Other non-current assets | 14.40 | 25.59 | - |
| **Total non-current assets** | **797.62** | **452.78** | **314.90** |
| **2 Current Assets** | | | |
| a. Inventories | 381.58 | 362.72 | 196.70 |
| b. Financial assets | | | |
| i. Trade receivables | 623.66 | 258.21 | 100.59 |
| ii. Cash and cash equivalents | 48.42 | 6.45 | 2.11 |
| iii. Bank balances other than (ii) above | 343.00 | - | - |
| iv. Loans and advances | 10.59 | 13.44 | 2.05 |
| c. Other current assets | 25.29 | 30.29 | 6.73 |
| **Total current assets** | **1,432.54** | **671.11** | **308.19** |
| **Total Assets** | **2,230.16** | **1,123.89** | **623.09** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **1 Equity** | | | |
| a. Equity Share Capital | 73.18 | 73.18 | 0.60 |
| b. Other Equity | 637.67 | 116.43 | 151.92 |
| c. Non Controlling Interest | 10.75 | 8.41 | 3.18 |
| **Total Equity** | **721.60** | **198.02** | **155.70** |
| | | | |
| **2 Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Borrowings | 380.88 | 195.41 | 93.88 |
| ii. Lease Liabilities | 55.99 | 62.59 | 55.49 |
| b. Provisions | 5.25 | 3.19 | 1.37 |
| **Total non-current liabilities** | **442.12** | **261.19** | **150.74** |
| **Current Liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Borrowings | 606.46 | 425.29 | 245.34 |
| ii. Lease Liabilities | 18.86 | 12.44 | 5.63 |
| iii. Trade Payables | | | |
| (A) Total outstanding dues of micro enterprise and small enterprises | 114.42 | 97.38 | 22.69 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 243.64 | 92.90 | 32.42 |
| iv. Other financial liabilities | 31.35 | 6.88 | 3.73 |
| b. Other current liabilities | 12.30 | 3.67 | 2.17 |
| c. Provisions | 0.13 | 0.09 | 0.04 |
| d. Current tax liabilities | 39.28 | 26.03 | 4.63 |
| | | | |
| **Total Current Liabilities** | **1,066.44** | **664.68** | **316.65** |
| | | | |
| **Total liabilities** | **1,508.56** | **925.87** | **467.39** |
| **Total Equity and Liabilities** | **2,230.16** | **1,123.89** | **623.09** |

## SUMMARY OF RESTATED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

*(₹ in million, unless otherwise stated)*

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Revenue from Operations | 2,061.21 | 1,748.42 | 1,320.36 |
| Other Income | 26.58 | 3.04 | 5.75 |
| **Total Income (I)** | **2,087.79** | **1,751.46** | **1,326.11** |
| **Expenditure** | | | |
| Cost of Material Consumed | 712.88 | 429.36 | 379.94 |
| Purchase of Stock-in-trade | 635.71 | 887.99 | 644.92 |
| Changes in inventories of finished goods, work-in-progress and Stock-in-trade | 13.90 | (25.67) | (26.95) |
| Employee Benefit Expense | 64.80 | 41.33 | 30.12 |
| Finance Costs | 58.54 | 45.89 | 27.57 |
| Depreciation and Amortisation Expense | 56.07 | 39.01 | 14.19 |
| Other Expenses | 303.03 | 180.13 | 169.69 |
| **Total expenses** | **1,844.93** | **1,598.04** | **1,239.48** |
| **Restated Profit before tax** | **242.86** | **153.42** | **86.63** |
| Less: Loss share in Associate | 0.00 | 0.09 | - |
| **Restated profit before tax** | **242.86** | **153.33** | **86.63** |
| **Tax Expenses** | | | |
| Current Tax | 61.54 | 55.89 | 18.80 |
| Deferred Tax | 2.05 | (6.14) | (1.79) |
| **Profit for the year** | **179.27** | **103.58** | **69.62** |
| **Other Comprehensive Income** | | | |
| A. (i)Items that will not be reclassified to Profit or loss | 0.60 | 0.13 | 0.04 |
| (ii) Income tax relating to items that will not be reclassified to Profit or loss | (0.15) | (0.03) | (0.01) |
| B (i)Items that will be reclassified to profit and loss | 1.26 | 0.03 | - |
| (ii) Income tax relating to items that will be reclassified to Profit or loss | - | - | - |
| **Total Comprehensive Income for the year** | **180.98** | **103.71** | **69.65** |
| **Restated net profit attributable to:** | | | |
| Owners of the Holding Company | 176.53 | 103.55 | 69.02 |
| Non-controlling interest | 2.74 | 0.03 | 0.60 |
| **Restated other comprehensive income attributable to:** | | | |
| Owners of the Holding Company | 1.62 | 0.12 | 0.03 |
| Non-controlling interest | 0.09 | 0.01 | 0.00 |
| **Restated total comprehensive income attributable to:** | | | |
| Owners of the Holding Company | 178.15 | 103.67 | 69.05 |
| Non-controlling interest | 2.83 | 0.04 | 0.60 |
| **Earning per equity share** | | | |
| (i) Basic | 12.06 | 7.15 | 4.77 |
| (ii)Diluted | 12.06 | 7.15 | 4.77 |

## SUMMARY OF RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

*(₹ in million, unless otherwise stated)*

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| **Profit before tax** | **242.86** | **153.33** | **86.63** |
| **Adjustments for:** | | | |
| Interest income | (2.41) | (2.88) | (3.00) |
| Net (gain)/ loss on sale of Property, Plant & Equipment | (0.01) | - | - |
| Unrealised foreign exchange differences (net) | (24.05) | 0.15 | (1.05) |
| Expected credit loss (net) | 0.13 | 0.28 | 0.00 |
| Depreciation and amortisation expense | 56.07 | 39.01 | 14.19 |
| Finance costs | 58.54 | 45.89 | 27.57 |
| Provision for doubtful debts/ doubtful debts written-off | 3.29 | 0.76 | 0.03 |
| Share of Profit/(Loss) of NCI | (0.40) | 5.19 | (50.55) |
| Acquisition of Partnership Firm (common control) | - | - | 48.99 |
| **Operating profit before working capital changes** | **334.02** | **241.73** | **122.81** |
| Net Change in: | | | |
| Inventories | (18.86) | (166.02) | (75.79) |
| Trade and other receivables | (336.96) | (193.75) | 104.34 |
| Trade and other payables | 224.04 | 170.30 | (105.27) |
| **Cash generated from operating activities** | **202.24** | **52.26** | **46.09** |
| Income tax payment (net) (including interest) | (48.12) | (34.49) | (14.04) |
| **Net cash generated from operating activities** | **154.12** | **17.77** | **32.05** |
| **Cash flow from investing activities** | | | |
| Payments for property, plant and equipment (including capital work in progress, Capital advances, Capital creditors) | (345.08) | (205.92) | (173.87) |
| Placement/(Encashment) of Fixed deposits | 3.09 | 35.14 | (50.78) |
| Purchase of equity investment measured at cost | (5.00) | (7.06) | - |
| Loan (given) / received back (net) | (56.11) | - | - |
| Interest income | 2.41 | 2.88 | 3.00 |
| Acquisition of Partnership Firm (common control) | 0.00 | (60.40) | - |
| **Net Cash generated from / (used in) investing activities** | **(400.69)** | **(235.36)** | **(221.65)** |
| **Cash flow from financing activities** | | | |
| Proceeds from Issue of Share Capital | - | 0.89 | - |
| Receipt of share application money pending allotment | 343.00 | - | - |
| Proceeds from long-term borrowings | 356.57 | 176.46 | 100.92 |
| Repayment of long term borrowings | (158.79) | (62.62) | (25.54) |
| Payment of lease liabilities | (21.02) | (14.52) | (2.72) |
| Proceed from short term borrowings | 168.86 | 167.62 | 133.27 |
| Interest paid | (58.58) | (45.89) | (26.71) |
| **Net cash generated from financing activities** | **630.04** | **221.95** | **179.22** |
| **Net increase / (decrease) / increase in cash and cash equivalents** | **383.47** | **4.36** | **(10.38)** |
| **Cash and cash equivalents at the beginning of the year** | **6.45** | **2.11** | **12.49** |
| **Effect of Movement in exchange rate on cash and cash equivalent** | **1.51** | **-** | **-** |
| **Cash and cash equivalents at the end of the year** | **391.42** | **6.45** | **2.11** |

## SUMMARY OF CONTINGENT LIABILITIES

Set forth below is a summary of our contingent liabilities as at March 31, 2026, as per Ind AS 37, derived from our Restated Consolidated Financial Information is set forth below:

### Contingent liabilities

*(₹ in million)*

| Particulars | As at March 31, 2026 |
|---|---|
| **Claims against the Group not acknowledged as debts (Tax matters in dispute under appeal):** | |
| (i) Goods and Services Tax[(1)] | 1.89 |
| (ii) Income tax | 1.39 |
| (iii) Customs | - |
| **Guarantees excluding financial guarantees:** | |
| (i) Bank guarantees | - |
| (ii) Corporate guarantees given to / on behalf of related party | - |
| Other money for which the company is contingently liable[(2)] | 89.17 |
| **Commitments:** | |
| (i) Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 37.30 |
| (ii) Other commitments[(3)] | 150.69 |

***Note 1- Goods and service tax & Income Tax***

*The Parent Company has received orders/demands of Rs.0.11 Mn in relation to e-way bill and Input Tax Credit in 2024. GST demand of ₹0.99 Mn & ₹0.78 Mn raised by the tax authorities in relation to excess Input Tax Credit (ITC) claimed by subsidiary & Parent Company for FY 2022-23 & FY 2021-22, respectively.*

*Maxtar Industries has been:*

*- Issued under Section 154 & 143 (1) of Income Tax Act 1961 on 30.12.2024 & 05.05.2022 and re-issued on 04.03.2026 involving demand of Rs. 0.20 Mn*

*- Issued under Section 143(3) of Income Tax Act 1961 on 26.12.2019 and re-issued on 30.12.2024 involving demand of Rs. 1.19 Mn*

*The Company is contesting these demands and the management including its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations.*

***Note 2- Other Money for which the company is contingently liable***

*The Company has imported machineries under the EPCG Scheme of the Foreign Trade Policy, availing exemption/concessional rate of Customs duty, against which the Company is required to fulfil an export obligation equivalent to 6 times the duty saved, within a period of 6 years from the date of issue of the license. The Company has commenced exports during the financial year 2025-26 towards fulfilment of this export obligation, and the balance obligation is to be completed within the stipulated period as per the extant regulations.*

***Note 3- Other Commitments***

*As per the agreement dated February 20, 2025, the Parent Company agrees to extend Unsecured loan up to GBP 1.6 million to the Sarva Global Ventures Ltd (Subsidiary). The Loan will be used for its business purposes only, including but not limited to meet working capital requirement or operational expenses.*

For further details of the contingent liabilities as at March 31, 2026, as per Ind AS 37, please see *"**Restated Consolidated Financial Information**"* on page 292.

For details on risks in relation to our contingent liabilities, please see *"**Risk Factors - In the event our contingent liabilities and capital commitments materialize, our financial condition and profitability may be adversely affected**"* on page 51.

## SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations entered into by our Company with related parties for the Fiscals 2026, 2025, and 2024, derived from our Restated Consolidated Financial Information are as follows:

***[Remainder of the page has been intentionally left blank]***

***Transactions during the year***

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| **Loan given** | | | | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | - | 11.33 | 0.65% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 44.11 | 2.14% | - | - | - | - |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 14.76 | 0.72% | 11.16 | 0.64% | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | - | 0.61 | 0.03% | 2.36 | 0.18% |
| **Total** | | | **58.86** | **2.86%** | **23.10** | **1.32%** | **2.36** | **0.18%** |
| **Loan taken** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | - | - | 11.33 | 0.65% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 44.11 | 2.14% | - | - | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | 14.76 | 0.72% | 11.16 | 0.64% | - | - |
| **Total** | | | **58.86** | **2.86%** | **22.49** | **1.29%** | - | **-** |
| **Loan repaid** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 2.13 | 0.10% | 5.65 | 0.32% | - | - |
| Sarva Foam Industries Limited | Geetika Giani | Whole Time Director (upto March 13, 2024) | - | - | 12.05 | 0.69% | 0.41 | 0.03% |
| Maxtar Industries | Geetika Giani | Partner | - | - | 2.12 | 0.12% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 11.33 | 0.55% | - | - | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 11.33 | 0.55% | - | - | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing | - | - | 0.90 | 0.05% | 2.06 | 0.16% |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| | | Director have significant influence | | | | | | |
| **Total** | | | **24.80** | **1.20%** | **20.72** | **1.19%** | **2.47** | **0.19%** |
| **Capital/ Equity Investment** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | - | - | 67.48 | 3.86% | - | - |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | - | - | 0.00 | 0.00% | - | - |
| **Total** | | | **-** | **-** | **67.48** | **3.86%** | **-** | **-** |
| **Capital Contribution Received** | | | | | | | | |
| Maxtar Industries | Kunal Giani | Partner | 2.02 | 0.10% | - | - | - | - |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | - | 0.24 | 0.01% | | - |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | - | 67.48 | 3.86% | - | - |
| **Total** | | | **2.02** | **0.10%** | **67.72** | **3.87%** | - | **-** |
| **Investment Received** | | | | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | - | - | 0.00 | 0.00% | - | - |
| **Total** | | | **-** | **-** | **0.00** | **0.00%** | **-** | **-** |
| **Drawings from Partnership Firm** | | | | | | | | |
| Maxtar Industries | Kunal Giani | Partner | - | - | 67.98 | 3.89% | 4.69 | 0.36% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.69 | 0.03% | - | - | - | - |
| Maxtar Industries | Geetika Giani | Partner | - | - | - | - | 3.65 | 0.28% |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 10.59 | 0.51% | - | - | - | - |
| **Total** | | | **11.28** | **0.55%** | **67.98** | **3.89%** | **8.35** | **0.63%** |
| **Receipts from Partnership Firm** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 15.27 | 0.74% | 7.56 | 0.43% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 10.59 | 0.51% | - | - | - | - |
| **Total** | | | **25.86** | **1.25%** | **7.56** | **0.43%** | **-** | **-** |
| **Partnership Profit Distributed** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 15.27 | 0.74% | 7.56 | 0.43% | - | - |
| **Total** | | | **15.27** | **0.74%** | **7.56** | **0.43%** | **-** | **-** |
| **Sale of goods** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 0.52 | 0.03% | 17.23 | 0.99% | 274.24 | 20.77% |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 625.61 | 30.35% | 290.61 | 16.62% | 570.38 | 43.20% |
| **Total** | | | **626.13** | **30.38%** | **307.84** | **17.61%** | **844.62** | **63.97%** |
| **Purchase of goods** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 0.52 | 0.03% | 17.23 | 0.99% | 274.24 | 20.77% |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 625.61 | 30.35% | 290.61 | 16.62% | 570.38 | 43.20% |
| **Total** | | | **626.13** | **30.38%** | **307.84** | **17.61%** | **844.62** | **63.97%** |
| **Director/ Partner Remuneration** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 6.00 | 0.29% | 2.00 | 0.11% | - | - |
| Sarva Foam Industries Limited | Vijay Singh Parmar | Whole Time Director (w.e.f February 4, 2025) and Executive Director (w.e.f September 21, 2026) | 3.60 | 0.17% | 1.40 | 0.08% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| Sarva Foam Industries Limited | Deepak Vaswani | Chief Executive Officer (w.e.f February 4, 2025) | 1.80 | 0.09% | 0.90 | 0.05% | - | - |
| Sarva Foam Industries Limited | Payal Mishra | Chief Financial Officer (w.e.f February 4, 2025) | 1.71 | 0.08% | 0.28 | 0.02% | - | - |
| Sarva Foam Industries Limited | Sakshi Singh Chauhan | Company Secretary (up to October 23, 2025) | 0.48 | 0.02% | 0.24 | 0.01% | - | - |
| Maxtar Industries | Kunal Giani | Partner | - | - | 1.76 | 0.10% | 3.54 | 0.27% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | - | 0.91 | 0.05% | - | - |
| **Total** | | | **13.59** | **0.66%** | **7.48** | **0.43%** | **3.54** | **0.27%** |
| **Sitting Fee** | | | | | | | | |
| Sarva Foam Industries Limited | Milind Sharma | Independent Director (w.e.f. June 2, 2025) | 0.01 | 0.00% | - | - | - | - |
| Sarva Foam Industries Limited | Sumit Shashtri | Independent Director (w.e.f February 27, 2025) | 0.01 | 0.00% | - | - | - | - |
| Sarva Foam Industries Limited | Smritai Mehta | Independent Director (w.e.f February 4, 2025) | 0.01 | 0.00% | - | - | - | - |
| **Total** | | | **0.03** | **0.00%** | **-** | **-** | **-** | **-** |
| **Purchase of Machinery** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | - | - | 3.00 | 0.17% | 1.02 | 0.08% |
| **Total** | | | - | **-** | **3.00** | **0.17%** | **1.02** | **0.08%** |
| **Sale of Machinery** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | - | 3.00 | 0.17% | 1.02 | 0.08% |
| **Total** | | | **-** | **-** | **3.00** | **0.17%** | **1.02** | **0.08%** |
| **Interest Expense** | | | | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | - | - | 1.76 | 0.10% | 1.10 | 0.08% |
| Maxtar Industries | Kunal Giani | Partner | 0.08 | 0.00% | 4.36 | 0.25% | 5.88 | 0.45% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.13 | 0.01% | 0.01 | 0.00% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 9.39 | 0.46% | 3.55 | 0.20% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 0.79 | 0.04% | - | - | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | 2.86 | 0.14% | 0.15 | 0.01% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | - | - | 0.15 | 0.01% | - | - |
| **Total** | | | **13.25** | **0.64%** | **9.98** | **0.57%** | **6.98** | **0.53%** |
| **Interest Income** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 2.86 | 0.14% | 0.15 | 0.01% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | - | 0.15 | 0.01% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 0.79 | 0.04% | - | - | - | - |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 9.39 | 0.46% | 3.55 | 0.20% | - | - |
| **Total** | | | **13.04** | **0.63%** | **3.85** | **0.22%** | - | **-** |
| **Rent Expenses** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam Proprietorship | Proprietorship Firm of Managing Director | 1.13 | 0.06% | 1.13 | 0.06% | 1.13 | 0.09% |
| **Total** | | | **1.13** | **0.06%** | **1.13** | **0.06%** | **1.13** | **0.09%** |
| **Trade advance given** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | - | - | 4.60 | 0.26% | - | - |
| **Total** | | | **-** | **-** | **4.60** | **0.26%** | **-** | **-** |
| **Trade advance received back** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) | 4.60 | 0.22% | - | | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation | Amounts (₹ in millions) | As a %age of Revenue from Operation |
| | | Subsidiary of Sarva Global Ventures Ltd | | | | | | |
| **Total** | | | **4.60** | **0.22%** | **-** | | **-** | **-** |
| **Trade advance repaid** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | 4.60 | 0.22% | - | - | - | - |
| **Total** | | | **4.60** | **0.22%** | **-** | **-** | **-** | **-** |
| **Trade advance taken** | | | | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | - | - | 4.60 | 0.26% | - | - |
| **Total** | | | **-** | **-** | **4.60** | **0.26%** | **-** | **-** |

***Related party balances***

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets |
| **Equity Investment/ Partner Capital Contribution** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 0.00 | 0.00% | 0.00 | 0.00% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 0.09 | 0.00% | 0.09 | 0.01% | - | - |
| Maxtar Industries | Kunal Giani | Partner | 2.72 | 0.12% | 0.63 | 0.06% | 63.10 | 10.13% |
| Maxtar Industries | Geetika Giani | Partner | - | - | - | - | 0.49 | 0.08% |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.50 | 0.02% | 1.07 | 0.10% | - | - |
| Maxtar Industries | Sarva Foam Industries Ltd | Partner | 91.38 | 4.10% | 78.24 | 6.96% | - | - |
| **Total** | | | **94.68** | **4.25%** | **80.03** | **7.12%** | **63.59** | **10.21%** |
| **Equity Investment Received** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 91.38 | 4.10% | 78.24 | 6.96% | - | - |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets |
| Sarva Global Ventures Ltd | Sarva Foam Industries Ltd | Parent | 0.00 | 0.00% | 0.00 | 0.00% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | 0.09 | 0.00% | 0.09 | 0.01% | - | - |
| | | | | | | | | |
| **Total** | | | **0.09** | **0.00%** | **0.09** | **0.01%** | **-** | **-** |
| **Unsecured Loan** | | | | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 30.85 | 1.38% | 11.18 | 1.00% | - | - |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 45.36 | 2.03% | 47.50 | 4.23% | 45.93 | 7.37% |
| Sarva Foam Industries Limited | Geetika Giani | Whole Time Director (up to March 13, 2024) | - | - | - | - | 12.05 | 1.93% |
| Sarva Global Ventures Ltd | Sarva Foam Industries Ltd | Parent | 30.85 | 1.38% | 11.18 | 1.00% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | - | 11.33 | 1.01% | - | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 44.11 | 1.98% | - | - | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | - | - | 11.33 | 1.01% | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | 44.11 | 1.98% | - | - | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | - | - | - | 0.30 | 0.05% |
| **Total** | | | **195.27** | **8.76%** | **92.53** | **8.23%** | **58.28** | **9.35%** |
| **Trade Receivable** | | | | | | | | |
| Maxtar Industries | Sarva Foam Industries Ltd | Partner | 9.50 | 0.43% | 18.84 | 1.68% | 3.82 | 0.61% |
| **Total** | | | **9.50** | **0.43%** | **18.84** | **1.68%** | **3.82** | **0.61%** |
| **Trade Payable** | | | | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 9.50 | 0.43% | 18.84 | 1.68% | 3.82 | 0.61% |
| **Total** | | | **9.50** | **0.43%** | **18.84** | **1.68%** | **3.82** | **0.61%** |
| **Trade Advance** | | | | | | | | |

| In books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | | For the year ended March 31, 2025 | | For the year ended March 31, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | | | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets | Amounts (₹ in millions) | As a %age of Total Assets |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | - | - | 4.60 | 0.41% | - | - |
| Sarva Foam Industries Limited | Sarva Green Earth Private Limited | Company in which Managing Director have substantial Interest | - | - | - | - | 0.01 | 0.00% |
| Sarva Foam UK Ltd | Sarva Foam Industries Ltd | Parent | - | - | 4.60 | 0.41% | - | - |
| **Total** | | | **-** | **-** | **9.19** | **0.82%** | **0.01** | **0.00%** |

## GENERAL INFORMATION

### Registered and Corporate Office of our Company

**Sarva Foam Industries Limited**
2nd Floor Commercial Building,
E-8 Extension, Aakriti Eco City Bhopal,
Misrod, Bhopal, Huzur- 462026,
Madhya Pradesh, India

For details in relation to the changes in the Registered Office of our Company, please see *"**History and Certain Corporate Matters –Changes in the Registered Office of our Company**"* on page 255.

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

(i) **Company registration number:** 046815
(ii) **Corporate Identity Number:** U22209MP2018PLC046815

### Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Madhya Pradesh at Gwalior, which is situated at the following address:

**Registrar of Companies, Madhya Pradesh at Gwalior**
3rd Floor, 'A' Block, Sanjay Complex,
Jayendra Ganj, Gwalior- 474009,
Madhya Pradesh, India

### Board of Directors

The following table sets out the brief details of our Board, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name | Designation | DIN | Address |
|---|---|---|---|---|
| 1 | Kunal Giani | Chairman and Managing Director | 08215931 | Blue Bird – 03, Premium Bunglow, Aakriti Eco City, Bhopal - 462039, Madhya Pradesh, India |
| 2 | Vijay Pal Singh Parmar | Executive Director | 10540388 | D-5/1, Siddhi Vinayak, Neelbad, Barkheda Nathu, Bhopal – 462044, Madhya Pradesh, India |
| 3 | Vishrut Joshi | Executive Director | 11056144 | E-601, Keelandev Apts, Opposite Board Office, Shivaji Nagar, Huzur, Bhopal – 462016, Madhya Pradesh, India |
| 4 | Chirag Sidana | Executive Director | 11056139 | E-64, Arera Colony, PO – R.S. Nagar, Bhopal – 462016, Madhya Pradesh, India |
| 5 | Milind Sharma | Independent Director | 11106931 | Near Chetak Bridge, H. No. – 53/2, Shanti Niketan, Huzur, Bhopal – 462023, Madhya Pradesh, India |
| 6 | Sumit Shastri | Independent Director | 09742112 | House Number 18, South City Enclave Extension Phase 2, Near Gujrati Colony, Bawadiya Kalan, Bhopal- 462026, Madhya Pradesh, India |
| 7 | Smrati Mehta | Independent Director | 07543470 | B-301, Glen Gate, Cliff Avenue, Hiranandani Gardens, Powai, Mumbai - 400076, Maharashtra, India |
| 8 | Ravi Vaswani | Independent Director | 11878275 | E-8/56, Bharat Nagar, Shahpura, Bhopal – 462016, Madhya Pradesh, India |

For further details of our Board of Directors, please see *"**Our Management - Board of Directors**"* on page 265.

**Company Secretary and Compliance Officer of our Company**

Sambedna Jain is the Company Secretary and Compliance Officer of our Company. Her details are set forth below:

**Sambedna Jain**
2nd Floor Commercial Building,
E-8 Extension, Aakriti Eco City Bhopal,
Misrod, Bhopal, Huzur- 462026,
Madhya Pradesh, India
**Telephone:** +91 78800 99651
**Email:** investors@sarvafoam.com

**Investor grievances**

Bidders may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances, 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. For all Offer-related queries and for redressal of complaints, investors may also write to the BRLM.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) 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, 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(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders using the UPI Mechanism).

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) 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 Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the names and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

**Book Running Lead Manager**

**Beeline Capital Advisors Private Limited**
B/1311-1314, 13th Floor, Shilp Corporate Park,
Rajpath Rangoli Road, Thaltej, Ahmedabad,
Gujarat- 380054, India
**Telephone:** +91 79 49185784
**Email:** mb@beelinemb.com
**Investor grievance email:** ig@beelinemb.com
**Website:** www.beelinemb.com
**Contact person:** Nikhil Shah
**SEBI registration number:** INM000012917

**Statement of inter-se allocation of responsibilities amongst the Book Running Lead Manager**

Beeline Capital Advisors Private Limited is the sole Book Running Lead Manger to the Offer, and accordingly, there is no inter-se allocation of responsibilities in the Offer. The details of responsibilities of Book Running Lead Manager are as follows:

| Sr. No. | Activity |
|---|---|
| 1. | Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy |
| 2. | Due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Draft Abridged Prospectus and Abridged Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI including finalisation of RHP, Prospectus, Offer Agreement, and Underwriting Agreements and RoC filing and uploading of documents on the document repository platform of the Stock Exchanges |
| 3. | Drafting and approval of all statutory advertisements and preparation of Audiovisual (AV) presentation |
| 4. | Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including corporate advertising and brochures and filing of media compliance report with SEBI |
| 5. | Appointment of Registrar Ad agency and printer (including coordination of all agreements) |
| 6. | Appointment of all other intermediaries including Banker (s) to the Offer, sponsor bank, syndicate members, share escrow agent, etc. (including coordination of all agreements) |
| 7. | Preparation of road show presentation and FAQs for the road show team |
| 8. | International institutional marketing of the Offer, which will cover, inter alia:<br>• Institutional marketing strategy<br>• Finalising the list and division of international investors for one-to-one meetings<br>• Finalising international road show and investor meeting schedules |
| 9. | Domestic institutional marketing of the Offer, which will cover, inter alia:<br>• Finalising the list and division of domestic investors for one-to-one meetings<br>• Finalising domestic road show and investor meeting schedules |
| 10. | Conduct non-institutional marketing of the Offer, which will cover, inter-alia:<br>• Finalising media, marketing, public relations strategy and publicity budget<br>• Formulating strategies for marketing to Non – Institutional Investors |
| 11. | Conduct retail marketing of the Offer, which will cover, inter-alia:<br>• Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows;<br>• Finalising collection centres<br>• Finalising centres for holding conferences for brokers etc.<br>• Finalising commission structure and co-ordinate with RTA for commission payouts<br>• Follow-up on distribution of publicity and Offer material including form, RHP / Prospectus and deciding on the quantum of the Offer material |
| 12. | Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, anchor coordination, anchor CAN and initiation of anchor allocation |
| 13. | Managing the book and finalization of pricing in consultation with Company |
| 14. | Post-Offer activities- finalisation of the basis of allotment, coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, bankers to the Offer, Self-Certified Syndicate Banks etc., including responsibility for underwriting arrangements, as applicable, listing of instruments, demat credit and refunds/ unblocking of funds, payment of the applicable STT on behalf of the Selling Shareholder, coordination for investor complaints related to the Offer, submission of final post offer report. |

**Syndicate Member(s)**

[●]

**Legal Counsel to the Offer**

**M/s. Crawford Bayley & Co.**
State Bank Buildings, 4th Floor
NGN Vaidya Marg,
Fort, Mumbai- 400023,
Maharashtra, India
**Contact person:** Sanjay Asher
**Email:** sanjay.asher@crawfordbayley.com
**Telephone:** +91 22 2266 3353

**Registrar to the Offer**

**Bigshare Services Private Limited**
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai- 400093,
Maharashtra, India
**Telephone:** +91 22 62638200
**Email:** ipo@bigshareonline.com
**Investor grievance email:** investor@bigshareonline.com
**Contact person:** Babu Rapheal C
**Website:** www.bigshareonline.com
**SEBI registration number:** INR000001385

**Bankers to the Offer**

***Escrow Collection Bank(s)***

[●]

***Refund Bank(s)***

[●]

***Public Offer Account Bank(s)***

[●]

***Sponsor Bank(s)***

[●]

**Bankers to our Company**

**Export-Import Bank of India**
Centre One Building, Floor 21,
World Trade Centre Complex, Cuffe Parade,
Mumbai- 400005, Maharashtra, India
**Telephone:** +91 22 22182572
**Website:** www.eximbankindia.in
**Contact person:** Manish Joshi
**Email:** www.lomg2seed@eximbankindia.in

**Kotak Mahindra Bank Limited**
4th Floor, B Block, Metro Tower,
Vijay Nagar, Indore- 452001,
Madhya Pradesh, India
**Telephone:** +91 8982206833
**Website:** www.kotak.com
**Contact person:** Gunjan Tuteja
**Email:** gunjan.tuteja@kotak.com

**Union Bank of India**
Plot no. 275, Zone-2, MP Nagar,
Bhopal- 462011, Madhya Pradesh, India
**Telephone:** +91 9653610121
**Website:** www.unionbanofindia.co.in
**Contact person:** Tarunendra Shekhar Pandey
**Email:** ubin0810126@unionbankofindia.bank.in

**Designated Intermediaries**

**Self-Certified Syndicate Banks**

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders using the UPI mechanism), not Bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms is available at

www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, or at such other websites as may be prescribed by SEBI from time to time.

**Eligible Self-Certified Syndicate Banks ("SCSBs") and mobile applications enabled for Unified Payments Interface ("UPI") Mechanism**

In accordance with the SEBI ICDR Master Circular, SEBI RTA Master Circular and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, read with other applicable UPI Circulars, UPI Bidders may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of 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 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

**Syndicate Self Certified Syndicate Bank (SCSB) branches**

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process 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, which may be 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 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 the ASBA Forms, including details such as postal address, telephone number and email address, is provided on the websites of the respective Stock Exchanges- BSE and NSE at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

**Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and email address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

**Designated Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

**Experts to the Offer**

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

(i) Our Company has received written consent dated September 30, 2026 from S.L. Chhajed & Co. LLP, Chartered Accountants (bearing firm registration number: 000709C/C400277), our Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 30, 2026 on the Restated Consolidated Financial Information; (ii) the statement of special tax benefits dated September 30, 2026, included in this Draft Red Herring Prospectus; and (iii) various certifications issued by them in their capacity as Statutory Auditors, and such consent has not been withdrawn as on the date of this Draft Red

Herring Prospectus. However, the term *"expert"* shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated September 30, 2026 from Mittal V. Kothari & Associates, practicing company secretary, to include their name as an independent practicing company secretary under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, in respect of their certificates dated September 30, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an *"expert"* as defined under the U.S. Securities Act.

(iii) Our Company has also received written consent dated September 28, 2026 from Dr. Arvind S Mohite, Independent Chartered Engineer, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act to the extent and in their capacity as Independent Chartered Engineer in respect of their certificate dated September 28, 2026 on the proposed biochar gasification plant and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an *"expert"* as defined under the U.S. Securities Act.

(iv) Our Company has also received written consent dated September 29, 2026 from Vishal Sunil Joshi, Independent Chartered Engineer, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act to the extent and in their capacity as Independent Chartered Engineer in respect of their certificate dated September 29, 2026 certifying details of the Manufacturing Units and capacity utilisation, amongst others and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

The abovementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

**Statutory Auditors of our Company**

**S.L. Chhajed & Co. LLP, Chartered Accountants**
R-12, M.P Nagar, Zone- I,
Bhopal, Madhya Pradesh - 462011
**Telephone:** 0755 2553507, 0755 2553960
**Contact person:** Vijit Baidmutha
**Email:** vijit@slchhajed.com
**Firm registration number:** 000709C/ C400277
**Peer review certificate number:** 016389

**Changes in Auditors**

Except as stated below, there has been no change in our Statutory Auditors in the three years preceding the date of this Draft Red Herring Prospectus:

| Particulars | Date of change | Reason for change |
|---|---|---|
| **M/s. B. B. Shah & Company, Chartered Accountants**<br>103, Rajguru Apartments, Baburao Parulekar Road,<br>First floor, Kamal Society,<br>Dadar (West), Mumbai - 400028,<br>Maharashtra, India<br>**Telephone:** 022 24376525/ 24316815<br>**Email:** bipin@bipinshah.com<br>**Firm registration number:** 129121W<br>**Peer review certificate number:** 018127 | September 30, 2024 | Re-appointment as statutory auditors for a term of five consecutive years |
| **M/s. B. B. Shah & Company, Chartered Accountants**<br>103, Rajguru Apartments, Baburao Parulekar Road,<br>First floor, Kamal Society,<br>Dadar (West), Mumbai - 400028,<br>Maharashtra, India | August 26, 2026 | Resignation due to pre-occupation in other professional assignments |

| Particulars | Date of change | Reason for change |
|---|---|---|
| **Telephone:** 022 24376525/ 24316815<br>**Email:** bipin@bipinshah.com<br>**Firm registration number:** 129121W<br>**Peer review certificate number:** 018127 | | |
| **S.L. Chhajed & Co. LLP, Chartered Accountants**<br>R 12, Zone-I, M P Nagar,<br>Bhopal- 462011<br>Madhya Pradesh, India<br>**Telephone:** 0755 2553507/ 0755 2553960<br>**Email:** vijit@slchhajed.com<br>**Firm registration number:** 000709C/ C400277<br>**Peer review certificate number:** 016389 | September 1, 2026 | Appointment due to casual vacancy |
| **S.L. Chhajed & Co. LLP, Chartered Accountants**<br>R 12, Zone-I, M P Nagar,<br>Bhopal- 462011<br>Madhya Pradesh, India<br>**Telephone:** 0755 2553507/ 0755 2553960<br>**Email:** vijit@slchhajed.com<br>**Firm registration number:** 000709C/ C400277<br>**Peer review certificate number:** 016389 | | Appointment as Statutory Auditor for a term of five consecutive years |

**Monitoring agency**

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds from the Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC. For details in relation to the proposed utilisation of the Gross Proceeds from the Fresh Issue, please see *"**Objects of the Offer**"* on page 117.

**Appraising entity**

No appraising entity has been appointed in relation to the Offer. None of the objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution.

**Grading of the Offer**

No credit rating agency registered with SEBI has been appointed for grading the Offer.

**Credit rating**

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating.

**Debenture trustees**

As this is an Offer consisting only of Equity Shares, the appointment of a debenture trustees is not required.

**Green shoe option**

No green shoe option is contemplated under the Offer.

**Filing of this Draft Red Herring Prospectus**

A copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus has been filed electronically with SEBI through the SEBI Intermediary portal at https://siportal.sebi.gov.in, in accordance with Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular. A copy of this Draft Red Herring Prospectus and the Draft Abridged Prospectus will also be filed with SEBI at the following address:

**Securities and Exchange Board of India**
Corporation Finance Department,
Division of Issues and Listing,
SEBI Bhavan, Plot No. C4 A,
'G' Block, Bandra Kurla Complex,

Bandra (East), Mumbai- 400051
Maharashtra, India

**Filing of the Red Herring Prospectus and Prospectus**

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed with RoC in accordance with section 32 of the Companies Act, and a copy of the Prospectus to be filed under section 26 of the Companies Act, would be filed with the RoC at its office through the electronic portal at https://www.mca.gov.in/content/mca/global/en/home.html. For further details, please see *"**Address of the Registrar of Companies**"* above in the section.

**Book Building Process**

The Book Building Process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band and the minimum Bid Lot. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located), at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges, for the purpose of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the BRLM after the Bid/Offer Closing Date, in accordance with applicable law. For further details, please see *"**Offer Procedure**"* on page 427.

**All Bidders, except Anchor Investors, shall only participate in this Offer through the ASBA process by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs, or in the case of UPI Bidders, by using the UPI Mechanism. Additionally, the Retail Individual Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with the Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Except for Allocation to RIBs, Non-Institutional Bidders and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. Further, Allocation to Anchor Investors will be on a discretionary basis.

**Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.**

For further details on the method and procedure for Bidding and Book Building Process, please see the sections titled *"**Terms of the Offer**"*, *"**Offer Structure**"* and *"**Offer Procedure**"* on pages 415, 422 and 427, respectively.

The Book Building Process and the Bidding Process under the SEBI ICDR Regulations are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Bidders should note the Offer is also subject to: (i) filing of the Prospectus by our Company with the RoC and receipt of final approval of the RoC; and (ii) our Company obtaining final listing and trading approvals from the

Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines under applicable law. For further details, please see *"**Terms of the Offer**"* and *"**Offer Procedure**"* on pages 415 and 427, respectively.

**Underwriting Agreement**

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC, as applicable)*

| Name, address, telephone number and email address of the Underwriters | Indicative Number of Equity Shares to be Underwritten | Amount underwritten (₹ in million) |
|---|---|---|
| [●] | [●] | [●] |

The abovementioned amounts are for indicative purposes and will be finalised after determination of Offer Price and finalisation of Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved in the event that the Syndicate Member(s) do not fulfil their underwriting obligations.

## CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below:

*(In ₹, except share data)*

| Sr. No. | Particulars | Aggregate nominal value | Aggregate value at Offer Price* |
|---|---|---|---|
| **A** | **AUTHORIZED SHARE CAPITAL[(1)]** | | |
| | 24,000,000 Equity Shares of face value of ₹5 each | 120,000,000 | - |
| | | | |
| **B** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER** | | |
| | 16,969,605 Equity Shares of face value of ₹5 each | 84,848,025 | - |
| | | | |
| **C** | **PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS** | | |
| | Offer of up to 6,750,000 Equity Shares of face value of ₹5 each aggregating to ₹[●] million[(2)(3)(4)(5)] | [●] | [●] |
| | *of which* | | |
| | Fresh Issue of up to 5,400,000 Equity Shares of face value of ₹5 each, aggregating up to ₹[●] million[(2)] | [●] | [●] |
| | Offer for Sale of up to 1,350,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million[(2)(3)] | [●] | [●] |
| | | | |
| **D** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER** | | |
| | [●] Equity Shares of face value of ₹5 each* | [●] | - |
| | | | |
| **E** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Offer *(₹ in million)* | | 357.74 |
| | After the Offer *(₹ in million)* | | [●] |

***Notes:***

** To be updated upon finalisation of the Offer Price, and subject to Basis of Allotment.*

*(1) For details in relation to changes in the authorised share capital of our Company in the last 10 years, please see "**History and Certain Corporate Matters- Amendments to our Memorandum of Association in the last 10 years**" on page 255.*

*(2) The Offer has been approved by our Board vide resolution passed at its meeting held on September 17, 2026 and our Shareholders have authorised the Fresh Issue vide special resolution passed at their annual general meeting dated September 21, 2026. For further details, please see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on pages 75 and 402, respectively.*

*(3) Our Board has taken on record the consent for the Offer for Sale by the Promoter Selling Shareholder, to participate in the Offer for Sale pursuant to its resolution dated September 30, 2026.*

*(4) Our Promoter Selling Shareholder, confirms that his portion of the Offered Shares are eligible for being offered for sale in the Offer in accordance with Regulation 8 of the SEBI ICDR Regulations. For details on the consent of the Promoter Selling Shareholder in relation to his portion of the Offered Shares, please see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on pages 75 and 402, respectively.*

*(5) Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

### Notes to the capital structure

Our Company is in compliance with the Companies Act, 2013, as applicable, with respect to issuance of securities since its incorporation till the date of filing of this Draft Red Herring Prospectus.

### 1. Share capital history of our Company

*(a) Equity share capital*

The following table sets forth the history of the Equity Share capital of our Company:

| Sr. No. | Date of allotment | Name(s) of the allottee(s) along with the number of Equity Shares allotted to each allottee | Number of allottee(s) | Nature of allotment | Number of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Form of consideration | Cumulative number of Equity shares | Cumulative paid-up Equity Share capital (in ₹) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. | October 08, 2018[(1)] | **Name of the allottee** / **Number of equity shares allotted**<br>Kunal Giani: 8,000<br>Geetika Giani: 2,000 | 2 | Initial subscription to the Memorandum of Association | 10,000 | 10 | 10 | Cash | 10,000 | 100,000 |
| 2. | March 30, 2022 | **Name of the allottee** / **Number of equity shares allotted**<br>Kunal Giani: 39,800<br>Geetika Giani: 9,950 | 2 | Rights issue | 49,750 | 10 | 400 | Cash | 59,750 | 597,500 |
| Pursuant to a resolution passed by our Board and the Shareholders on December 9, 2024 and December 11, 2024, respectively, our Company sub-divided the face value of its equity shares from ₹10 each to ₹5 each. Accordingly, the authorized share capital of our Company was sub-divided from 12,000,000 equity shares of ₹10 each to 24,000,000 Equity Shares of ₹5 each. Consequently, the paid-up capital of our Company was sub-divided from 59,750 equity shares of face value of ₹10 each to 119,500 Equity Shares of face value of ₹5 each. | | | | | | | | | | |
| 4. | December 30, 2024 | **Name of the allottee** / **Number of Equity Shares allotted**<br>Kunal Giani: 13,909,800<br>Vijay Pal Singh Parmar: 430,200 | 2 | Bonus issue (in the ratio of one hundred twenty (120) Equity Shares for every one (1) Equity Share held) | 14,340,000 | 5 | Not applicable | Not applicable | 14,459,500 | 72,297,500 |
| 5. | January 29, 2025 | **Name of the allottee** / **Number of Equity Shares allotted**<br>Abhishek Verma: 58,823<br>Shailendra Saxena: 58,823<br>Sonal Saxena: 58,823<br>Anand Rawat: 100<br>Archana Verma: 100<br>Hardayal Verma: 100 | 6 | Rights issue | 176,769 | 5 | 5 | Cash | 14,636,269 | 73,181,345 |
| 6. | April 4, 2026 | **Name of the allottee** / **Number of Equity** | 22 | Private Placement | 2,333,336 | 5 | 150 | Cash | 16,969,605 | 84,848,025 |

| Sr. No. | Date of allotment | Name(s) of the allottee(s) along with the number of Equity Shares allotted to each allottee | | Number of allottee(s) | Nature of allotment | Number of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Form of consideration | Cumulative number of Equity shares | Cumulative paid-up Equity Share capital (in ₹) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | **Shares allotted** | | | | | | | | |
| | | Navbharat Investment Opportunities Fund | 666,667 | | | | | | | | |
| | | Avinya Ventures | 266,667 | | | | | | | | |
| | | Venturex Fund I | 266,667 | | | | | | | | |
| | | KIFS Dealers | 133,333 | | | | | | | | |
| | | SB Opportunities Fund I | 133,333 | | | | | | | | |
| | | Evergrow Capital Opportunities Fund | 116,666 | | | | | | | | |
| | | Shah Amee D | 66,667 | | | | | | | | |
| | | Shah Deven M | 66,667 | | | | | | | | |
| | | Bhaskar Srinivasan | 66,667 | | | | | | | | |
| | | Narmada Agrobase Limited | 66,667 | | | | | | | | |
| | | Platinus Technologies Private Limited | 66,667 | | | | | | | | |
| | | Shah Nirupamaben Mukeshkumar | 66,667 | | | | | | | | |
| | | Vamika Merchantile LLP | 66,667 | | | | | | | | |
| | | Saurav Raidani | 50,000 | | | | | | | | |
| | | Shah Hitesh Indulal | 33,334 | | | | | | | | |
| | | Shah Sweta Hiteshkumar | 33,334 | | | | | | | | |
| | | Jitendrakumar Maganlal Patel | 33,333 | | | | | | | | |

| Sr. No. | Date of allotment | Name(s) of the allottee(s) along with the number of Equity Shares allotted to each allottee | | Number of allottee(s) | Nature of allotment | Number of Equity Shares allotted | Face value per Equity Share (₹) | Issue price per Equity Share (₹) | Form of consideration | Cumulative number of Equity shares | Cumulative paid-up Equity Share capital (in ₹) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Maniyar Bhaveshkumar Motilal | 33,333 | | | | | | | | |
| | | Varma Punit Shravankumar HUF | 33,333 | | | | | | | | |
| | | Vikram Pati Singhania | 33,333 | | | | | | | | |
| | | Ketan Kalyanchand Kotecha | 16,667 | | | | | | | | |
| | | Pratiksha Kothari | 16,667 | | | | | | | | |

*(1) Our Company was incorporated on October 8, 2018 and the date of subscription to the Memorandum of Association was October 5, 2018.*

*(b) Preference share capital*

Our Company does not have any outstanding preference shares, as on the date of this Draft Red Herring Prospectus.

**2. Equity Shares issued for consideration other than cash or by way of bonus issue**

Except as disclosed below, our Company has not issued any Equity Shares (i) for consideration other than cash; or (iii) by way of bonus issue:

| Date of allotment | Number of Equity Shares allotted | Face value (₹) | Issue price per equity share (₹) | Reason/ Nature of Allotment | Name of allottees | Form of consideration | Benefits accrued to our Company |
|---|---|---|---|---|---|---|---|
| December 30, 2024 | 14,340,000 | 5 | Not Applicable | Bonus issue (in the ratio of one hundred twenty (120) Equity Shares for every one (1) Equity Share Held) | Allotment of (i) 13,909,800 Equity Shares to Kunal Giani; and (ii) 430,200 Equity Shares to Vijay Pal Singh Parmar | Not applicable | - |

**3. Issue of Equity Shares pursuant to sections 230 to 234 of the Companies Act, 2013**

As on the date of this Draft Red Herring Prospectus, our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 230-234 of the Companies Act, 2013.

**4. Issue of Equity Shares out of revaluation reserves**

Our Company has not issued any Equity Shares out of revaluation reserves, since its incorporation.

**5. Issue of Equity Shares at a price lower than the Offer Price during the preceding one year**

The Offer Price shall be determined by our Company, in consultation with the BRLM after the Bid/Offer Closing Date. The details of Equity Shares issued at a price lower than the Offer Price by our Company in the last one year preceding the date of filing of the Draft Red Herring Prospectus, is disclosed above in *"**Capital Structure - Notes to capital structure- Share capital history of our Company**"* on page 100.

**6. Issue of Equity Shares under employee stock option schemes**

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme or stock appreciation rights scheme.

**7. Secondary transactions of Equity Shares of our Company involving our Promoter (including Promoter Selling Shareholder), and the Promoter Group**

Except as disclosed below and above in *"**Build-up of our Promoter's equity shareholding in our Company**"* on page 100, there has been no acquisition or transfer of securities through secondary transactions by our Promoter (including Promoter Selling Shareholder), members of the Promoter Group as on the date of this Draft Red Herring Prospectus:

| Date of transfer of equity shares | Name of transferor | Name of transferee | Nature of transaction | Number of equity shares transferred | Face value per equity share (₹) | Transfer price per equity share (₹) | Nature of consideration |
|---|---|---|---|---|---|---|---|
| ***Geetika Giani*** | | | | | | | |
| April 23, 2024 | Geetika Giani | Kunal Giani | Transfer of 10,155 equity shares by way of gift | 10,155 | 10 | Nil | NA |
| April 23, 2024 | Geetika Giani | Vijay Pal Singh Parmar | Transfer of 1,795 equity shares to Vijay Pal Singh Parmar | 1,795 | 10 | 1,580 | Cash |

## 8. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

| Category (I) | Category of shareholder (II) | Number of shareholders (III) | Number of fully paid-up Equity Shares held of face value ₹ 5 each (IV) | Number of partly paid-up Equity Shares held of face value ₹ 5 each (V) | Number of shares underlying depository receipts (VI) | Total number of shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of voting rights held in each class of securities (IX) | | | | Number of shares underlying outstanding convertible securities (including warrants) (X) | Total number of shares on a fully diluted basis (including warrants, ESOP, convertibles securities etc.) (XI)= (VII) + (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII) +(X) As a % of (A+B+C2) | Number of locked in shares (XIII) | | Number of shares pledged (XIV) | | Non-Disposal Undertaking (XV) | | Other encumbrances, if any (XVI) | | Total number of shares encumbered (XVII) = (XIV +XV +XVI) | | Number of Equity Shares of face value ₹ 5 each held in dematerialized form (XVIII) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Number of voting rights | | | | | | | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | |
| | | | | | | | | Class e.g.: Equity Shares | Class e.g.: Others | Total | Total as a % of (A+B+C) | | | | | | | | | | | | | | |
| (A) | Promoter and Promoter Group | 3 | 14,025,915 | - | - | 14,025,915 | 82.65 | 14,025,915 | - | 14,025,915 | 82.65 | - | - | - | - | - | - | - | - | - | - | - | - | - | 14,025,915 |
| (B) | Public | 27 | 2,943,690 | - | - | 2,943,690 | 17.35 | 2,943,690 | - | 2,943,690 | 17.35 | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,943,690 |
| (C) | Non-Promoter- Non-Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C1) | Shares underlying depository receipts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Category (I) | Category of shareholder (II) | Number of shareholders (III) | Number of fully paid-up Equity Shares held of face value ₹ 5 each (IV) | Number of partly paid-up Equity Shares held of face value ₹ 5 each (V) | Number of shares underlying depository receipts (VI) | Total number of shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of voting rights held in each class of securities (IX) | | | | Number of shares underlying outstanding convertible securities (including warrants) (X) | Total number of shares on a fully diluted basis (including warrants, ESOP, convertibles securities etc.) (XI)= (VII) + (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII) +(X) As a % of (A+B+C2) | Number of locked in shares (XIII) | | Number of shares pledged (XIV) | | Non-Disposal Undertaking (XV) | | Other encumbrances, if any (XVI) | | Total number of shares encumbered (XVII) = (XIV +XV +XVI) | | Number of Equity Shares of face value ₹ 5 each held in dematerialized form (XVIII) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Number of voting rights | | | Total as a % of (A+B+C) | | | | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | Number (a) | As a % of total shares held (b) | |
| | | | | | | | | Class e.g.: Equity Shares | Class e.g.: Others | Total | | | | | | | | | | | | | | | |
| | Total | 30 | 16,969,605 | - | - | 16,969,605 | 100 | 16,969,605 | - | 16,969,605 | 100 | - | - | - | - | - | - | - | - | - | - | - | - | 16,969,605 |

***Note:*** *Based on the beneficiary position statement dated September 25, 2026*

## 9. Details of shareholding of the major Shareholders of our Company

(a) As on the date of this Draft Red Herring Prospectus, our Company has 30 Shareholders.

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as on the date of filing this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity Shares of face value of ₹5 each | % of the pre-Offer paid-up Equity Share capital |
|---|---|---|---|
| 1. | Kunal Giani | 14,025,715 | 82.65 |
| 2. | Navbharat Investment Opportunities Fund | 666,667 | 3.93 |
| 3. | Vijay Pal Singh Parmar | 433,785 | 2.56 |
| 4. | Venturex Fund I | 266,667 | 1.57 |
| 5. | Avinya Ventures | 266,667 | 1.57 |
| | **Total** | **15,659,501** | **92.28** |

***Note:*** *Based on the beneficiary position statement dated September 25, 2026*

(c) Set forth below are details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity Shares of face value of ₹5 each | % of the pre-Offer paid-up Equity Share capital |
|---|---|---|---|
| 1. | Kunal Giani | 14,025,715 | 82.65 |
| 2. | Navbharat Investment Opportunities Fund | 666,667 | 3.93 |
| 3. | Vijay Pal Singh Parmar | 433,785 | 2.56 |
| 4. | Venturex Fund I | 266,667 | 1.57 |
| 5. | Avinya Ventures | 266,667 | 1.57 |
| | **Total** | **15,659,501** | **92.28** |

***Note:*** *Based on the beneficiary position statement dated September 18, 2026*

(d) Set forth below are details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of 1 year prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity Shares of face value of ₹5 each | % of the pre-Offer paid-up Equity Share capital |
|---|---|---|---|
| 1. | Kunal Giani | 14,025,715 | 95.83 |
| 2. | Vijay Pal Singh Parmar | 433,785 | 2.96 |
| | **Total** | **14,459,500** | **98.79** |

***Note:*** *Details as on September 29, 2025, being the date one year prior to the date of this Draft Red Herring Prospectus.*

(e) Set forth below are details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company, as of the date, 2 years prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder | Number of equity shares of face value of ₹10 each | % of the pre-Offer paid-up equity share capital |
|---|---|---|---|
| 1. | Kunal Giani | 57,955 | 96.99 |
| 2. | Vijay Pal Singh Parmar | 1,795 | 3.01 |
| | **Total** | **59,750** | **100.00** |

***Note:*** *Details as on September 29, 2024, being the date two years prior to the date of this Draft Red Herring Prospectus.*

## 10. History of build-up of Promoter's shareholding and lock-in of Promoter's shareholding (including Promoter's contribution)

As on the date of this Draft Red Herring Prospectus, our Promoter holds 14,025,715 Equity Shares, equivalent to 82.65% of the issued, subscribed and paid-up Equity Share capital of our Company. All Equity Shares held by our Promoter are in dematerialised form, as on the date of this Draft Red Herring Prospectus.

(i) ***Build-up of our Promoter's equity shareholding in our Company***

Set forth below is the build-up of the equity shareholding of our Promoter, since incorporation of our Company:

| Date of allotment/ transfer / transmission | Number of Equity Shares allotted/ transferred | Cumulative number of Equity Shares | Face value per equity share (₹) | Issue price/ transfer price per equity share (₹) | Nature of consideration | Nature of Transaction | Percentage (%) of pre-Offer Equity Share capital of the Company | Percentage (%) of post-Offer Equity Share capital of the Company |
|---|---|---|---|---|---|---|---|---|
| ***Kunal Giani*** | | | | | | | | |
| October 08, 2018 | 8,000 | 8,000 | 10 | 10 | Cash | Initial subscription to the Memorandum of Association | 80.00 | [●] |
| March 30, 2022 | 39,800 | 47,800 | 10 | 400 | Cash | Rights issue | 80.00 | [●] |
| April 23, 2024 | 10,155 | 57,955 | 10 | Nil | NA | Transfer of 10,155 equity shares by way of gift by Geetika Giani | 96.99 | [●] |
| Pursuant to a resolution passed by our Board and the Shareholders on December 9, 2024 and December 11, 2024, respectively, our Company sub-divided the face value of its equity shares from ₹10 each to ₹5 each. Accordingly, the authorized share capital of our Company was sub-divided from 12,000,000 equity shares of ₹10 each to 24,000,000 Equity Shares of ₹5 each.<br><br>Consequently, the paid-up capital of our Company was sub-divided from 59,750 equity shares of face value of ₹10 each to 119,500 Equity Shares of face value of ₹5 each. Accordingly, 57,955 paid-up equity shares of face value of ₹10 each held by Kunal Giani were sub-divided into 115,910 Equity Shares of face value of ₹5 each. | | | | | | | | |
| December 19, 2024 | 5 | 115,915 | 5 | 3,080 | Cash | Transfer of 5 Equity Shares by Vijay Pal Singh Parmar to Kunal Giani | 97.00 | [●] |
| December 30, 2024 | 13,909,800 | 14,025,715 | 5 | Not applicable | Not applicable | Bonus issue (in the ratio of one hundred twenty (120) Equity Shares for every one (1) Equity Share held) | 97.80 | [●] |
| **Total** | | **14,025,715** | | | | | **82.65** | **[●]** |

(ii) All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(iii) As on the date of this Draft Red Herring Prospectus, our Promoter does not hold any preference shares.

(iv) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are subject to any pledge or any other encumbrance.

**11. Shareholding of our Promoter (including Promoter Selling Shareholder), members of our Promoter**

**Group**

The aggregate pre-Offer Equity shareholding and percentage of pre-Offer paid-up Equity Share capital of our Promoter (including Promoter Selling Shareholder), members of our Promoter Group as on the date of this Draft Red Herring Prospectus is set forth below:

| Name of Shareholder | Pre-Offer | | Post-Offer | |
|---|---|---|---|---|
| | Number of Equity Shares of face value ₹5 each | Percentage of pre-Offer paid-up equity share capital (%) | Number of Equity Shares of face value of ₹5 each | Percentage of post-Offer paid-up equity share capital (%) |
| ***Promoter*** | | | | |
| Kunal Giani | 14,025,715 | 82.65% | [●] | [●] |
| ***Members of the Promoter Group*** | | | | |
| Archana Verma | 100 | Negligible | [●] | [●] |
| Hardayal Verma | 100 | Negligible | [●] | [●] |

## 12. Aggregate pre-Offer shareholding of our Promoter (including Promoter Selling Shareholder), members of our Promoter Group, and the additional top 10 Shareholders

The aggregate shareholding of our Promoter, members of our Promoter Group, and additional top 10 Shareholders (apart from our Promoter and members of Promoter Group) as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Pre-Offer shareholding as on the date of this Draft Red Herring Prospectus | | | Post-Offer as at Allotment[(1)] | | | |
|---|---|---|---|---|---|---|---|
| | | | | At the lower end of the Price Band (₹[●]) | | At the upper end of the Price Band (₹[●]) | |
| | Name of the Shareholder | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) |
| ***Promoter[#]*** | | | | | | | |
| 1 | Kunal Giani | 14,025,715 | 82.65% | [●] | [●] | [●] | [●] |
| | **Total (A)** | **14,025,715** | **82.65%** | [●] | [●] | [●] | [●] |
| ***Promoter Group (other than Promoter)*** | | | | | | | |
| 1 | Hardayal Verma | 100 | Negligible | [●] | [●] | [●] | [●] |
| 2 | Archana Verma | 100 | Negligible | [●] | [●] | [●] | [●] |
| | **Total (B)** | 200 | Negligible | [●] | [●] | [●] | [●] |
| ***Additional Top 10 Shareholders*** | | | | | | | |
| 1 | Navbharat Investment Opportunities Fund | 666,667 | 3.93 | [●] | [●] | [●] | [●] |
| 2 | Vijay Pal Singh Parmar | 433,785 | 2.56 | [●] | [●] | [●] | [●] |
| 3 | Venturex Fund I | 266,667 | 1.57 | [●] | [●] | [●] | [●] |
| 4 | Avinya Ventures | 266,667 | 1.57 | [●] | [●] | [●] | [●] |
| 5 | SB Opportunities Fund I | 133,333 | 0.79 | [●] | [●] | [●] | [●] |
| 6 | KIFS Finstock Limited | 133,333 | 0.79 | [●] | [●] | [●] | [●] |
| 7 | Evergrow Capital Opportunities Fund | 116,666 | 0.69 | [●] | [●] | [●] | [●] |
| 8 | Shah Amee D | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| 9 | Shah Nirupamaben Mukeshkumar | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| 10 | Bhaskar Srinivasan | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| 11 | Narmada Agrobase Limited | 66,667 | 0.39 | [●] | [●] | [●] | [●] |

| Sr. No. | Pre-Offer shareholding as on the date of this Draft Red Herring Prospectus | | | Post-Offer as at Allotment[(1)] | | | |
|---|---|---|---|---|---|---|---|
| | | | | At the lower end of the Price Band (₹[●]) | | At the upper end of the Price Band (₹[●]) | |
| | Name of the Shareholder | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) | Number of Equity Shares of face value of ₹5 each | Percentage of total pre-Offer paid-up equity share capital (%) |
| 12 | Platinus Technologies Private Limited | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| 13 | Shah Deven M | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| 14 | Vamika Merchantile LLP | 66,667 | 0.39 | [●] | [●] | [●] | [●] |
| | **Total (C)** | **24,83,787** | **14.63** | **[●]** | **[●]** | **[●]** | **[●]** |
| **Total (A+B+C)** | | **16,509,702** | **97.28** | **[●]** | **[●]** | **[●]** | **[●]** |

*(1) To be updated at Prospectus stage*
*# Also, Promoter Selling Shareholder*

**Weighted average cost of acquisition of equity shares by our Promoter (including Promoter Selling Shareholder) as on the date of this Draft Red Herring Prospectus and within 1 year preceding the date of this Draft Red Herring Prospectus**

The weighted average price at which the equity shares were acquired by our Promoter (including Promoter Selling Shareholder) as on the date of this Draft Red Herring Prospectus and within one year preceding the date of this Draft Red Herring Prospectus is as follows:

| Name | Number of equity shares of face value of ₹5 each | Weighted average cost of acquisition per Equity Share (₹)* | Number of equity shares of face value of ₹5 each acquired in the last 1 year | Weighted average cost of acquisition per Equity Share acquired in the last 1 year (₹) |
|---|---|---|---|---|
| Kunal Giani[#] | NA | NA | NA | NA |

*#Also, Promoter Selling Shareholder*
**As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

**Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoter (including Promoter Selling Shareholder), members of our Promoter Group, and the Shareholders with rights to nominate one or more directors on the Board or other rights.**

There are no Shareholders with right to nominate directors or other rights in our Company. Set out below are details of the price at which equity shares were acquired by our Promoter, members of our Promoter Group, in the last three years preceding the date of this Draft Red Herring Prospectus:

| Shareholder | Date of the acquisition of equity shares | Number of equity shares acquired | Face value per equity share (in ₹) | Acquisition price per Equity Share (in ₹) | Nature of transaction |
|---|---|---|---|---|---|
| ***Promoter*** | | | | | |
| Kunal Giani | April 23, 2024 | 10,155 | 10 | Nil | Transfer of 10,155 equity shares by way of gift |
| | December 19, 2024 | 5 | 5 | 3,080 | Transfer of 5 Equity Shares by Vijay Pal Singh Parmar to Kunal Giani |
| | December 30, 2024 | 13,909,800 | 5 | NA | Bonus issue (in the ratio of one hundred twenty (120) Equity Shares for every one (1) Equity Share held) |

| Shareholder | Date of the acquisition of equity shares | Number of equity shares acquired | Face value per equity share (in ₹) | Acquisition price per Equity Share (in ₹) | Nature of transaction |
|---|---|---|---|---|---|
| ***Promoter Group*** | | | | | |
| Archana Verma | January 29, 2025 | 100 | 5 | 5 | Rights issue |
| Hardayal Verma | January 29, 2025 | 100 | 5 | 5 | Rights issue |

**As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

**Weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this Draft Red Herring Prospectus:**

| Period | Weighted average cost of acquisition (in ₹)[#] | Cap Price is 'x' times the weighted average cost of acquisition* | Range of acquisition price: Lowest price – Highest price (in ₹) |
|---|---|---|---|
| Last one year | 150 | [●] | 0-150 |
| Last 18 months | 150 | [●] | 0-150 |
| Last three years | 20.75 | [●] | 0-150 |

*[#]As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

*[*]To be updated upon finalization of the Price Band.*

## 13. Details of shareholding of our Directors, Key Managerial Personnel and Senior Management

Except as disclosed in the section *"**Our Management - Shareholding of Directors in our Company**"*, *"**Our Management - Shareholding of Key Managerial Personnel and Senior Management in our Company**"* on pages 265 and 282, respectively, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

## 14. Details of minimum Promoter's contribution

(a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital of our Company held by the Promoter shall be locked in for a period of 3 years as minimum promoter's contribution from the date of Allotment ("**Minimum Promoter's Contribution**"). Our Promoter's shareholding in excess of 20% of the Minimum Promoter's Contribution shall be locked in for a period of 1 year from the date of Allotment.

(b) The details of Equity Shares held by our Promoter, which will be locked-in for a period of 3 years as Minimum Promoter's Contribution, from the date of Allotment are as provided below:

| Name of the Promoter | Number of Equity Shares locked-in[*] | Date of allotment / acquisition and when made fully paid up[*] | Nature of transaction | Face value per Equity Share (₹) | Issue / acquisition price per Equity Share (₹) | Percentage of pre-Offer paid-up capital (%) | Percentage of post-Offer paid-up capital (%) | Date up to which Equity Shares are subject to lock-in |
|---|---|---|---|---|---|---|---|---|
| [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| **Total** | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** |

*Note: To be updated at Prospectus stage.*

*[#]All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

*[*]Subject to finalisation of Basis of Allotment.*

Our Promoter has given consent to include such number of Equity Shares held by him, as may constitute 20% of the post-Offer Equity Share capital of our Company as Minimum Promoter's Contribution. Our Promoter has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Minimum Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry 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.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Minimum Promoter's Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

(ii) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(iv) The Equity Shares held by our Promoter and forming part of the Minimum Promoter's Contribution are not subject to any pledge or any other encumbrance.

**15.** ***Details of Equity Shares held by other Shareholders which will be locked-in for six months***

In addition to the 20% of the post-Offer shareholding of our Company held by the Promoter and locked in for 3 years as specified above and the remaining post-Offer shareholding by our Promoter in our Company which is locked in for 1 year, in terms of Regulation 16(1)(b) of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of six months from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations, except (a) the Minimum Promoter's Contribution which shall be locked-in as above; (b) Offered Shares, which are successfully transferred as part of the Offer for Sale.

In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund ("**VCF**") or alternative investment fund ("**AIF**") of category I or category II or a foreign venture capital investor ("**FVCI**") shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked-in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund of category I or category II or foreign venture capital investor.

**16.** ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked in for a period of 30 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 90 days from the date of Allotment.

**17.** ***Other requirements in respect of lock-in***

(i) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for 3 years

from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoter prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI Takeover Regulations.

**18.** There have been no financing arrangements whereby our Promoter, members of our Promoter Group, our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

**19.** Our Company, Directors and the BRLM have not entered into buyback arrangements and/or any other similar arrangements for the purchase of Equity Shares of our Company being offered through the Offer.

**20.** The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. All Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

**21.** As on the date of this Draft Red Herring Prospectus, the BRLM and its associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The BRLM and its associates may engage in the transactions with, and perform services for our Company, the Promoter Selling Shareholder and their respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Promoter Selling Shareholder or their respective affiliates or associates, for which they may in the future, receive customary compensation.

**22.** As on the date of this Draft Red Herring Prospectus, our Company does not have investors which are directly or indirectly related with the BRLM and/or its affiliates or associates.

**23.** No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, our Promoter (including Promoter Selling Shareholder), members of our Promoter Group or our Directors or Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

**24.** Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, if any, there will be no further issue of Equity Shares 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 filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

**25.** Except for the Equity Shares to be Allotted pursuant to the Fresh Issue, there is no proposal or intention, negotiations and consideration of our Company to alter its capital structure, within a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or issue of specified securities on a preferential basis or issue of bonus or rights or by way of further public offer of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares). However, if our Company enters into acquisitions, joint ventures or other

arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as consideration for acquisitions or participation in such joint ventures or other arrangements.

**26.** There are no outstanding warrants, options or rights to convert debentures, or other convertible instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

**27.** Our Company shall ensure that all transactions in Equity Shares by our Promoter and the members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

**28.** The Promoter and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation in the Offer for Sale.

**29.** Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

**30.** Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

**31.** None of the Equity Shares held by our Shareholders are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus. Further, none of the Equity Shares offered for sale through the Offer for Sale are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

**32.** Neither the (i) BRLM or any associate of the BRLM (other than the Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLM nor (ii) pension funds sponsored by entities which are associates of the BRLM, can apply in the Offer. Further, no person related to our Promoter or members of our Promoter Group shall apply in the Offer under the Anchor Investor Portion.

## OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to 5,400,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million by our Company and an Offer for Sale of up to 1,350,000 Equity Shares of face value of ₹5 each aggregating to up to ₹ [●] million by the Promoter Selling Shareholder, subject to finalization of Basis of Allotment. For details, please see *"**The Offer**"* on page 75.

**Offer for Sale**

The proceeds from the Offer for Sale shall be received by the Promoter Selling Shareholder after deducting his proportion of Offer expenses and relevant taxes thereon. For further details, please see *"**- Offer related Expenses**"* on page 148. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

**Objects of the Fresh Issue**

Our Company proposes to utilize the Net Proceeds towards funding of the following objects (collectively, referred to as "**Objects**"):

a) Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("**PU**") foam products ("**Proposed Project**");

b) Repayment and/or pre-payment, in part or full, of certain borrowings availed by our Company; and

c) General corporate purposes.

In addition, we intend to achieve the benefit of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's brand name amongst our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to (i) to undertake our existing business activities; and (ii) to undertake the proposed activities for which funds are being raised by us pursuant to the Fresh Issue.

**Net Proceeds**

After deducting the Offer related expenses from the Gross Proceeds of the Fresh Issue, we estimate the Net Proceeds to be ₹[●] million. The details of the Net Proceeds of the Offer are summarized in the table below:

| Sr. No. | Particulars | Estimated amount (₹ in million) |
|---|---|---|
| a) | Gross Proceeds from the Fresh Issue (1) and (2) | [●] |
| b) | Less: Offer related expenses in relation to the Fresh Issue to be borne by our Company (2) and (3) | [●] |
| | **Net Proceeds (2)** | **[●]** |

*(1) Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

*(2) To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

*(3) Please see "**-Offer related expenses**" on page 148.*

**Requirement of funds and utilization of Net Proceeds**

The Net Proceeds are proposed to be utilized by our Company as follows:

| Sr. No. | Particulars | Estimated amount [2] (₹ in million) |
|---|---|---|
| 1. | Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("**PU**") foam products ("**Proposed Project**"); | 900.00 |
| 2. | Repayment and/or pre-payment, in part or full, of certain borrowings availed by our Company | 300.00 |
| 3. | General corporate purposes [1] | [●] |
| | **Total** | **[●]** |

*[1] To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*[2] Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

**Proposed schedule of implementation and deployment of Net Proceeds**

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

*(₹ in million)*

| Sr. No. | Particulars | Total estimated amount | Amount deployed as on September 27, 2026 | Amount to be funded from Internal Accruals | Estimated amount to be funded from the Net Proceeds | Estimated deployment of the Net Proceeds in Fiscals | |
|---|---|---|---|---|---|---|---|
| | | | | | | 2027 | 2028 |
| 1. | Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("PU") foam products ("**Proposed Project**"); | 980.00[1] | 38.04[2] | 41.96 [3] | 900.00 | 70.00 | 830.00 |
| 2. | Repayment and/or pre-payment, in part or full, of certain borrowings availed by our Company | 300.00 | - | - | 300.00 | 200.00 | 100.00 |
| 3. | General corporate purposes [4] | [●] | [●] | [●] | [●] | [●] | [●] |
| | **Total**[5] | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** | **[●]** |

*[1] Total estimated cost as per Cost Vetting Report dated September 29, 2026 issued by Dun & Bradstreet Information Services India Private Limited in respect of the Proposed Project.*

*[2] As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

*[3] The Company has sufficient existing internal accruals as certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026.*

*[4] To be determined after finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*[5] Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

Pursuant to a resolution dated September 30, 2026 passed by our Board, our Company has approved the utilisation of the Net Proceeds for the Objects, in accordance with the aforementioned schedule of implementation and deployment.

The estimated schedule of deployment of the Net Proceeds provided above is indicative and our management may vary the amount to be utilized in a particular Financial Year at its discretion, subject to compliance with applicable law. Given the nature of our business, we may have to revise our funding requirements and deployment of the Net Proceeds from time to time, on account of a variety of factors such as our financial condition, business strategies and external factors such as market conditions, geopolitical situations, the competitive environment or other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds, the implementation and deployment schedule provided above and our funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in Fiscals 2027 and 2028, we will utilize such unutilized amount in the following Fiscal(s), provided that, if the Offer opens prior to the expected date of opening of the Offer, the Company may, at its discretion, utilise the Net Proceeds prior to the scheduled period of utilisation set out above. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds, subject to compliance with applicable law. For further details, please see *"**Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval**"* on page 59.

The above fund requirements are based on our current business plan, management estimates, other commercial and technical factors including interest rates and other charges, terms of the facility documents for borrowings and quotations received from third-party vendors, which are subject to change in the future. These are based on current conditions and are subject to revisions in light of changes in costs, our financial condition, our business operations or growth strategy or external circumstances which may not be in our control. Additionally, we have also relied on a Cost Vetting Report dated September 29, 2026, issued by Dun & Bradstreet Information Services India Private Limited, in relation to the cost assessment for financing the Proposed Project ("**Project Report**"). However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment schedule from time to time, on account of variety of factors such as our financial and market condition, business strategy, variation in cost estimates, availability of raw material, machinery, equipment and suitable workforce and other external factors such as changes in the business environment and interest or exchange rate fluctuations, geo-political situations, 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 our management, subject to compliance with applicable laws.

Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/ or any additional equity and/or debt arrangements. Further, if the actual utilization towards any of the stated objects is lower than the proposed deployment, the balance remaining may be utilized towards future growth opportunities, and/or towards funding any of the other Objects or for any other purpose, and/or general corporate purposes, subject to applicable laws to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations and in compliance with the objectives as set in this section.

**Details of the Objects of the Fresh Issue**

**1. Funding capital expenditure requirement of our Company for setting up of a manufacturing facility of rebonded polyurethane ("PU") foam products ("Proposed Project")**

We are a specialized manufacturer and trader of rebonded polyurethane (PU) foam, operating a circular-economy business model that converts PU foam trims and off-cuts into value-added rebonded foam products. We are the largest rebonded Polyurethane (PU) Foam player in India (with an estimated market share of around 33% (FY

2026) and also the largest exporter of rebonded PU foam products in India *(Source: D&B Report)*. We operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring. We have during the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 supplied our rebonded foam products to brands such as Duroflex Limited, Sheela Foam Limited, Infinity Flooring, Repose Mattress Private Limited, Restin Industries and Shrikrishna Enterprises.

The installed capacity, actual production and capacity utilisation in our existing manufacturing facilities for the last three Fiscals, as certified by Independent Chartered Engineer in relation to our Company's Manufacturing Units, pursuant to their certificate dated September 29, 2026 is set out below:

| Particulars | Installed production capacity (approx. MTPA)[(1)] | Utilised production capacity (approx. MTPA) [(2)] | Capacity utilisation (in %) |
|---|---|---|---|
| As of March 31, 2026 | 15,500.00[(3)] | 12,563.66 | 81.06% |
| As of March 31, 2025 | 11,433.33 | 8,324.24 | 72.81% |
| As of March 31, 2024 | 7,650.00 | 6,815.00 | 89.08% |

*MTPA refers to Metric Tonnes per annum.*

***Note:***

*(1) The installed capacity and actual production of each Manufacturing Unit as of and for the Fiscals ended March 31, 2026, March 31, 2025 and March 31, 2024 have been computed on the basis of certain assumptions and estimates. The key assumptions and estimates considered are set out below:*

*(i) Working days: The installed capacity has been computed separately for each Manufacturing Unit, on the basis of the number of working days available at that unit in each Fiscal. A month has been considered as 30 calendar days, of which 24 days have been taken as working days after declared holidays and planned maintenance shutdowns. The working days for each Manufacturing Unit in a Fiscal have accordingly been computed as the number of months for which the unit was in operation in that Fiscal multiplied by 24 working days. In the case of a Manufacturing Unit that commenced or ceased commercial operations during a Fiscal, only the months for which the unit was operational have been considered. The number of working days considered for each Manufacturing Unit is as follows:*

- *Silvassa Unit – Fiscal 2026: 288 days (12 months); Fiscal 2025: 48 days (2 months); Fiscal 2024: 72 days (3 months)*
- *Krishnagiri Unit – I – Fiscal 2026: 288 days (12 months); Fiscal 2025: 288 days (12 months); Fiscal 2024: 288 days (12 months)*
- *Krishnagiri Unit – II – Fiscal 2026: 288 days (12 months); Fiscal 2025: 288 days (12 months); Fiscal 2024: 24 days (1 month)*
- *Dadri Unit – Fiscal 2026: 288 days (12 months); Fiscal 2025: 192 days (8 months); Fiscal 2024: Not applicable (not in operation)*
- *Hyderabad Unit - Fiscal 2026: Unit not operational; Fiscal 2025: 168 days (7 months); Fiscal 2024: 288 days (12 months)*

*(ii) Machine speeds: The production capacity per shift of each Manufacturing Unit has been derived from the rated operating speeds of the principal production equipment installed at the unit, as identified from the manufacturers' specifications, machine nameplate data and physical verification at site. For each production line, the throughput of the rate-limiting (bottleneck) process has been taken as the effective throughput of the line, and the production capacity per shift has been computed accordingly.*

*(iii) Shift pattern: The installed capacity of each of the Manufacturing Units, namely the Silvassa Unit, Krishnagiri Unit – I, Krishnagiri Unit – II and the Dadri Unit, has been computed on the basis of three shifts per day, each shift being of eight hours, i.e. 24 operating hours per working day.*

*(iv) Basis of computation: Accordingly, the installed capacity of each Manufacturing Unit for a Fiscal has been computed as follows: Installed capacity (MT) = Effective throughput of the line (MT per hour) × Operating hours per shift × Number of shifts per day × Number of working days in the Fiscal.*

*(2) Utilisation (%) – This has been calculated as the actual production/installed capacity*100.*

*(3) As on this Draft Red Herring Prospectus, the Company has purchased machineries at the Krishnagiri Unit II, the production from these machines has not commenced. After commencement of production from these machines, the expected installed capacity at the Krishnagiri Unit II shall approximately increase from 2,400.00 MTPA to 6500.00 MTPA.*

For Fiscal 2026, Fiscal 2025 and Fiscal 2024, the total capacity utilisation of our Manufacturing Facilities, calculated on the basis of total production capacity, was 81.06%, 72.81% and 89.08% respectively. For further details of our strategy, please see *"**Our Business—Our Strategies— Setting-up of a new manufacturing facility to enhance capacities**"* on page 225.

Over the past years, our Company has demonstrated consistent growth in operating performance, as reflected in the increase in revenue, and quantity of manufactured goods sold. For Fiscal 2026, Fiscal 2025 and Fiscal 2024, we have recorded steady growth across key performance indicators. Detailed information relating to revenues, growth trends, quantity of manufactured goods sold, and utilisation percentage of our installed capacity for the aforesaid periods has been set out in the table below:

| Particulars | March 31, 2026 | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| Revenue from sale of manufactured goods (₹ in million) | 1,379.48 | 766.23 | 662.24 |
| Growth in Revenue from sale of manufactured goods sold (%) | 80.03% | 15.70% | N.A. |
| Quantity of manufactured goods sold (in MT) | 12,636.00 | 8,338.00 | 6,748.00 |
| Utilisation percentage of our installed capacity (%) | 81.06% | 72.81% | 89.08% |

The global rebonded Polyurethane (PU) market is witnessing steady growth, estimated to have expanded from ~USD 865 million (Mn) in CY2021 to USD ~1114 million by CY2025, reflecting a CAGR of approximately 6.6%. The global rebonded polyurethane foam market remains a niche segment relative to the overall PU foam industry. However, it is one of the fastest-growing circular economy segments within the foam industry, driven by mattress manufacturing, carpet underlays, acoustic solutions, and sports flooring. (*Source: D&B Report)*

The rebonded PU foam market has been witnessing stable growth as it sits at the intersection of cost savings, foam trims reduction/ reusability, and sustainability. Unlike many recycled-material markets that depend primarily on regulation, rebonded foam provides a clear economic benefit to manufacturers. As mattress recycling programs expand and ESG requirements become more prevalent, rebonded PU foam is likely to witness consistent growth in the medium term. The projected growth for the global rebonded PU foam market is estimated to be around USD 1,560 million by CY 2030 resulting in around a 7% CAGR growth rate between CY 2025 and CY 2030.The global rebonded Polyurethane (PU) market is witnessing steady growth, estimated to have expanded from ~USD 865 million (Mn) in CY2021 to USD ~1114 million by CY2025, reflecting a CAGR of approximately 6.6%. (*Source: D&B Report)*

Going forward, the rebonded Polyurethane market in India is projected to increase to around INR 650 crores registering a CAGR of around 10.2% between FY 2026 and FY 2031. (*Source: D&B Report)*

Exports of flexible polyurethane products *including rebonded polyurethane foam* exhibited a substantial increase primarily in FY 2026, increasing from INR 16 crores in FY2022 to INR 86.12 crores in FY 2026. While the trend remained relative stagnant between FY 2022 to FY 2025, a substantial jump in FY 2026 portrays growing demand for Indian flexible polyurethane products globally and increasing competitiveness of domestic manufacturers.

We are the largest rebonded Polyurethane (PU) Foam player in India (with an estimated market share of around 33% (FY 2026) and also the largest exporter of rebonded products PU foam in India (*Source: D&B Report)]* aim to cater to the growing demand from our existing customers and to meet requirements of our new customers specifically in the Central India and Export markets, we intend to, and are in the process of, expanding our manufacturing capacities.

We plan to further expand our manufacturing capacities through the Net Proceeds of the Fresh Issue, by financing the capital expenditure requirements of our Company to set up the Proposed Project at Bhopal, Madhya Pradesh. Our total manufacturing capacity is expected to increase by ~9,000 MTPA from the current 15,500 MTPA per annum to ~24,500 MTPA per annum. Pursuant to our strategy, we will continue to periodically review the functioning of our in–house product development strategy, identify scope for expansion and undertake projects to increase our production capabilities.

**Estimated Cost of Proposed Project**

The total cost to setup the Proposed Project is ₹980.00 million, based on management estimates in accordance with our business plan, current and valid quotations from suppliers issued and other commercial and technical factors and as certified by Dun & Bradstreet Information Services India Private Limited in the Project Report. Our Company proposes to utilize ₹ 900.00 million from the Net Proceeds towards the Proposed Project.

*(₹ in million)*

| Sr. No. | Particulars | Total estimated cost (1) and (2) | Amount deployed as on September 27, 2026 (3) | Amount to be funded from Internal Accruals (4) | Amount proposed to be funded from the Net Proceeds |
|---|---|---|---|---|---|
| 1. | Land acquisition | 38.04 | 38.04 | - | - |
| 2. | Civil and structural work | 146.05 | - | 29.54 | 116.51 |
| 3. | Plants and machineries | 783.49 | - | - | 783.49 |
| | **Sub total** | **967.58** | **38.04** | **29.54** | **900.00** |

| Sr. No. | Particulars | Total estimated cost (1) and (2) | Amount deployed as on September 27, 2026 (3) | Amount to be funded from Internal Accruals (4) | Amount proposed to be funded from the Net Proceeds |
|---|---|---|---|---|---|
| 4. | Contingency at the rate of 1.28% | 12.42 | - | 12.42 | - |
| | **Total** | **980.00** | **38.04** | **41.96** | **900.00** |

***Notes:***

*(1) Total estimated cost as per Cost Vetting Report dated September 29, 2026 issued by Dun & Bradstreet Information Services India Private Limited.*

*(2) Subject to applicable taxes, to the extent not included in the estimated cost.*

*(3) As of September 27, 2026, the amount deployed towards the Proposed Project was ₹38.04 million, as certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277) by way of their certificate dated September 30, 2026.*

*(4) The Company has sufficient existing internal accruals as certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026.*

The current estimates and specifications in relation to the capital expenditure requirements of the Proposed Project are based on the current status of implementation, project design and layout. Further, we may continue to place new orders, amend existing orders as per project requirements or pursuant to any design or technical changes or make scheduled payments in relation to the orders which have been placed with vendors for various plant, machinery and equipment, materials, civil work and any other requirements (including services) in relation to the Proposed Project. Such payments or any subsequent initial expenditure in relation to the Proposed Project will be funded through bank borrowings and/ or through internal accruals of our Company, until the Net Proceeds are available to our Company.

We will be placing the orders with vendors based on the competitive cost and proposed delivery schedule of the equipment. The vendors for supply of such other equipment have been shortlisted on the basis of the reputation of the vendors, the historical performance of the equipment supplied by them and other factors such as electrical energy consumption, maintenance cost during operation stages, after sales services and support capability of the supplier to assist us during installation and provision of post-sale services.

We will place orders for the assets and services for which orders are yet to be placed as per the schedule of implementation for the Proposed Project. For further details, please see "***Risk Factors – We intend to utilise the Net Proceeds for funding our capital expenditure requirements which aggregates to ₹900.00 million and we are yet to place orders for majority of our capital expenditure requirements. There is no assurance that we would be able to source such capital expenditure requirements in a timely manner or at commercially acceptable prices."*** *on page 47*

**Means of finance for Proposed Project**

The total estimated cost of the Proposed Project is ₹ 980.00 million. We intend to fund the cost of the Proposed Project as follows:

*(in ₹ million)*

| Source of fund | Amount |
|---|---|
| **Total estimated project cost (A) (1)** | 980.00 |
| **Less: Amount deployed as of September 27, 2026 (B) (2)** | 38.04 |
| **Balance amount to be incurred (C) = (A-B)** | 941.96 |
| **Less: Amount to be incurred from Internal Accruals (D) (3)** | 41.96 |
| **Less: Amount to be incurred from Borrowings (E)** | - |
| **Amount to be funded by infusion of Net Proceeds (F) = (C-D-E)** | 900.00 |

*(1) Total estimated cost as per the Cost Vetting Report dated September 29, 2026 issued by Dun & Bradstreet Information Services India Private Limited, in respect of the Proposed Project.*

*(2) As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/ C400277), by way of their certificate dated September 30, 2026.*

*(3) The Company has sufficient existing internal accruals as certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026.*

The fund requirements towards the Objects of the Offer are proposed to be entirely funded from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no additional requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means

towards at least 75% of the stated means of finance, excluding the amount to be raised from Net Proceeds of the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations. As on September 27, 2026, our Company has deployed ₹38.04 million towards the Proposed Project from the internal accruals. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/ or seeking additional debt from existing and/ or other lenders.

**Break-up of the estimated cost**

**Land acquisition**

The Proposed Project is being established at Plot No. O 01 (earlier Plot No. AM04), Acharpura Textile Park, Bhopal, Madhya Pradesh on land that has been allotted from Madhya Pradesh Industrial Development Corporation Limited ("**MPIDC**") *vide* a letter of allotment bearing no MPIDCL/ROBPL/BF-3(iii)/2026-27/662 dated September 28, 2026 ("**Land Allotment Letter**") for a lease term of 99 years. Our Company has paid an aggregate amount of ₹38.04 million (excluding duties, taxes, refundable deposits and recurring expenses) from its internal accruals towards the allotment of the aforesaid land up to September 27, 2026, pursuant to which the Land Allotment Letter has been issued to our Company. Pursuant to the terms of the Land Allotment Letter, our Company is required to execute the lease deed within 30 days from the date of payment of the aforesaid amount. Our Company is currently in the process of executing the lease deed in respect of the aforesaid land

**Buildings & Civil Works, including PEB and External Development Works**

The civil and structural works for the Proposed Project will comprise construction and related works for development of the Proposed Project admeasuring approximately ~9,900 sq. mtrs, including construction of two sheds admeasuring approximately 4,950 sq. mtrs. each. Based on the current plans of the Company, Shed-1 will be utilised for receipt and storage of raw materials and processes including sorting, grading, shredding/crumbing, blending, moulding, steam bonding, curing and demoulding for production of rebonded PU foam blocks. Shed-2 will be utilised for cutting and conversion of rebonded PU foam blocks into PU sheets through round line and square line processes, quality inspection and testing, packing and labelling, storage of finished goods and dispatch activities.

As per the quotation for civil construction, PEB and external development works for factory dated September 25, 2026 issued by VG Infraventures Private Limited, the total estimated cost of the civil and structural works, including PEB and external development works for the Proposed Project, is ₹146.05 million, of which the Company proposes to finance ₹116.42 million from the Net Proceeds and ₹29.62 million from its internal accruals. The quotation issued by VG Infraventures Private Limited is valid for the period of 1 year from the date of issuance.

Details of the quotation of such proposed civil and structural works is set forth below:

**Civil construction, PEB and external development works for factory quotation for Proposed Project received from VG Infraventures Private Limited for an amount of ₹ 146.05 million**:

| Sr no | Particulars | Amount* (₹ in million) |
|---|---|---|
| 1. | PCC/RCC, Earthing, Grounding, other concrete works and Dismantling | 16.08 |
| 2. | Reinforcement Work | 13.82 |
| 3. | Shuttering Works | 2.06 |
| 4. | Masonry Work | 7.84 |
| 5. | Plastering Work | 4.65 |
| 6. | Waterproofing and rain water Discharge System | 0.13 |
| 7. | Painting and Protective Coating Works | 3.95 |
| 8. | Flooring, Skirting and Dado Works | 28.72 |
| 9. | Pre-Engineered Building (PEB) Works | 62.22 |
| 10. | External Development / Infrastructure Works | 6.60 |
| | **Total amount** | **146.05** |

**This rate is exclusive of Duties and Taxes*

The detailed break-up of the cost mentioned above is given below containing a detailed bill of quantity required for the Civil construction, PEB and External Development works:

***[Remainder of the page has been intentionally left blank]***

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | | | | | |
| **1** | **PCC/RCC, Earthing, Grounding, other concrete works and Dismantling** | | | | |
| 1.01 | Laying M 10 Plain Cement Concrete (PCC) as per Mix Design with OPC Cement Grade 53 of Ultratech or equivalent Below Foundation, Plinth Beams and Flooring / Floor Bedding using 20 mm & 10 mm nominal size well-graded approved quality aggregate and river sand including compacting, curing, establishing approved dewatering system to keep the site dry all time, cleaning, preparing surfaces, junctions, etc. including shuttering complete to the satisfaction of the Engineer-In-Charge at all depths and leads all complete, at all Levels. | Cu.m | 1070.92 | 6000 | 6.43 |
| 1.02 | Laying M 15 Plain Cement Concrete (PCC) as per Mix Design with OPC Cement Grade 53 of Ultratech or equivalent Below Foundation, Plinth Beams and Flooring / Floor Bedding using 20 mm & 10 mm nominal size well-graded approved quality aggregate and river sand including compacting, curing, establishing approved dewatering system to keep the site dry all time, cleaning, preparing surfaces, junctions, etc. including shuttering complete to the satisfaction of the Engineer-In-Charge at all depths, leads & lifts all complete, at all Levels. | Cu.m | Rate Only | 6200 | |
| 1.03 | Laying in position machine batched, machine mixed as per approved design mix of M-25 grade cement concrete with OPC 53 grade cement from Ultratech or equivalent, approved, for reinforced cement concrete using cement content as per IS 8112 or as per approved design mix adopted by the Contractor having the required water cement ratio in adherence to the relevant codal values. The design mix shall be submitted by the Contractor for approval to consultant. 10 & 20 mm nominal size well-graded approved quality aggregate and river sand shall be used. The rate shall include cost of labour, hire of machinery, curing, scaffolding and all other incidental charges etc. Work shall include pumping of concrete, vibrating/compaction, curing, cleaning, preparing the surface but excluding the cost of centering, shuttering and reinforcement. (excluding cost of reinforcement, centering, shuttering which will be measured and paid for separately) | | | | |
| 1.04 | Foundations, footings, bases of columns, pedestals | | | | |
| | M 25 grade RCC. All works at Foundation Level upto Ground floor (Level=0.00) | Cu.m | 326 | 8,000.00 | 2.61 |
| 1.05 | Beams, tie beams etc. | | | | |
| | M 25 grade RCC. All works above Foundation level upto Ground floor (Level=0.00) | Cu.m | 150 | 8,500.00 | 1.28 |
| 1.06 | M 25 grade RCCCoping, Sill beam, Lintels, | CU.M | 60 | 8000 | 0.48 |
| 1.07 | Site Development, earthwork in grading ,cutting/filling, compaction in layers and anti-termite treatment. | SQM | 8000 | 600 | 4.80 |
| 1.08 | Earthwork in excavation for foundation trenches or over areas in all kinds of soil includes getting out the excavated material, initial stacking within a 50-meter lead and 1.5-meter lift, dressing sides, ramming bottoms, and disposing of surplus unserviceable soil as directed. The scope must also account for supplementary operations such as temporary shoring and strutting for trench stability, continuous dewatering to keep the excavation free from accumulated water, and additional loading and transportation charges for hauling surplus earth to an approved municipal dumping ground, with final payments determined by accurate pre- and post-excavation level measurements. | Cu.m | 1400 | 350 | 0.49 |
| | Demolition Work/Dismantling Note: Rate to include for all kinds of mechanical equipments, tools, tackles, removal of all debris from the site premises to the nearest dumping station designated by the | | | | |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | Contractor, cleaning the surface and making the surface good etc. Complete, as directed. Any item if directed by the Owner shall be returned back to the Owner at no extra cost and shall be deemed to be the property of the owner only. Demolished material remains property of Client and as per Client's further instruction contractor to utilise, store, cart away or sale etc behalf of client for client's interest by, Dismantling with care, Separate Metal, brick, wood etc. scrape, properly stock pile recyclable scrape for further use or sale The contractor shall be fully responsible for the safety of his workers, engineers etc. Work at all depth & levels of any shape, Joint measurement has to be taken before demolition/dismantling for measurement purpose. | | | | |
| 1.09 | R.C.C. including stacking all r/f properly as indicated | Cu.m | Rate Only | 2300 | |
| 1.10 | PCC / Brick jelly concrete | Cu.m | Rate Only | 1700 | |
| 1.11 | I.P.S. / Flooring to be chipped | Cu.m | Rate Only | 2200 | |
| 1.12 | Dismantling of all type of Masonry at all levels | Cu.m | Rate Only | 1700 | |
| 1.13 | Removal of any type of plaster at all levels, including all necessary equipments, scaffolding etc. | Sq.m | Rate Only | 210 | |
| 1.14 | Dismantling Joinery & Fabrication items i.e. Furniture and Furnishing, Doors & Windows etc. including all necessary equipments, scaffolding etc. at all levels. | Sq.m | Rate Only | 210 | |
| 1.15 | Departmental per day | | | | |
| 1.16 | Skilled | | | | |
| 1.17 | Mason | Day | Rate Only | 1200 | |
| 1.18 | Carpenter | Day | Rate Only | 1500 | |
| 1.19 | Fitter | Day | Rate Only | 1000 | |
| 1.20 | Plumber | Day | Rate Only | 1500 | |
| 1.21 | Electrician | Day | Rate Only | 800 | |
| 1.22 | Welder | Day | Rate Only | 1200 | |
| 1.23 | Painter | Day | Rate Only | 800 | |
| 1.24 | Semi-Skilled | Day | Rate Only | 750 | |
| 1.25 | Labour/Helper | Day | Rate Only | 650 | |
| 1.26 | Providing JCB Excavator machine with one skilled labour/operator for removal/breaking of elements as required or as per instruction from site-in-charge engineer complete in all respect. | Hr. | Rate Only | 1000 | |
| 1.27 | Removal of Debris by Tractor or any suitable mean of up to 2.5 Cu.m Capacity, including labours, leads and lifts etc. complete in all respect to removal of all types of debris from the site premises to the nearest dumping station designated by the Contractor. | Trip | Rate Only | 300 | |
| 1.28 | Removal of Debris by Hywa Truck or any suitable mean, including labours, leads and lifts etc. complete in all respect to removal of all types of debris from the site premises to the nearest dumping station designated by the Contractor. | | | | |
| | up to 14 Cu.m Capacity | Trip | Rate Only | 2700 | |
| | up to 20 Cu.m Capacity | Trip | Rate Only | 3200 | |
| 1.29 | Supplying and Grouting of Conbextra GP2 (FOSROC or equivalent) free flow, high strength, Non shrink, cementitious precision grout below base plates of columns, trusses, equipment, around foundation bolts, gap between pedestal top of PEB columns and base plate of PEB, etc. grouting should be carried out with grouting gun including cleaning by water/ compressed air or suitable grouting | Cu. m | Rate Only | 92000 | |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | compound / chemical as per the manufacture's specifications including making the pockets for concrete foundations, pedestals etc, as per the requirement, necessary formwork, cost of labour, materials, scaffolding, transportation, tools & plants, loading and unloading charges, devices for grouting, finishing, all other incidental charges, etc. complete with lead & lifts at all levels and as directed by Engineer-in-charge | | | | |
| 1.30 | Supplying and fixing in position PVC Rungs to UG sump/ RCC tank and other locations of size 25mm thk x 175 mm wide x 265 mm length, inner portion shall be of 12mm thk Steel bar U shaped bent to suit the profile, fixing in position, grouting the joints, finishing, etc. Rate shall include for cost of materials, labour, tools & plant, consumables, leads and lifts at all levels, loading and unloading charges, transportation, all other incidental charges, etc. complete and as directed by Engineer-in-charge. | No's | Rate Only | 400.00 | |
| | **Total for PCC/RCC, Earthing, Grounding, Other Concrete Works and Dismantling** | | | | **16.08** |
| | | | | | |
| **2** | **Reinforcement Work:** | | | | |
| **2** | Laying reinforcements high yield strength TMT ribbed steel of required diameters for specified grade conforming to IS code 1786 for reinforced concrete work including cost of cutting, fabricating, bending, binding with annealed 18 gauge MS binding wire with double fold for tying the reinforcement for all sizes, placing in position, all complete as per drawings and specifications. The rate shall include cost of labour, scaffolding and all other incidental charges etc., with all leads and lifts, complete and as directed by the Engineer-in-charge. (Payments will be based on actual approved BBS qty. Only authorized laps, chairs and spacers will be measured and paid for). | | | | |
| 2.1 | Tor HYSD bars CRS- Fe-500 grade confirming to IS 1786- Sub-Structure | Kg | 53,500.00 | 90.00 | 4.82 |
| 2.2 | Tor HYSD bars - Fe-500 grade confirming to IS 1786-2008 with 14.6% elongation - Sub- Structure | Kg | 35,000.00 | 90.00 | 3.15 |
| 2.3 | Tor HYSD bars - Fe-500 grade confirming to IS 1786-2008 with 14.6% elongation - Super- Structure | Kg | 65,000.00 | 90.00 | 5.85 |
| 2.4 | Providing & Applying Red Oxide coating - Single coat over Item No. 301, 302.1. & 302.2 | K g | Rate Only | 96 | |
| | **Total for Reinforcement Work** | | | | **13.82** |
| | | | | | |
| **3** | **Shuttering Works:** | | | | |
| | Providing, Fixing & Removal of formwork/shuttering of any shape and design for any reinforced cement concrete and plain cement concrete element with 12mm thick Laminated/Plastic coated plywood with wooden frame work, bolts, nuts, MS span, MS Jacks, MS pipes ties, fasteners, necessary supports, etc., upto required height (Design of Formwork, supporting system and staging to be approved by the Consultant/Engineer-in-charge prior to commencement of work), for complete structure as per design, drawing & specifications, including all materials, labour complete as per directives by Engineer-In- Charge to his entire satisfaction. All shuttering face shall be Laminated Plywood. The quoted rates includes for Design of form work and submitting the design calculations with shop drawings for approval of consultant. Contractors shall submit drawings showing the scheme of formwork (shuttering) for all items of work detailed as under: Formwork shall be designed for rigidity, durability, strength, water tightness, easy removal etc., Formwork shall be designed with appropriate materials (to be approved prior to making) which can retain its shape, line, dimension, level | | | | |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | within the allowable limits of variations. Only steel props / H frames can be used as vertical / inclined supports of installed Shuttering. Only surface area of concrete element shall be measured. All temporary form work such as bulk heads, stop boards provided at construction joints which are not shown in the drawings shall not be measured. The rate shall include the cost of erecting, centering/ shuttering materials, transport, deshuttering and removal of materials from site and labour required for all such operations etc. all complete. | | | | |
| 3.1 | All works above Foundation level upto Ground floor (Level=0.00)- Foundation, Column till brickwork level | Sq.m | 1934 | 700 | 1.35 |
| 3.2 | Beams, tie beams etc. (Use Laminated Plywood or Modular formwork system which can provide Fare Finish Concrete Surface) | Sq.m | 776 | 700 | 0.54 |
| 3.3 | Coping, Sill beam, Lintels, beams over any opening, fins, facia, etc. (Use Laminated Plywood or Modular formwork system which can provide Fare Finish Concrete Surface) | Sq.m | 230 | 700 | 0.16 |
| | **Total for Shuttering Works** | | | | **2.06** |
| | | | | | |
| **4** | **Masonry Work** | | | | |
| | Constructing 230mm thick and above burnt brick masonry walls using table moulded first class bricks of approved manufacturer, confirming to IS 1077-1986, with minimum crushing strength of 40 kg/sqcm in CM 1:4 (1 cement: 4 coarse sand) and soaked 24 hours in water before using for construction with necessary scaffolding, staging, striking and raking out joints at least 10mm in depth, the width of the joints not to exceed 12mm, with all lead and lift, curing, cost of labour and all other incidental charges etc., etc. complete as per drawings, specifications at the following levels and as directed by the Engineer-in-charge | | | | |
| 4.1 | All works above Foundation level upto Ground floor (Level=3.00M) | Cu.m | 510 | 9500 | 4.85 |
| 4.2 | All works above plinth in Compound wall | Cu.m | 315 | 9500 | 2.99 |
| | **Total for Masonry Works** | | | | 7.84 |
| | | | | | |
| **5** | **Plastering Work** | | | | |
| | Rates shall be inclusive of laying plastering at all Heights, Leads and Levels of Vertical & Horizontal surfaces including hacking to RCC surfaces, rounding of corners wherever required. Rate shall also including providing emblems, grooves, Pattas etc. design of required width and depth as per architectural details at all levels and laying wire mess or fiber mesh to avoid crecking & saprating joints at all junctions of RCC and brickwork/Blockwork and over chasing done for service i.e. Electrical conduit, water pipeing etc. bonding additive i.e. acrylic cement bond where necessary i.e. RCC slab and | | | | |
| | beam soffit plaster. The rate to include for Finishing the top with smooth finish, treating corners and sides, Coving/chamfer as per architectural design & drawings, where necessary provide slope for free flow of water and with a round /chamfer vata at the junction of wall and floor, forms, machine mixing, curing, preparing grooves and finishing etc & Vata as per Architects design. The rate shall include for cost of labour and all other incidental charges, etc. with all leads and lifts at all levels as per specifications and drawings and as per the instructions of Engineer in Charge. | | | | |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| 5.1 | Applying single coat 10 to 12mm thk. mala plaster in 1:4 C.M to walls and all R.C.C. work including hacking to RCC surfaces, rounding of corners wherever required, patta grooves, tapak etc., in line and level and plumb at all levels including curing etc., complete. Rate also includes use of non shrink compound in mortar as per vendor's specifications and the rate shall be inclusive of providing & fixing chicken mesh wherever required. | Sq.m | 1,692 | 550 | 0.93 |
| 5.2 | Applying 12mm to 15mm thick double coat plaster. The proportion of CM 1:5 for first coat and CM 1:3 for second coat 5mm thk.to all types of big or small and of any shape, brick, stone or RCC surfaces including parapet at respective levels and plumb including normal patta, grooves, dripmould etc. complete including hacking to RCC surfaces, rounding of corners wherever required, raking the joints, roughening the surfaces with necessary scaffolding curing etc. completes as directed and specified at all level. Rate shall be including the use of non shrink compound in mortar as per vendor's specifications and the rate shall be inclusive of providing & fixing chicken mesh wherever required. | Sq.m | 5,720 | 650 | 3.72 |
| | **Total for Plastering work** | | | | **4.65** |
| | | | | | |
| **6** | **Waterproofing and Rain water Discharge System:** | | | | |
| | Guarantee for waterproofing system should be for a period of 10 years from the date of practical completion of the project. Guarantee bond shall be submitted by the Main Contractor undertaking responsibility for free performance during the guarantee period. Work shall be carried out as per the instructions of Engineer in charge. The work should be carried out by an approved and registered specialist waterproofing agency only. Main Contractor to furnish the name of the proposed specialist firm. Rate shall include for cost | | | | |
| | of labour, materials, scaffolding, transportation, tools & plants, loading and unloading charges, curing, devices for erection, finishing, all other incidental charges, etc. complete with lead & lifts at all levels and as directed by Engineer-in-charge. | | | | |
| 6.01 | Providing and laying specialist water proofing treatment like " India water proofing" or approved equivalent to terraces, sunken slabs, RCC Gutter by removing loose deposits, dirt, lumps etc., washing thoroughly with water, consisting of average 150 mm thick brick bat coba (using well burnt good quality bricks) in cm, and approved water proofing compound like Fosroc / Sika / BASF or Equivalent, dosage as per the instructions of the Manufacturer for cement mortar over Acrylic based polymer modified cementations flexible composite coating water proofing system Tapecrete or equivalent water proofing, including providing necessary grouting at the weak places, treating corners and sides, Coving, Finishing the top with smooth finish, providing china mosaic tiles chips as per architectural design & drawings, in cm 1:4 and to achieve the required gradient for free flow of water over the terrace and with a round/Chamfer vata at the junction of wall and floor, finishing all around rain water pipe outlets etc. Curing and testing for water tightness for 3 days by filling water etc. complete at all levels as per specifications and drawings, including all leads and lifts as per the instructions of Engineer in Charge. Whole work to be carried out as per the technical specifications of the manufacturers and its recommended applicators approved by engineer with a minimum guarantee of 10 years. (measurement shall be made for only finished plan area. Coving /Chamfer treatment to wall shall not be measured separately). China mosaic and water proofing layer to be considered till 150 mm height at all peripheries of wall. No extra cost for cladding of wall upto 150mm shall be paid. | Sq.m | 60 | 2200 | 0.13 |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| 6.02 | Rate shall include for all material as per manufactures specification, including preparation of surface, cleaning the surface, staging, scaffolding with necessary tools and equipments water and power, removal of debris from the site and make good, staging, scaffolding etc. complete with all leads and lifts at all levels and as per the directions of the Engineer In charge. | Rmt. | Rate Only | | |
| 6.03 | Bore logging of 450mm dia., depth 30m minimum or as per soil strata, providing 300mm dia. 4kg UPVC Steiner pipes (Perforated/ slotted pipes), Filling Gravels surrounding strainer pipe as per drawing. | Rmt. | Rate Only | 3,169.00 | |
| 6.04 | Bore logging of 300mm dia., depth 20m minimum or as per soil strata, providing 150mm dia. 4kg UPVC Steiner pipes (Perforated/ slotted pipes), Filling Gravels surrounding strainer pipe as per drawing. | Rmt. | Rate Only | 2,091.00 | |
| 6.05 | Rate shall include Providing and laying 300mm dia 4kg UPVC pipe for Inlet, Filteration chamber and overflow etc. as per drawing. | Rmt. | Rate Only | 2,389.00 | |
| 6.06 | Providing & constructing Catch basins/Manholes /Inspection chambers/Valve Chamber of Block/Brick masonry in CM 1:4. The cost is inclusive of waterproof Plastering finishing top perforated Precast slab, excavation, PCC etc complete as per Engg. In charge. The sizes mentioned are clear sizes. | No's | Rate Only | | |
| 6.07 | 600x600 | | Rate Only | | |
| 6.08 | Depth up to 1200mm | No's | Rate Only | 3,900.00 | |
| 6.09 | Depth up to 1600mm | No's | Rate Only | 4,680.00 | |
| 6.10 | Depth up to 2000mm | No's | Rate Only | 5,460.00 | |
| 6.11 | 900x900 | | Rate Only | | |
| 6.12 | Depth up to 1200mm | No's | Rate Only | 4,680.00 | |
| 6.13 | Depth up to 1600mm | No's | Rate Only | 5,558.00 | |
| 6.14 | Depth up to 2000mm | No's | Rate Only | 6,338.00 | |
| 6.15 | Depth up to 2400mm | No's | Rate Only | 7,313.00 | |
| 6.16 | 1500x1500 | | Rate Only | | |
| 6.17 | Depth up to 1200mm | No's | Rate Only | 5,558.00 | |
| 6.18 | Depth up to 1600mm | No's | Rate Only | 6,533.00 | |
| 6.19 | Depth up to 2000mm | No's | Rate Only | 7,800.00 | |
| 6.20 | Depth up to 2400mm | No's | Rate Only | 8,775.00 | |
| | **Total for Waterproofing work and Rain water Discharge System** | | | | **0.13** |
| | | | | | |
| **7** | **Painting and Protective Coating Works** | | | | |
| 7.01 | Providing and applying three coats of white/colour wash at all levels with necessary scaffolding etc complete | Sq.m | 5720 | 180 | 1.03 |
| 7.02 | Providing & finishing full finish with Acrylic cement base putty of approved make, including material cost, labour for scrapping, applying, finishing neatly etc. as per manufacturer's specifications on all surfaces at all levels, including complete drying, scraping with fine sand paper, rubbing necessary putty application and cleaning the surface after each coat and necessary scaffolding etc complete in all respect. as per the design and specification & to the satisfaction of Engineer incharge. The rate shall | Sq.m | 1692 | 130.00 | 0.22 |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | also include the cost of making good existing surface in line and level, suitable filler for cracks/roughness/dent on the surfaces. | | | | |
| 7.03 | Providing and applying Plastic Emulsion paint of Asian Paints or equivalent approved of desired shed over cement based putty of Birla or equivalent, one coat of Primer and three coats ( (first two coats are with brush and final coat is with roller) of plastic emulsion paint as per manufacturer's specifications on all surfaces at all levels, including complete drying, scraping with fine sand paper, rubbing necessary putty application and cleaning the surface after each coat and necessary scaffolding etc complete in all respect. as per the design and specification & to the satisfaction of Engineer incharge. The rate shall also include the cost of suitable filler for cracks/roughness/dent on the surfaces. | Sq.m | 1692 | 300 | 0.51 |
| 7.04 | Providing & applying Weather proof Exterior Emulsion paint, "Apex" paint of Asian Paints or equivalent approved of desired shed over external Grade wall cement putty of Birla or equivalent, one coat of Primer and three coats ( (first two coats are with brush and final coat is with roller) of Weather proof Exterior Emulsion paint as per supplier's specification) on all surfaces at all levels, including complete drying, scraping with fine sand paper, rubbing necessary putty application and cleaning the surface after each coat and necessary scaffolding etc complete in all respect., at all floors / all heights & all places including scaffolding to give even shades including thoroughly brushing the surfaces free from mortar dropping and other foreign matter and sand papered smooth etc complete as per the design and specification & to the satisfaction of Engineer incharge. The rate shall also include the cost of suitable filler for cracks/roughness/dent on the surfaces. | Sq.m | 5720 | 380 | 2.17 |
| 7.05 | Providing and applying Enamel Paint of Asian Paints or equivalent approved make of approved shade over one coat of Oil Based of primer coat and three coats of Enamel Paint as per manufacturer's specifications on all surfaces at all levels, including complete drying, scraping with fine sand paper, rubbing necessary putty application and cleaning the surface after each coat and necessary scaffolding etc complete at any height with all respect complete as per the design | Sq.m | 50 | 300 | 0.02 |
| | **Total for Painting and Protective Coating Works** | | | | **3.95** |
| | | | | | |
| **8** | **Flooring, Skirting and Dado Works** | | | | |
| | Laying of Trimix system with M25 mix concrete In road/ floors, well compacted, mechanically vibrated, finished to required levels, floated with neat cement and powder trowelled to get desired smooth finishing over a levelling size of panel should be 3.5m X 20.0m. The contraction/sawed joints to be formed at every 5m distance by grooving with mechanical saw. The width of 8mm and depth of the groove sawed joint should be 12-25mm or as shown in the drawing up to 1/4th of the thickness of floor, The Saw Cutting works should be carried out as soon as concrete is ready to accept the saw cut without trowelling. The joints should be filled with epoxy/PU sealant of top 12mm depth, use baker rod if necessary. The construction joints is formed by square edge and painted with bitumen. The surface tolerance should be less than 5mm measures in 3 meter straight edge in any direction. The accuracy of +/- 5mm shall be maintained across the cross section of panels and +/- 5mm along the longitudinal section of the panels. The floor shall be laid to the levels as per the drawing. Note: Civil Contractor may be required to handover the finished floor to Epoxy Contractor and get sign off that Floor Finish is suitable for Epoxy / PU Coating. | | | | |
| 8.01 | 125 mm Thk Trimix system | Sq.m | Rate Only | 800.00 | |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| 8.02 | 150 mm Thk Trimix system | Sq.m | 9670 | 1200 | 11.60 |
| 8.03 | 175 mm Thk Trimix system | Sq.m | Rate Only | 800.00 | |
| 8.04 | 200 mm Thk Trimix system | Sq.m | 7777 | 1400 | 10.89 |
| 8.05 | 225 mm Thk Trimix system | Sq.m | Rate Only | 800.00 | |
| 8.06 | 250 mm Thk Trimix system | Sq.m | Rate Only | 800.00 | |
| 8.07 | Mixing floor hardner SAMHARD-STD from Samrock or equivalent approved, as per manufacturer's instructions in wet concrete, (Final Colour of the slab should be light grey) sprinklled over green concrete and making smooth the concrete surface by power floater at all levels and depth etc. complete with all leads and lifts as per specifications and drawings at all levels and as per the instructions of Engineer in Charge. | | | | |
| | 3.0 kg. per sq.mt. for Light traffic | Sq.m | Rate Only | 150.00 | |
| | 5.0 kg. per sq.mt. for Medium traffic | Sq.m | 48350 | 20 | 0.97 |
| | 7.0 kg. per sq.mt. for Heavy traffic | Sq.m | 54439 | 20 | 1.09 |
| 8.08 | Supplying, spreading, and compacting Granular Sub-Base (GSB) material of approved grading in layers to achieve a total compacted thickness of 8 inches beneath the outside Trimix flooring area, including proper mixing, watering, and rolling with a vibratory roller to attain the specified density and load-bearing capacity, while finishing the top surface to precise lines, levels, and slopes to ensure proper drainage and a firm foundation. | Sq.m | 7777 | 500 | 3.89 |
| 8.09 | Fixing First quality Glazed Tiles in floor and/or on wall of 300x450mm or any other size all as per drawing, of Approved make (thickness to be specified by the manufacturer) of approved shade, laid with base of cement mortar 1 : 4 (1 cement : 4 coarse sand) of required thickness, cement paste/ slurry, use suitable adhesive and/or admixture where necessary, jointed with white cement slurry mixed with pigment to match the shade of tiles, in proper line and level, necessary cutting & preparation. The rate shall include for cost of laying required size plastic spacers, cleaning, protection till handing over the project or as per engineer in charge, providing and cost of labour, curing, all other incidental charges, etc. The rates include for all leads and lifts as per specifications and drawings at all levels & height, all Floors, Complete in all mannersas per the instructions of Engineer in Charge. | Sq.m | 92 | 1100 | 0.10 |
| 8.10 | Applying 3 mm thick epoxy self-smoothening flooring on concrete surface having moisture content less than 5 %. Carry out surface preparation including grinding of concrete surface, proper cleaning, removing of loose mortar, paint residuals, curing compound residues, repairing of floor cracks and dents using epoxy putty, application of epoxy penetrating primer for concrete surface, using brush or roller, allow to become tacky depending upon temperature, mixing and application of High Strength self-smoothening epoxy underlay at 2 mm thickness and final coat application after mixing all components of Flow applied coloured epoxy resin | Sq.m | Rate Only | 2,800.00 | |
| 8.11 | Laying minimum 80mm thick interlocking Precast concrete pavers which shall have compressive strength of minimum 300 kg/cm2 of approved size, design, colour and shape, laid in required pattern and including 50-150mm thick compacted bed of course sand, with strong vibratory compaction, temping and sweeping etc. with joints of 2-3mm thick filled by fine sand, Including 100 mm Thk P.C.C & with a round /chamfer vata at the junction of wall and floor as per Architects design. The rate shall | Sq.m | 130 | 600.00 | 0.08 |

| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | include for cost of labour and all other incidental charges, etc. with all leads and lifts at all levels as per specifications and drawings and as per the instructions of Engineer in Charge. | | | | |
| 8.12 | Laying minimum 60mm thick interlocking Precast concrete pavers which shall have compressive strength of minimum 300 kg/cm2 of approved size, design, colour and shape, laid in required pattern and including 50-150mm thick compacted bed of course sand, with strong vibratory compaction, temping and sweeping etc. with joints of 2-3mm thick filled by fine sand, Including 100 mm Thk P.C.C & with a round /chamfer vata at the junction of wall and floor as per Architects design. The rate shall include for cost of labour, all other incidental charges, etc. with all leads and lifts at all levels as per specifications and drawings and as per the instructions of Engineer in Charge. | Sq.m | 120 | 600.00 | 0.07 |
| 8.13 | Fixing precast compressed plain cement concrete edge restraint 200mm Height kerbing stone of size 300mm Long x 150mm Thick as per architectural detail of compressive strength of 300kg. per sq.cm manufactured by electro hydraulically operated block machine, by excavated trench etc. complete. fixed on cement Mortar 1:4 (1 cement: 4 coarse sand) with joints of 5- 10mm thick filled by Cement Mortar 1:4 (1 cement: 4 fine sand), Including 100 mm Thk P.C.C & with a round /chamfer vata at the junction of wall and floor as per Architects design. The rate shall include for Curing, cost of labour, all other incidental charges, etc. with all leads and lifts at all levels as per specifications and drawings and as per the instructions of Engineer in Charge. | Rmt. | 70 | 400.00 | 0.03 |
| 8.14 | Fixing precast compressed plain cement concrete edge restraint 450mm Height kerbing stone of size 300mm Long x150mm Thick as per architectural detail of compressive strength of 300kg. per sq.cm manufactured by electro hydraulically operated block machine, by excavated trench etc. complete. fixed on cement Mortar 1:4 with joints of 8-10mm thick filled by fine sand 1:4 Cement Mortar, Including 100 mm Thk P.C.C & Vata as per Architects design. The rate shall include for Curing, cost of labour, all other incidental charges, etc. with all leads and lifts at all levels as per specifications and drawings and as per the instructions of Engineer in Charge. | Rmt. | Rate Only | 400.00 | |
| | **Total for Flooring, Skirting and Dado Works** | | | | **28.72** |
| | | | | | |
| **9** | **Pre-Engineered Building (PEB) Works** | | | | |
| | The Pre-Engineered Building (PEB) Bill of Quantities, incorporating precise engineering definitions and the supply requirement as per approved drawings: | | | | |
| 9.01 | Primary Steel: Supply And Erection of main structural steel members comprising custom-fabricated built-up "I" or "H" sections (columns, rafters, and rigid frames) fabricated as per approved drawings | KG | 188,100 | 130 | 24.45 |
| 9.02 | End Plate Connections: Supply of factory-welded end plates, stiffeners, and moment connection plates fabricated as per approved drawings | KG | 16,830 | 130 | 2.19 |
| 9.03 | Bracings: Supply of structural steel diagonal bracing systems (angles, rods, or cables) for lateral load stability, fabricated as per approved drawings. | KG | 9,900 | 130 | 1.29 |
| 9.04 | Flange Braces & Sag Rods: Supply of secondary framing elements including flange brace angles and sag rods to prevent buckling and maintain alignment, fabricated as per approved drawings | KG | 11,800 | 130 | 1.53 |
| 9.05 | Connections & Fasteners: Supply of all structural hardware, high-strength bolts, nuts, washers, and anchor bolts required for assembly as per approved drawings | KG | 10,890 | 130 | 1.42 |

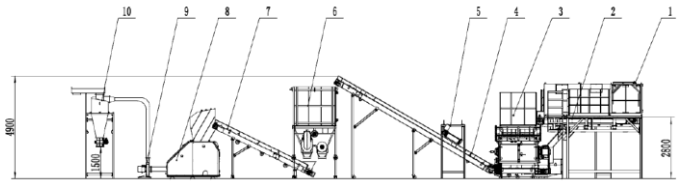
| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| 9.06 | Purlins, Girts & Eave Struts: Supply of cold-formed secondary structural members (Z or C sections) for roof purlins, wall girts, and eave struts as per approved drawings | KG | 94,050 | 130 | 12.23 |
| 9.07 | Roof Sheeting: Supply of exterior roof cladding/sheeting panels matching specifications and coverage as per approved drawings | KG | 49,500 | 130 | 6.44 |
| 9.08 | Wall Sheeting: Supply of exterior wall cladding/profile sheets for side and end walls as per approved drawings | KG | 16,830 | 130 | 2.19 |
| 9.09 | Sheeting Accessories: Supply of flashings, trims, ridge caps, gutters, downspouts, and weatherproofing accessories as per approved drawings | KG | 13,860 | 130 | 1.80 |
| 9.10 | Supplying, laying, and fixing roof insulation system comprising 50 mm thick glasswool blanket/roll having a density of 24 kg/m³, factory-faced with a durable vapor barrier facing (e.g., FSK / Aluglass / Alupoly), supported underneath by a galvanized iron wire mesh (welded or hexagonal chicken wire mesh), securely fixed to the purlins/roof structure as per manufacturer specifications and engineer's approval. | SQ.M | 9,900 | 250 | 2.48 |
| 9.11 | Supplying and fixing pre-painted galvanized iron (PPGI) ridge and wall flashings (minimum 0.5 mm thick), complete with matching fasteners, self-drilling screws, and EPDM sealing washers. | Rmt. | 564 | 1,500 | 0.85 |
| 9.12 | Heavy-gauge galvanized iron (GI) external/box gutters and downpipes for weather-tight drainage, including brackets, joint sealant, shoes, and clamps. | Rmt. | 564 | 950 | 0.54 |
| 9.13 | Weather-proof fixed/adjustable wall louvres fabricated from corrosion-resistant materials complete with bird/insect mesh backing. | SQ.M | 40 | 2,600 | 0.10 |
| 9.14 | Matching Fiber-reinforced plastic (FRP) or polycarbonate roof and wall profiled skylight sheets to match roof/wall cladding profile and thickness. | NOS | 30 | 1,600 | 0.05 |
| 9.15 | wind-driven stainless steel / aluminium turbo ventilators | NOS | 80 | 7,500 | 0.60 |
| 9.16 | Interlocking galvanized steel rolling shutters, motorized/manual operation types, complete with guide channels, bottom rails, hoods, and spring mechanisms. | SQM | 320 | 1,200 | 0.38 |
| 9.17 | Heavy-duty metal personnel doors (single/double leaf) including pressed steel frames, heavy-duty hinges, mortise locksets, door closers, and complete hardware. | NOS | 8 | 8,500 | 0.07 |
| 9.18 | Supply, installation, testing, and commissioning of office glass partitions using 12mm thick toughened clear float glass fixed with heavy-duty powder-coated aluminium floor tracks, ceiling channels, and wall starter profiles complete with neoprene acoustic gaskets, machine-polished edges, and safety manifestation films, including frameless glass doors equipped with heavy-duty floor springs, patch fittings, locks, and stainless steel handles, all installed strictly in accordance with approved architectural drawings and specifications, measured and paid per square foot (SQ.FT). | SQ.ft | 3,024 | 1,200 | 3.63 |
| | **Total for Pre-Engineered Building (PEB) Works** | | | | **62.22** |
| | | | | | |
| **10** | **External Development / Infrastructure Works** | | | | |
| 10.01 | Supply, fabrication, and installation of heavy-duty Mild Steel (MS) sliding or swing main and secondary entrance gates, manufactured from robust structural sections and finished with anti-corrosive epoxy primer and synthetic enamel paint, designed for secure industrial and commercial traffic management. The assembly includes integrated pedestrian wicket doors—specifically configured with | NOS | 2 | 1,100,000 | 2.20 |

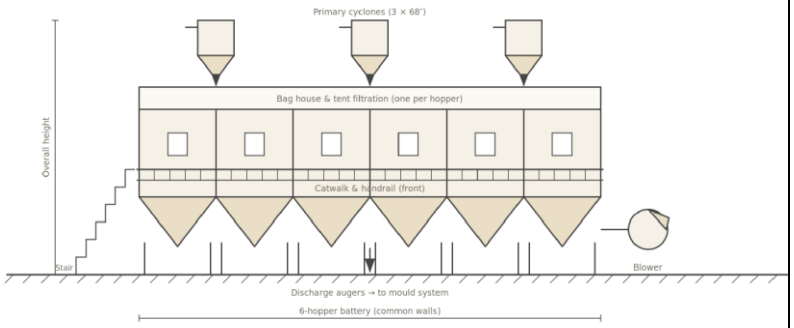
| Sr no | Item Description | Unit | Total Qty | Rate / Qty | Total Amount (₹ in million) |
|---|---|---|---|---|---|
| | one wicket door forAM04 parcel access and one for AM04 access—along with heavy-duty hinges, tracks, locking mechanisms, and provisions for future motorized automation. | | | | |
| 10.02 | Construction of external roadside storm water drains and RCC culverts across internal roads for efficient surface runoff and heavy vehicle load management. The system features sloped, lined drains with silt traps and robust RCC box/pipe culverts laid on compacted beds with protective headwalls and wing walls to ensure seamless cross-drainage and prevent soil erosion. | RM | 548 | 1,500 | 0.82 |
| 10.03 | Supply, installation, and construction of a heavy-duty security cabin at the parcel entrance, featuring a robust structural frame, weatherproof insulated walls, large vision panels for perimeter visibility, and electrical provisions for security monitoring, intercom systems, and access control equipment. | NOS | 2 | 210,000.00 | 0.42 |
| 10.04 | Providing and constructing a reinforced concrete underground water tank of size 7.020m x6.350m with a depth of 2.325m,(103.64KL) complete in all structural respects. The scope comprises a Plain Cement Concrete (PCC) sub-base, followed by Reinforced Cement Concrete (RCC) for the base slab, vertical walls, and top roof slab using integral water-proofing admixtures. It also includes supplying and fixing pipe sleeves for inlet, outlet, overflow, and scour connections, heavy-duty manhole covers and frames, internal waterproof coating or plastering, and conducting mandatory hydrostatic pressure testing to ensure complete water-tightness. | LITER | 103,640 | 15.00 | 1.55 |
| 10.05 | Providing and constructing a septic tank of size 14.19 m x 3.7 m with a height of 2.75 m, complete in all structural respects, comprising a Plain Cement Concrete (PCC) sub-base, Reinforced Cement Concrete (RCC) for the base slab, partition/baffle walls, external walls, and top cover slab with inspection manholes. The scope includes supplying and fixing inlet and outlet pipe connections, plastering internal surfaces with water-resistant mortar, providing heavy-duty manhole covers, and ensuring proper connection to soak pits or municipal sewer lines as per design specifications. | NOS | 2 | 800,000.00 | 1.60 |
| | **Total for External Development / Infrastructure Works** | | | | **6.60** |
| | | | | | |
| **Total (excluding duties and taxes)** | | | | | **146.05** |

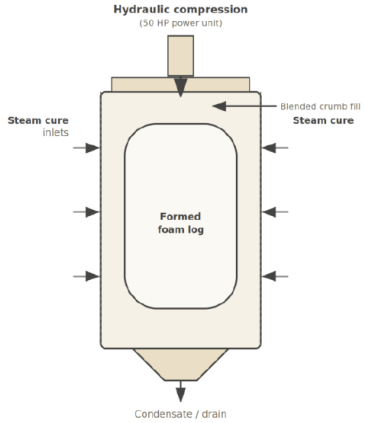
*Note: Details mentioned above are in-verbatim from the quotations received except total amount is converted into million.*

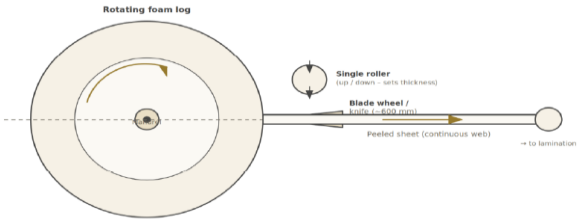
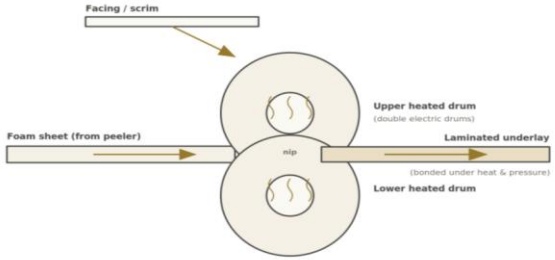
**Plant and Machineries, including utility, electrical equipment and ancillary fixed assets**

Out of the total estimated cost of the Proposed Project, ₹783.49 million is estimated to be incurred towards plant and machinery, including utility, electrical equipment and ancillary fixed assets for the Proposed Project. Our Company proposes to fund such cost entirely from the Net Proceeds of the Fresh Issue. A detailed break-up of the estimated cost towards the plant and machinery proposed to be funded from the Net Proceeds is set forth below:

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 1 | Full Grinding System | It includes the following:<br><br>**a. Infeed & feeding conveyors**: Staging conveyor (60" x 8 ft) positions bales for strap removal; an incline feed conveyor (60" x 25 ft) carries them to the shredder. Belts are PU with caster-mounted frames for easy repositioning, a fully enclosed top, and a top magnetic roller acting as a second point of ferrous separation.<br><br>**b. Primary shredder (pre-shredder)**: 60" single-shaft shredder with eagle-claw shaped teeth, driven by a 300 HP motor through a heavy-duty gear reducer. A vertical push-ram force-feeds material to increase throughput Features a dust-controlled "dog-house" hopper, automatic reverse on jamming, and a hydraulically-driven screen cradle so the rotor and screen are accessible from the front for fast maintenance.<br><br>**c. Granulator (secondary)**: 48" granulator driven by dual 200 HP motors, reducing the shredded segments to a uniform crumb. Output size is set by an interchangeable screen; hydraulic actuation raises the hopper and screen cradle for easy access and screen changes.<br><br>**d. Blower, trash separator & ductwork**: A size-26 blower (75 HP) provides pneumatic conveying of the crumb; a trash separator removes residual foreign matter, and 22" ductwork delivers material to the storage hoppers. Control is split across two panels to balance the electrical load.<br><br>  | 171.81[1] | 3 | 515.43 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 2 | Storage Hopper & Cyclone (Dust-Control) System | It includes the following:<br><br>**a. Storage Hoppers (6)**: Common-wall battery, complete with all components, buffering and segregating the foam crumb. Each hopper carries Lexan inspection windows on the front, back and top so workers can see the fill level at a glance.<br><br>**b. Bag house & tent filtration (6, one per hopper)**. Captures airborne fines released as the hoppers fill and discharge, keeping emissions down and the working area clean.<br><br>**c. Primary cyclones (3)**: 68" cyclones, each with its own blower and blower stand, separate the crumb from the high-volume conveying air;<br><br>**d. Secondary cyclone (1)**: 20" cyclone with blower and ductwork. recovering residual fines from the air before it is vented;<br><br>**e. Drop box, diverters & ductwork**: A single-row 18" drop box (for the double mould system}, five 20" diverters that route crumb to the selected hopper, and a lot of 50 ft of 18" duct & fittings connect the island together;<br><br>**f. Fluffer arm system (1)**: A 20 HP, ribbon-fighting flutter arm keeps the light crumb agitated so it never bridges or compacts and always discharges freely.<br><br>  <br>*Storage hopper battery — front elevation (indicative general arrangement).* | 66.82[1] | 1 | 66.82 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 3 | Log Mould System (Cylindrical & Square Moulds) | It includes the following:<br><br>**a. Feed, dosing & blending**: Ductwork carries crumb from the hoppers to a trash separator (removing any stray contaminants), then a 75 HP dry transfer blower to a weigh hopper on load cells. A steel dust enclosure surrounds the weigh hopper, and a horizontal dual-ribbon blend tank coats the crumb with binder.<br><br>**b. Log mould with 50 HP hydraulic unit (1)**: The mould compresses the binder-blended crumb and steam-cures it into either a cylindrical log or a square moulded block. using the respective mould supplied as part of the same set A wet transfer conveyor charges the mould, and an enclosure covers the wet transfer conveyor and the upper section of the mould.<br><br>**c. De-mould, weigh & dry**: A de-mould & steam conveyor with stainless-steel wetted parts removes the cured log; a log weigh scale & dryer conveyor checks weight and carries it through drying; a log dryer hood, lift & blower drives off residual moisture; and a log takeaway conveyor delivers the finished log for peeling.<br><br>**d. Steam removal & control**: A mould exhaust fan and roof cap remove curing steam, and a dedicated mould control panel sequences and interlocks the station.<br><br>  | 23.86[(1)] | 1 | 23.86 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 4 | Log Peeler & Support Equipment | **Log peelers (2 sets)**: Each set comprises a ~600 mm blade wheel with a ~50 mm blade width, Siemens branded motors, a single roller up/down system for thickness control, and a log loader & mandrel insert machine. Supplying two sets provides both the throughput to match the moulding island and continuity of production during resharpening or blade changes.<br>  <br>*Rotary peeling — a continuous web is skived from the rotating log.* | 23.86[1] | 2 | 47.73 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |
| 5 | Lamination Line | **a. Web handling**: Let-off cradle & log lift; semi-automatic tape splicer; 40 ft J-box accumulator with web guide; flat-belt out-feed accumulator; fully automatic windup machine; and curtain wrap machine.<br><br>**b. Laminator (double electric drums)**: The peeled foam sheet meets its facing/scrim at the nip of two heated drums and is bonded into finished underlay under heat and pressure. Side trim saws with 3-way adjustment set the finished width, with a takeaway system removing the edge trims.<br>  | 71.59[1] | 1 | 71.59 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 6 | Cutting Machines | **Vertical Cutting Machines**: Model 611 with wireless operating control system, motorised grinder for blade sharpness, PU-coated wheel for long blade-movement life, all motors Siemens.<br><br>**Circular Cutting Machines**: PLC touch display; servo motor system with minimum cutting thickness: 1.5 mm, Programmable cutting sequence; blade-life & running-hour readout, Four blowers hold the block during cutting, Auto grinder system for blades, PU-coated blade wheel for long blade-movement life and all motors Siemens. | 7.16[(1)] | 1 | 7.16 | Sabtech Technology Limited | September 17, 2026 | April 30, 2027 |
| 7 | Plant Electrical Work | Supply, installation, testing and commissioning of electrical infrastructure, including electrical panels, transformer, metering equipment and distribution boards. Supply and laying of power and control cables, including cable termination works. Installation of lighting fixtures, switches, sockets and related electrical accessories. Installation of earthing and lightning protection arrangements. Fabrication, erection and installation of cable support structures, including related site works and painting. | 16.32 | 1 | 16.32 | Silvassa Electrolyte Energy System Private Limited | September 23, 2026 | April 15, 2027 |
| 8 | Steamax Boiler and Chimney | The SM-20/10.54 model has a capacity of 2,000 kg/hr. and includes IBR pressure parts, feed water pump, ID fan with motor, control panel, boiler accessories, dust collector, flue gas ducting and a 31-metre chimney. It operates at 10.54 kg/cm² pressure and uses wood logs, biomass briquettes or coal as fuel. The system is designed for an ambient temperature range of 15°C–45°C and an altitude of up to 600 metres above mean sea level, with 415 V, 50 Hz, three-phase power supply and 240 V, 50 Hz, single-phase control supply. | 3.80 | 1 | 3.80 | Balkrishna Boilers Private Limited | September 15, 2026 | April 30, 2027 |
| 9 | 5MP Komansu IP CCTV Cameras | Supply and installation of Dome and Bullet cameras with Surveillance Hard Disk of 10TB, POE switches, desktop switches, outdoor junctions networking equipments, cables, PVC conduits, 43" LED TV and other accessories. | 1.69 | 1 | 1.69 | Komansu Electronics Private Limited | September 14, 2026 | March 13, 2027 |
| 10 | Data Network and laptops | Supply and installation of 20 Dell 14 D14260 laptops, Wi-Fi Access points, Managed switches, ethernet ports, cables, patch panels, patch cords and other accessories. | 2.29 | 1 | 2.29 | Komansu Electronics Private Limited | September 14, 2026 | March 13, 2027 |
| 11 | 500KW AC Roof Mounted Solar Photovoltaic Project | The 500 kW rooftop solar power project, comprises 806 Topcon bifacial solar modules of 620 Wp each, string inverters, mounting structures, cables, electrical panels, earthing and lightning protection systems having energy generation of 4.5kW H/Day. It has an estimated 30-year life and 3–4 month implementation period. | 18.35 | 1 | 18.35 | Shri Dhar Renewable Enerw Pvt Ltd | September 24, 2026 | April 30, 2027 |

| Sr no | Particulars | Description | Rate (₹ in million) | Qty | Total estimated costs (₹ in million) | Quotations received from | Date of quotations | Validity of Quotation |
|---|---|---|---|---|---|---|---|---|
| 12 | TSIO LB-12 TM500L - S02471 Receipt Compressor | TS10 LB-12 model a single-stage air compressor with a capacity of 30:12 CFM and a normal working pressure of 12 bar. It is equipped with a 500-litre air receiver, DOL starter and has package dimensions of 2,080 × 1,050 × 1,420 mm, with a package weight of 420. | 0.17 | 5 | 0.85 | Raghavendra Chemicals | September 25, 2026 | March 24, 2027 |
| 13 | MS Pallet | MS Pallet having size 864X1670X1170 Apollo Make with Weight: 134kgs | 0.02 | 400 | 7.60 | Sri Lakshmi Priya Enterprises | September 23, 2026 | April 30, 2027 |
| **Total Amount** | | | | | **783.49** | | | |

**excluding duties and taxes*

*(1) Machineries mentioned above is to be imported from China, the quotation has been received in USD ($), and the conversion rate prevailing as on August 31, 2026, INR / 1 USD = 95.4509 has been considered to convert to INR (source: www.fbil.org.in)*

**Contingencies**

The Company envisages that there might be price fluctuations and the currently estimated project cost may increase on account of factors beyond our control, including increases in the cost of civil works, machinery, transportation, and other related charges. The total estimated cost for contingencies is ₹12.42 million as estimated by the Company, based on its past experience which is 1.28% of the total project cost for setting up the Proposed Project. The company proposes to fund the contingencies from its existing internal accruals.

All quotations received from the vendors / suppliers mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the above suppliers which have provided quotations and there can be no assurance that the abovementioned suppliers would be engaged to eventually supply the machinery or that the abovementioned machinery and equipment would be purchased at the specified costs. There may be changes in the costs due to factors outside of our control, including changes in price of materials required or machinery and equipment, changes in market conditions, competitive environment, inflation, technological changes, changing customer preferences, interest or exchange rate fluctuations and changes in regulations or government policies and such change in cost may or may not be favourable to us.

**Utilities**

The Proposed Project is located within an industrial area of Madhya Pradesh Industrial Development Corporation ("**MPIDC**"). The requirements for power supply for the Proposed Project shall be obtained from the MPIDC or state electricity board. Our Company will make arrangements with MPIDC for supply of water.

**Other Confirmations**

Our Promoter, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the vendors from whom our Company has obtained quotations in relation to the proposed capital expenditure.

The quantity of machinery and equipment to be purchased is based on the estimates of our Company's management. Accordingly, the number of units of each machine proposed to be purchased may vary based on the availability of, specifications of the machinery and equipment or negotiations with the relevant vendors. There may be revisions in the final amounts payable towards these purchases pursuant to any taxes or levies payable on such item or freight or installation cost, which will be paid from our internal accruals. See "***Risk Factors – We intend to utilise the Net Proceeds for funding our capital expenditure requirements which aggregates to ₹ 900.00 million and we are yet to place orders for our capital expenditure requirements. There is no assurance that we would be able to source such capital expenditure requirements in a timely manner or at commercially acceptable prices***" on page 47.

None of the plant, machinery, equipment and other assets intended to be procured for the Proposed Project will be second hand.

**Working capital requirements**

Our Company has not included any working capital requirement as part of the project cost for which the Net Proceeds are being raised. The working capital requirement arising from the new project is expected to be incremental to our existing operations and is not proposed to be funded from the Net Proceeds towards the project. Our Company has historically financed its working capital requirements through internal accruals and fund-based and non-fund-based facilities from banks and financial institutions, and expects to meet the incremental requirement in the same manner, namely; (i) internal accruals; (ii) availing of fresh working capital facilities, or enhancement of the existing sanctioned working capital limits, from banks/ financial institutions.

In the event that the incremental borrowings and internal accruals are not sufficient or are not available in a timely manner, our Company may, to the extent permitted under applicable law, utilise a portion of the Net Proceeds allocated towards General Corporate Purposes to fund the incremental working capital requirement. Any such utilisation will be within the limit prescribed under Regulation 7(2) of the SEBI ICDR Regulations, i.e. the amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer, as applicable.

**Schedule of Implementation**

The detailed schedule of implementation for the Proposed Project is as set out in the table below:

| Sr. No. | Particulars | Actual / Estimated Commencement Date | Actual / Expected completion date |
|---|---|---|---|
| 1. | Land acquisition | Already obtained | Already obtained |
| 2. | Statutory approvals | September, 2026 | January, 2027 |
| 3. | Design and Planning | October, 2026 | November, 2026 |
| 4. | Site development and Foundation work | February, 2027 | March, 2027 |
| 5. | Placement of orders for plant and machinery | February, 2027 | March, 2027 |
| 6. | Civil and Structure work | April, 2027 | September, 2027 |
| 7. | Delivery, Erection and installation of plant and machinery at site | September, 2027 | October, 2027 |
| 8. | Internal Works & Utilities | September, 2027 | October, 2027 |
| 9. | Inspection, Handover and Trial runs | October, 2027 | November, 2027 |
| 10. | Commencement of commercial production | December, 2027 | |

***Note:*** *As per Cost Vetting Report dated September 29, 2026 issued by Dun & Bradstreet Information Services India Private Limited.*

**Statutory Approvals**

As of the date of this Draft Red Herring Prospectus, the material clearances, licenses, permissions or approvals required from government authorities which are necessary for commencement of establishing the Proposed Project have been received. Certain material approvals will be required in connection with the establishment of the Proposed Project, which are set out below:

| Details of Approval / Licence | Name of Issuing Authority | Date of Issuance of Approval, if applicable | Stage at which Approval / Licence is Required | Status of Approval |
|---|---|---|---|---|
| Land Allotment Letter / Lease of Plot No. O 01 | Madhya Pradesh Industrial Development Corporation ("MPIDC") | September 28, 2026 | Prior to taking possession / commencement of project development | Land allotment letter is already obtained by the company. The Lease agreement in under process. |
| Consent to Establish ("CTE") under applicable pollution-control regulations | Madhya Pradesh Pollution Control Board ("MPPCB") | Applied | Prior to establishment / commencement of the manufacturing facility | Applied |
| Building / Construction Permission for the proposed industrial building | MPIDC / competent authority for the notified industrial area | Not applicable | Prior to commencement of civil construction | To be applied for. The Company proposes to obtain the same prior to commencement of construction. MPIDC provides building-plan approval for industrial areas under its jurisdiction. (Invest Madhya Pradesh) |
| Factory Registration / Factory Licence | Labour Department / Directorate of Industrial Health & Safety, Government of Madhya Pradesh | Not applicable | Prior to commencement of manufacturing operations | To be applied for. The State factory portal provides for factory registration and licensing. (Factory Labour Dept MP) |

| Details of Approval / Licence | Name of Issuing Authority | Date of Issuance of Approval, if applicable | Stage at which Approval / Licence is Required | Status of Approval |
|---|---|---|---|---|
| Fire Safety Approval / Fire NOC | Competent Fire Authority / concerned local authority, as applicable | Not applicable | Prior to occupation / commencement of operations, based on applicable fire-safety requirements | To be applied for. Final applicability and issuing authority should be confirmed based on the approved building layout and fire classification. |
| Boiler Registration / Inspection and Permission for Use | Competent Boiler Inspectorate / Labour Department, Government of Madhya Pradesh | Not applicable | After erection and prior to operation of the proposed 2 TPH IBR boiler | To be applied for. Boiler registration is a statutory service available under the State framework. (MP Government Services) |
| Electrical Installation / Safety Approval, as applicable | Chief Electrical Inspector to Government of Madhya Pradesh / competent electrical authority | Not applicable | Prior to energisation of HT / LT electrical installations | To be applied for. |
| Permanent Electricity Connection / Load Sanction | MPMKVVCL / concerned distribution licensee | Not applicable | Prior to testing, commissioning and regular plant operations | To be applied for. |
| Solar Grid Connectivity / Net Metering Approval, as applicable | MPMKVVCL under applicable MPERC regulations | Not applicable | Prior to grid synchronisation / commissioning of the proposed 500 kW solar PV system | To be applied for. MPMKVVCL provides an online connectivity / net-metering process and requires technical inspection prior to commissioning. (Rooftop) |
| Consent to Operate ("CTO") | Madhya Pradesh Pollution Control Board ("MPPCB") | Not applicable | Prior to commencement of commercial production | To be applied for after completion of the facility and compliance with the conditions of the CTE. The State approval framework provides for Consent to Operate for industrial units. (MP Government Services) |

***Note:*** *As per Cost Vetting Report dated September 29, 2026 issued by D&B.*

Our Company will undertake the relevant steps to apply to the authorities for the relevant approvals in accordance with applicable law at the appropriate stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or varied, subject to timelines and other factors.

**2. Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company**

Our Company avails credit facilities in the ordinary course of business, primarily for meeting its working capital requirements and capital expenditure. For further details, please see *"**Financial Indebtedness**"* beginning on page 391. As of August 31, 2026, our total fund-based outstanding borrowings amounted to ₹832.45 million.

Our Company proposes to utilise an estimated amount of ₹ 300.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Our Company may, from time to time, refinance some or all of these borrowings or enter into further financing arrangements and may draw down funds thereunder. In such cases, the Net Proceeds may also be utilized towards prepayment or repayment of such refinanced or additional borrowings, the details of which shall be provided in the Red Herring Prospectus. We may repay or refinance some loans set out in the tables below, prior to filing of the Red Herring Prospectus. In such a situation, we may utilise the Net Proceeds for part or full repayment of any such additional loan or loans obtained to refinance any of our existing loans. 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 Draft Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment/pre-

payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing the Red Herring Prospectus, the tables below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by us in the subsequent fiscal. The selection of borrowings proposed to be repaid/prepaid by us shall be based on various factors including (i) cost of the borrowing, including applicable interest rates (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (iii) levy of any prepayment penalties and the quantum thereof, (iv) 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, (v) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders and (vi) provisions of any law, rules, regulations governing such borrowings. Further, our Company has obtained written consents from our lenders for undertaking the Offer, as required. In light of the above, if at the time of filing the Red Herring Prospectus, any of the below mentioned loan is repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the working capital borrowings increase, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company. The amount allocated for estimated schedule of deployment of Net Proceeds in a particular Fiscal may be utilized for repayment or prepayment of borrowings availed by our Company in the subsequent Fiscal, as may be deemed appropriate by our Board, subject to applicable law.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and enable utilization of our internal accruals for further investment in business growth. 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. For details in relation to the credit ratings of our Company, please see *"**Risk Factors - Any downgrade of our credit ratings may adversely affect our business and financial conditions and our ability to raise capital in the future**"* on page 51.

Further for the purposes of the Issue, our Company has intimated and has obtained the necessary consents from our lenders, as is respectively required under the relevant facility documentation for undertaking activities for the Issue, and for the deployment of the Net Proceeds towards the Objects

The following table sets forth details of certain borrowings availed by our Company, which are outstanding as on August 31, 2026 out of which our Company may repay/prepay, all or a portion of, any or all of the borrowings, from the Net Proceeds:

***[Remainder of the page has been intentionally left blank]***

| Sr. No | Name of Lender | Date of sanction Letter/facility agreement | Nature of Loan | Rate of Interest as on August 31, 2026 (% per annum) | Tenor of Loan | Total Sanctioned amount (in ₹ million) (as on August 31, 2026) | Total Loan outstanding amount as on August 31, 2026 (in ₹ million) | Prepayment Penalty/ conditions | Purpose for which loan was sanctioned and utilized* |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Kotak Mahindra Bank Limited | **Original Sanction Date**: July 28, 2023<br><br>**Revised Sanction Date**: August 07, 2026 | Cash Credit | Repo Rate[1] + 2.50 %<br><br>i.e. 9.00% | 12 months (Repayable on demand) | ₹ 220.00 million | ₹ 51.92 million | 2% for 12 months for all Fund Based and Non-Fund Based Limits and Nil after 12 Months. (In case of takeover from other bank or foreclosure / pre-payment from own sources). | Yes |
| 2 | Kotak Mahindra Bank Limited | **Original Sanction Date**: November 30, 2023<br><br>**Revised Sanction Date**: August 07, 2026 | Term loan for Land and Building | Repo Rate[1] + 2.50%<br><br>i.e. 7.75% | 84 months including 3 months Moratorium | **Original Sanction Amount**: ₹ 110.00 million<br><br>**Revised Sanction Amount**: ₹ 80.00 million | ₹ 75.83 million | | Yes |
| 3 | Kotak Mahindra Bank Limited | **Original Sanction Date**: October 25, 2024<br><br>**Revised Sanction Date**: August 07, 2026 | Term loan for Plant and Machinery | Repo Rate[1] + 2.60%<br><br>i.e. 7.85% | 84 months | **Original Sanction Amount**: ₹ 50.00 million<br><br>**Revised Sanction Amount**: ₹ 40.70 million | ₹ 38.90 million | | Yes |
| 4 | Kotak Mahindra Bank Limited | **Original Sanction Date**: August 19, 2025<br><br>**Revised Sanction Date**: August 07, 2026 | Term loan for Plant and Machinery | Repo Rate[1] + 2.75%<br><br>i.e. 8.00% | 81 Months | **Original Sanction Amount**: ₹ 150.00 million<br><br>**Revised Sanction Amount**: ₹ 149.10 million | ₹ 147.05 million | Nil | Yes |
| 5 | India Exim Bank | August 19, 2025 | Term loan for Plant and Machinery | Exim Bank's 1-year MCLR[2] + 1.15% p.a. | 5 years (including moratorium of 6 months) | ₹ 50.00 million | ₹ 43.11 million | Prepayment premium equal to 1% of the amount prepaid.<br><br>Provided that no prepayment penalty will be payable to Exim Bank if the prepayment is | Yes |

| Sr. No | Name of Lender | Date of sanction Letter/facility agreement | Nature of Loan | Rate of Interest as on August 31, 2026 (% per annum) | Tenor of Loan | Total Sanctioned amount (in ₹ million) (as on August 31, 2026) | Total Loan outstanding amount as on August 31, 2026 (in ₹ million) | Prepayment Penalty/ conditions | Purpose for which loan was sanctioned and utilized* |
|---|---|---|---|---|---|---|---|---|---|
| | | | | i.e. 9.00% | from the date of first disbursement. | | | made utilising the internal accruals / own funds/ capital subsidy of the company. | |
| 6 | Union Bank of India | **Original Sanction Date**: August 23, 2023<br><br>**Revised Sanction Date**: May 11, 2026 | Term loan for Plant and Machinery | EBLR[3] + 0.75%<br><br>i.e. 9.50% | 57 Months | **Original Sanction Amount**: ₹ 30.00 million<br><br>**Revised Sanction Amount**: ₹ 16.89 million | ₹ 14.11 million | 1. Borrower has to prepay the Facility in part or full within 30 days after each Reset Date(s) without payment of prepayment premium. Such prepayment shall be made by giving an irrevocable notice within 15 business days after each Reset Date.<br><br>2. Prepayment charges of 2% p.a. shall be applicable in case the prepayment is done on any other dates.<br><br>3. Prepayment penalty will be payable @ 2% in case the borrower prepays the debt by way of funds other than fresh equity or internal accruals. | Yes |
| **Total** | | | | | | **556.69** | **370.92** | | |

**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 September 30, 2026, from S.L. Chhajed & Co. LLP, Chartered Accountants, certifying the utilization of loan for the purpose availed. The loans availed by the Company from the lenders as set above were utilized for the purpose for which such loans were availed.*

*1. The Repo Rate as on August 31, 2026, is 5.25%. (**Source:** https://rbi.org.in)*

*2. Exim Bank's 1-Year MCLR as on August 31, 2026, is 7.85%. (**Source:** https://www.eximbankindia.in/mclr)*

*3. EBLR is External Benchmark Lending Rate, which for Union Bank of India is 8.00% (**Source:** https://www.unionbankofindia.bank.in/en/common/interest-rates-loans-and-advances)*

**4. General corporate purposes**

The Company intends to deploy from the Net Proceeds a sum of up to ₹ [●] million towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds may include, but shall not be restricted to:

- working capital requirements of our Company, including funding trade receivables, inventory, vendor advances and operational liquidity;
- funding growth opportunities, including strategic initiatives, partnerships, joint ventures, licensing arrangements and inorganic acquisitions;
- prepayment or repayment of borrowings of our Company, other than those proposed to be repaid from the Net Proceeds, and payment of interest and other financing costs;
- hiring, training and retention of talent, employee welfare measures and statutory employee benefit obligations;
- payment of taxes, duties, regulatory fees, statutory dues and compliance-related expenses in the ordinary course of business;
- meeting contingencies, unforeseen exigencies, and any other general, administrative or operational expenditure as approved by our Board.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any, which are not applied to the other purposes set out above.

**Offer related expenses**

The total expenses of the Offer are estimated to be approximately ₹[●] million.

The Offer related expenses primarily include fees payable to the BRLM and legal counsel, fees payable to the Statutory Auditor, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses for the legal counsel to the Selling Shareholder which shall be borne solely by the Selling Shareholder, all costs, charges, fees and expenses associated with and incurred with respect to the Offer, shall be shared among the Company and the Selling Shareholder on a pro rata basis, in proportion to the Equity Shares allotted by the Company in the Fresh Issue and sold by the Selling Shareholder in the Offer for Sale in accordance with Section 28(3) of the Companies Act.

The estimated Offer-related expenses are as follows:

| S. No | Activity | Estimated expenses* (₹ in million) | As a % of the total estimated Offer expenses | As a % of the total Offer size |
|---|---|---|---|---|
| 1. | Fees payable to the BRLM (including underwriting commission brokerage and selling commission) | [●] | [●] | [●] |

| S. No | Activity | Estimated expenses* (₹ in million) | As a % of the total estimated Offer expenses | As a % of the total Offer size |
|---|---|---|---|---|
| 2 | Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2)(3)(4) | [●] | [●] | [●] |
| 3. | Fees payable to the Registrar to the Offer | [●] | [●] | [●] |
| 4 | Others: | | | |
| | Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses | [●] | [●] | [●] |
| | Fees payable to other intermediaries including but not limited to the Statutory Auditors and industry report provider | [●] | [●] | [●] |
| | Printing and stationery | [●] | [●] | [●] |
| | Fee payable to legal counsel | [●] | [●] | [●] |
| | Advertising and marketing expenses | [●] | [●] | [●] |
| 5. | Miscellaneous | [●] | [●] | [●] |
| | **Total Estimated Offer Expenses** | **[●]** | **[●]** | **[●]** |

**To be incorporated in the Prospectus after finalisation of the Offer Price. Offer expenses are estimates and are subject to change. Offer expenses include goods and services tax, where applicable.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders, which are directly procured by them would be as follows:

| | |
|---|---|
| Portion for Retail Individual Bidders* | [●] % of the Amount Allotted (plus applicable taxes) |
| Portion for Non-Institutional Bidders* | [●] % 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 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.*

(2) Brokerage, selling commission and processing/uploading charges on the portion for RIBs (using the UPI mechanism) and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using3-in-1 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

| | |
|---|---|
| Portion for Retail Individual Bidders | [●] % of the Amount Allotted (plus applicable taxes) |
| Portion for Non-Institutional Bidders | [●] % 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 as under(i) for Retail Individual Bidders (up to ₹ [●] million) and Non-Institutional Bidders (up to ₹[●] million), on the basis of the application form number / series, provided that the Bid cum Application Forms 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 SCSBs, the selling commission will be payable to the Syndicate / Sub-Syndicate Member; and (ii) for Non-Institutional Bidders(above ₹ [●] million), 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 selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE.*

(3)Bidding Charges payable to SCSBs on the QIB Portion and NIBs (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ [●] per valid application (plus applicable taxes).Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

| | |
|---|---|
| Portion for Retail Individual Bidders * | ₹[●] per valid application (plus applicable taxes)) |
| Portion for Non-Institutional Bidders * | ₹[●] per valid application (plus applicable taxes) |

**Based on valid applications.*

*Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members) subject to a maximum of ₹[●]million (plus applicable taxes), in case if the total processing fees exceeds ₹[●] million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders, and (ii) Non-Institutional Bidders, as applicable.*

*(4)Uploading Charges/ processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under*

*RTAs / CDPs/ Registered Brokers/Members of the Syndicate ₹ [●] per valid application (plus applicable taxes) The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ [●] million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ [●] million (plus applicable taxes), then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ [●] million*

| | |
|---|---|
| Sponsor Bank(s) | ₹ [●] for applications made by UPI Bidders using the UPI mechanism* |

*The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws.*

**Based on valid applications. All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement*

*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/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI ICDR Master Circular.*

**Appraisal of the Objects and Bridge Financing**

The objects of the Fresh Issue have not been appraised by any bank, financial institution or agency and we have not raised any bridge loans against the Net Proceeds.

**Monitoring of Utilization of Funds**

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilization of Gross Proceeds, prior to the filing of the Red Herring Prospectus, as the size of the Fresh Issue exceeds ₹ 1,000.00 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency, upon receipt, before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized, if any, of such currently unutilized Gross Proceeds. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or

annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Gross Proceeds have been utilized. Our Company will indicate investments, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

**Interim use of Net Proceeds**

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

**Bridge Financing**

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the offer. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Fresh Issue. We confirm that we have not raised any bridge loans from any bank or financial institution as of the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

**Other Confirmations**

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholder, no part of the proceeds of the Offer will be paid by our Company to our Promoter, members of the Promoter Group, our Directors or our Key Managerial Personnel or Senior Management Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with any of our Directors, Key Managerial Personnel, members of the Senior Management in relation to the utilization of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Offer except as set out above.

**Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the language of the jurisdiction where our Registered Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of proving of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

## BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is [●] times the face value at the Floor Price lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Information***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 25, 218, 292 and 368, respectively, to have an informed view before making an investment decision.

### 1. Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

(i) Dominant rebonded polyurethane foam manufacturer in India with strategically located Manufacturing Facilities;
(ii) Longstanding relationships with our customers along with a growing customer base;
(iii) Well established distribution network with presence across various geographies;
(iv) Experienced promoter and management team with domain expertise;
(v) Track record of growth in financial performance.

For further details, please see *"**Our Business- Our Strengths**"* on page 218.

### 2. Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Consolidated Financial Information. For details, please see *"**Restated Consolidated Financial Information**"* on page 292.

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

**a) Basic and diluted earnings per Equity Share ("EPS"), at face value of ₹5 each (as adjusted for change in capital, if any):**

| Particulars | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|---|---|---|
| Financial Year 2026 | 12.06 | 12.06 | 3 |
| Financial Year 2025 | 7.15 | 7.15 | 2 |
| Financial Year 2024 | 4.77 | 4.77 | 1 |
| **Weighted Average** | **9.21** | **9.21** | **-** |

***Notes:***
*i. Weighted average = Aggregate of year - wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
*ii. Basic Earnings per Equity Share = Net profit after tax attributable to owners of the Company, as restated / weighted average no. of Equity Shares outstanding during the year/ period.*
*iii. Diluted Earnings per Equity Share = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year/ period, as adjusted to reflect the effect of all potential dilutive Equity Shares.*
*iv. Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.*

**b) Price/Earning ("P/E") ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:**

| Particulars | P/E at the Floor Price of the Price Band (number of times) * | P/E at the Cap Price (no. of times)* |
|---|---|---|
| Based on basic EPS for Fiscal 2026 | [●] | [●] |
| Based on diluted EPS for Fiscal 2026 | [●] | [●] |

**To be updated at the price band stage.*

**c) Industry Peer Group P/E ratio**

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/E ratio are set forth below:

| Particulars P/E | Name of peer company | Industry P/E ratio | Face value of Equity Shares (₹) |
|---|---|---|---|
| Highest | Sheela Foam Limited | 43.99 | 5.00 |
| Lowest | Sheela Foam Limited | 43.99 | 5.00 |
| **Average** | | **43.99** | - |

***Notes:***
*i. The industry high and low has been considered from the peers set provided later in this chapter. The industry average has been calculated as the arithmetic average of P/E of the industry peers set disclosed in this section.*

*ii. P/E Ratio has been computed based on the closing market price of equity shares on NSE on August 31, 2026 divided by the Basic/Diluted EPS provided.*

### d) Return on Net Worth ("RoNW")

As derived from the Restated Consolidated Financial Information of our Company

| Financial Year | RoNW (%) | Weight |
|---|---|---|
| Financial Year 2026 | 24.83% | 3 |
| Financial Year 2025 | 54.61% | 2 |
| Financial Year 2024 | 45.26% | 1 |
| Weighted Average | **38.16%** | **-** |

***Notes:***
*(1) 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.*
*(2) Return on Net Worth refers to the profit for the year/period attributable to equity shareholders of our Company, as restated divided by Net Worth as at end of the relevant year/period.*
*(3) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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.*

### e) Net Asset Value per Equity Share ("NAV") (face value of ₹5 each) as adjusted for change in capital

As derived from the Restated Consolidated Financial Information of our Company:

| Financial Year | NAV per Equity Share (₹) |
|---|---|
| Financial Year ended March 31, 2026 | 48.57 |
| After the completion of the Offer | |
| - At Floor Price | [●]* |
| - At Cap Price | [●]* |
| - At Offer Price | [●]* |

**To be updated post finalisation of Price Band*
***Notes:***
*(i) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.*
*(ii) Net assets value per share (in ₹): Net Asset Value per equity share represents net worth as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding at the end of the period/year.*

### f) Comparison of Accounting Ratios with listed industry peers

Set forth below is a comparison of our accounting ratios with our listed and unlisted peer companies as identified in accordance with the SEBI ICDR Regulations:

| Name of Company | Face Value (₹ per share) | P/E | Basic EPS (₹) | Diluted EPS (₹) | RoNW (%) | NAV per equity share (₹) | Revenue from operations (₹ in million) |
|---|---|---|---|---|---|---|---|
| Sarva Foam Industries Limited* | 5 | [●] | 12.06 | 12.06 | 24.83% | 48.57 | 2,061.21 |
| **Peer Group** | | | | | | | |
| Sheela Foam Limited | 5 | 43.99 | 14.62 | 14.59 | 4.91% | 297.80 | 38,208.40 |

***The financial information for our Company is based on the Restated Consolidated Financial Information as at and for the year ended March 31, 2026.***

***Notes:***
*The financial information for our Company is based on the Restated Consolidated Financial Statements as at and for the financial year ended March 31, 2026.*
*The financial information for listed industry peers mentioned above is sourced from the consolidated financial statements of the respective company for the financial year ended March 31, 2026, submitted to the Stock Exchanges and Markert Price is Closing market Price as on August 31, 2026 on www.nseindia.com.*
*Notes:*
*1. Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company.*
*2. P/E Ratio has been computed based on the closing market price of equity shares on NSE on March 30, 2026 divided by the Basic/Diluted EPS provided.*
*3. Return on Net Worth for equity shareholders (%) (RONW) = Profit for the year attributable to the equity shareholders of our Company divided by total net worth.*
*4. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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.*
*5. For listed peers, NAV is computed as equity attributable to owners (total equity) divided by the number of equity shares outstanding at the end of the year.*

## 3. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 30, 2026 and the Audit Committee has confirmed that there are no KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of this Draft Red Herring Prospectus. All the KPIs that have been disclosed in this section have been subject to verification and certification by our Statutory Auditors pursuant to certificate dated September 30, 2026, which has been included as part of the *"**Material Contracts and Documents for Inspections**"* on page 495 and shall be accessible on the website of our Company at https://www.sarvafoam.com/investors/.

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company's performance in various business verticals and make an informed decision.

For details of other business and operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, please see "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 218 and 368, respectively.

Details of our KPIs for Fiscals 2026, 2025 and 2024 are set out below:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| ***GAAP Measures*** | | | |
| Revenue from operations (₹ in million) [1] | 2,061.21 | 1,748.42 | 1,320.36 |
| Profit before Tax (₹ in million) [2] | 242.86 | 153.33 | 86.63 |
| Profit After Tax (₹ in million) [3] | 176.53 | 103.55 | 69.02 |
| Net Worth (₹ in million) [4] | 710.85 | 189.61 | 152.52 |
| ***Non-GAAP Measures*** | | | |
| Growth in Revenue from Operations (%) [5] | 17.89% | 32.42% | NA |
| Profit After Tax Margin (%) [6] | 8.56% | 5.92% | 5.23% |
| EBITDA (₹ in million) [7] | 330.89 | 235.19 | 122.64 |
| EBITDA Margin (%) [8] | 16.05% | 13.45% | 9.29% |
| EBIT (₹ in million) [9] | 274.82 | 196.18 | 108.45 |
| EBIT Margin (%) [10] | 13.33% | 11.22% | 8.21% |
| RoE (%) [11] | 39.21% | 60.53% | 58.65% |
| RoCE (%) [12] | 22.17% | 30.37% | 30.86% |
| Debt to Equity Ratio [13] | 1.39 | 3.27 | 2.22 |
| Operating Cash Flows (₹ in million) [14] | 154.12 | 17.77 | 32.05 |
| ***Operational Metrics*** | | | |
| Installed Capacity (in MTPA) [15] | 15,500.00 | 11,433.00 | 7,650.00 |
| Utilized Capacity (in MTPA) [16] | 12,563.66 | 8,324.24 | 6,815.00 |

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Utilized Capacity (in %) [17] | 81.06% | 72.81% | 89.08% |
| Number of Employees [18] | 101.00 | 64.00 | 61.00 |
| Sales Volume (MTPA) [19] | 12,636.00 | 8,338.00 | 6,748.00 |
| Number of Customer [20] | 102.00 | 51.00 | 56.00 |
| Number of Manufacturing Units [21] | 4.00 | 5.00 | 3.00 |
| Total Manufacturing Area (In Sq Mt) [22] | 29,807.99 | 29,807.99 | 11,909.00 |

***Notes:***

*(1) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.*

*(2) Profit Before Tax means profit/(loss) before tax as appearing in the Restated Financial Information including profit / (loss) from discontinued operation and exceptional items.*

*(3) Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information*

*(4) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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.*

*(5) Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant year minus Revenue from Operations of the preceding year, divided by revenue from operations of the preceding year.*

*(6) Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by Revenue from Operations.*

*(7) EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.*

*(8) EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.*

*(9) EBIT is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability).*

*(10) EBIT Margin (%) is computed as EBIT divided by revenue from operations.*

*(11) Return on Equity (RoE) refers to the profit for the year/period attributable to equity shareholders of our Company divided by Average Equity attributable to owners of the parent company as at beginning and end of the relevant year/period.*

*(12) Return on Capital Employed (ROCE): Calculated as Earnings before Interest and Tax (EBIT) divided by Average of opening and closing Capital Employed where Capital Employed equals Total Equity + Current/Non-Current Term Borrowings including lease liability + Deferred Tax (Asset)/ Liability - Intangible Assets (including Intangible Assets under Development).*

*(13) Debt-equity ratio calculated as total debt (current and non-current borrowings) divided by total Equity excluding NCI.*

*(14) Net Cash Generated from Operating Activities refers to the net amount of cash inflows and outflows arising from the principal revenue-generating activities of a company during a specified period.*

*(15) Installed Capacity indicates the aggregate production capacity of the Company's manufacturing facilities and provides an indication of the scale of the Company's manufacturing operations.*

*(16) Utilised Capacity indicates the actual quantity of products manufactured by the Company during the relevant Fiscal.*

*(17) Utilised Capacity (%) indicates the proportion of the Company's installed production capacity that was utilised during the relevant Fiscal.*

*(18) Number of Employees indicates the size of the Company's permanent workforce as at the end of respective Fiscal.*

*(19) Sales Volume indicates the aggregate quantity of products sold by the Company during the relevant Fiscal, expressed in MTPA.*

*(20) Number of Customers indicates the number of unique customers to whom the Company has made sales during the relevant Fiscal.*

*(21) Number of Manufacturing Units indicates the total number of manufacturing facilities operated by the Company as at the relevant date.*

*(22) Total Manufacturing Area indicates the aggregate area utilised for manufacturing operations at the Company's manufacturing facilities as at the end of March 31 of relevant fiscal year.*

Our Company confirms that it shall continue to disclose all the KPIs included hereinabove in this section on a periodic basis, at least once in a year (or for 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 Exchanges pursuant to the Offer, or until the utilization of Fresh Issue as disclosed in *"**Objects of the Offer**"* on page 117, or for such other period as may be required under the SEBI ICDR Regulations. Our Company further confirms that the post-listing KPI disclosures shall continue to be certified and any changes in methodology shall be explained.

All such KPIs have been defined consistently and precisely in *"**Definitions and Abbreviations – Conventional and General Terms or Abbreviations**"* on page 2.

**Explanation of the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our performance. The presentation of these KPIs is not intended to be considered in isolation

or as a substitute for the Restated Consolidated Financial Information. These KPIs may not be defined under Ind AS and are not presented in accordance with Ind AS and hence, should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our performance, liquidity, profitability or results of operations. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. For further details, please see *"**Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio, Net Asset Value per Equity Share have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable**"* on page 66.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

| Sr. No. | KPI | Explanation |
|---|---|---|
| 1 | Revenue from operations | Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business. |
| 2 | Profit before Tax | The amount that remains after the Company has paid off all of its operating and non-operating expenses. It provides information regarding the profitability before tax of our Company. |
| 3 | Profit/ (Loss) after tax | The amount that remains after a company has paid off all of its operating and non-operating expenses and taxes. It provides information regarding the profitability of our Company. |
| 4 | Net Worth | Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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. This is helpful in evaluating current financial standing of the Company |
| 5 | Growth in revenue from operations (%) | Growth in Revenue from Operations provides information regarding the growth of the business for the respective period |
| 6 | Profit/ (Loss) after tax margin (%) | Percentage of the amount that remains after a company has paid off all of its operating and nonoperating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company. |
| 7 | EBITDA | Earnings before interest, tax, depreciation and amortization is calculated as the restated profit before tax for the period, finance cost, depreciation and amortization expenses less other income. EBITDA provides information regarding operational profitability and efficiency of our Company |
| 8 | EBITDA Margin (%) | EBITDA Margin (%) is computed as EBITDA divided by revenue from operations. This metric helps in benchmarking the operating profitability against the historical performance of our Company. |
| 9 | EBIT | Earnings before interest and tax is calculated as the restated profit before tax for the period or year plus finance cost less other income. |
| 10 | EBIT Margin (%) | EBIT Margin (%) helps in keeping track of the operational efficiency of our company after the depreciation and amortization expenses calculated as EBIT as a percentage of revenue from operations |
| 11 | RoE (%) | Return on Equity is calculated on the basis of net profit after tax divided by shareholder's equity and is calculated by profit after tax divided by our net worth (share capital and other equity). It indicates our Company's ability to turn equity investments into profits |
| 12 | RoCE (%) | Return on Capital Employed provides us information on efficiency of our capital deployment and utilization. |
| 13 | Debt To Equity Ratio | Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage. |

| | | |
|---|---|---|
| 14 | Operating Cash Flows | Operating cash flows provides how efficiently our company generates cash through its core business activities. |
| 15 | Installed Capacity (in MTPA) | Installed Capacity indicates the aggregate production capacity of the Company's manufacturing facilities and provides an indication of the scale of the Company's manufacturing operations. It is useful in assessing the Company's production capabilities and potential to scale its operations. |
| 16 | Utilised Capacity (in MTPA) | Utilised Capacity indicates the actual quantity of products manufactured by the Company during the relevant Fiscal. It provides an indication of the Company's actual production levels and the extent of utilisation of its manufacturing infrastructure. |
| 17 | Utilised Capacity (in %) | Utilised Capacity (%) indicates the proportion of the Company's installed production capacity that was utilised during the relevant Fiscal. It is useful in evaluating the Company's operational efficiency and utilisation of its available manufacturing capacity. |
| 18 | Number of Employees | Number of Employees indicates the size of the Company's permanent workforce as at the end of relevant Fiscal. It provides an indication of the human resources supporting the Company's overall activities. |
| 19 | Sales Volume (in MTPA) | Sales Volume indicates the aggregate quantity of products sold by the Company during the relevant Fiscal, expressed in MTPA. It provides an indication of the scale of the Company's sales and the volume of products sold during the relevant period. |
| 20 | Number of Customers | Number of Customers indicates the number of unique customers to whom the Company has made sales during the relevant Fiscal. It provides an indication of the breadth of the Company's customer base and its market reach. |
| 21 | Number of Manufacturing Units | Number of Manufacturing Units indicates the total number of manufacturing facilities operated by the Company as at the relevant date. It provides an indication of the geographical and operational footprint of the Company's manufacturing operations. |
| 22 | Total Manufacturing Area | Total Manufacturing Area indicates the aggregate area utilised for manufacturing operations at the Company's manufacturing facilities. It provides an indication of the physical scale of the Company's manufacturing infrastructure and its operational footprint. |

We have also described and defined the KPIs, as applicable, in *"**Definitions and Abbreviations - Technical/ Industry Related Abbreviations**"* on page 2.

**4. Comparison of Key Performance Indicators with listed industry peers**

Following is a comparison of our KPIs with listed industry peers:

***Fiscal 2026***

| Particulars | Fiscal 2026 | |
|---|---|---|
| | **Sarva Foam Industries Limited** | **Sheela Foam Ltd** |
| ***GAAP Measures*** | | |
| Revenue from operations (₹ in million) | 2,061.21 | 38,208.40 |
| Profit before Tax (₹ in million) | 242.86 | 1,818.40 |
| Profit After Tax (₹ in million) | 176.53 | 1,596.10 |
| Net Worth (₹ in million) | 710.85 | 32,519.60 |
| ***Non-GAAP Measures*** | | |
| Growth in Revenue from Operations (%) | 17.89% | 11.10% |
| Profit After Tax Margin (%) | 8.56% | 4.18% |
| EBITDA (₹ in million) | 330.89 | 4,013.00 |
| EBITDA margins (%) | 16.05% | 10.50% |
| EBIT (₹ in million) | 274.82 | 2,227.20 |
| EBIT Margin (%) | 13.33% | 5.83% |
| RoE(%) | 39.21% | 5.09% |
| RoCE (%) | 22.17% | 10.02% |

| | | |
|---|---|---|
| Debt Equity Ratio | 1.39 | 0.22 |
| Operating Cash Flows (₹ in million) | 154.12 | 4,093.20 |
| ***Operational Metrics*** | | |
| Installed Capacity (in MTPA) | 15,500.00 | 1,78,000.00 |
| Utilised Capacity (in MTPA) | 12,563.66 | NA |
| Utilised Capacity (in %) | 81.06% | NA |
| Number of Employees | 101.00 | 5,854.00 |
| Sales Volume (MTPA) | 12,636.00 | 57,780.00 |
| Number of Customer | 102.00 | NA |
| Number of Manufacturing Units | 4.00 | 19.00 |
| Total Manufacturing Area (in Sq. Mt) | 29,807.99 | NA |

***Fiscal 2025***

| **Particulars** | **Fiscal 2025** | |
|---|---|---|
| | **Sarva Foam Industries Limited** | **Sheela Foam Ltd** |
| ***GAAP Measures*** | | |
| Revenue from operations (₹ in million) | 1,748.42 | 34,392.00 |
| Profit before Tax (₹ in million) | 153.33 | 1,033.30 |
| Profit After Tax (₹ in million) | 103.55 | 893.50 |
| Net Worth (₹ in million) | 189.61 | 30,166.60 |
| ***Non-GAAP Measures*** | | |
| Growth in Revenue from Operations (%) | 32.42% | 15.32% |
| Profit After Tax Margin (%) | 5.92% | 2.60% |
| EBITDA (₹ in million) | 235.19 | 2,755.70 |
| EBITDA margins (%) | 13.45% | 8.01% |
| EBIT (₹ in million) | 196.18 | 929.60 |
| EBIT Margin (%) | 11.22% | 2.70% |
| RoE(%) | 60.53% | 3.01% |
| RoCE (%) | 30.37% | 3.99% |
| Debt Equity Ratio | 3.27 | 0.40 |
| Operating Cash Flows (₹ in million) | 17.77 | 2,473.90 |
| ***Operational Metrics*** | | |
| Installed Capacity (in MTPA) | 11,433.33 | 1,77,000 |
| Utilised Capacity (in MTPA) | 8,324.24 | NA |
| Utilised Capacity ( in %) | 72.81% | NA |
| Number of Employees | 64.00 | 4,628 |
| Sales Volume (MTPA) | 8,338.00 | 49,297.00 |
| Number of Customer | 51.00 | NA |
| Number of Manufacturing Units | 5.00 | 18.00 |
| Total Manufacturing Area | 29,807.99 | NA |

***Fiscal 2024***

| **Particulars** | **Fiscal 2024** |
|---|---|

| | Sarva Foam Industries Limited | Sheela Foam Ltd |
|---|---|---|
| ***GAAP Measures*** | | |
| Revenue from operations (₹ in million) | 1,320.36 | 29,823.10 |
| Profit before Tax (₹ in million) | 86.63 | 2,559.30 |
| Profit After Tax (₹ in million) | 69.02 | 1,824.40 |
| Net Worth (₹ in million) | 152.52 | 29,201.90 |
| ***Non-GAAP Measures*** | | |
| Growth in Revenue from Operations (%) | NA | 3.79% |
| Profit After Tax Margin (%) | 5.23% | 6.12% |
| EBITDA (₹ in million) | 122.64 | 3,232.40 |
| EBITDA margins (%) | 9.29% | 10.84% |
| EBIT (₹ in million) | 108.45 | 2,074.50 |
| EBIT Margin (%) | 8.21% | 6.96% |
| RoE(%) | 58.65% | 8.08% |
| RoCE (%) | 30.86% | 10.13% |
| Debt Equity Ratio | 2.22 | 0.44 |
| Operating Cash Flows (₹ in million) | 32.05 | 4,059.50 |
| ***Operational Metrics*** | | |
| Installed Capacity (in MTPA) | 7,650.00 | 1,46,000.00 |
| Utilised Capacity (in MTPA) | 6,815.00 | NA |
| Utilised Capacity ( in %) | 89.08% | NA |
| Number of Employees | 61.00 | 3,241.00 |
| Sales Volume (MTPA) | 6,748.00 | 21,763.00 |
| Number of Customer | 56.00 | NA |
| Number of Manufacturing Units | 3.00 | 27.00 |
| Total Manufacturing Area | 11,909.00 | NA |

**Comparison of KPIs based on additions or dispositions to our business**

Our Company has not made any material acquisitions or dispositions to its business during the Fiscals 2026, 2025 and 2024. For details regarding acquisitions and dispositions made our Company in the last 10 years, please see "***History and Certain Corporate Matters- Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years***" on page 259.

**5. Weighted average cost of acquisition, Floor Price and Cap Price**

**(a) The price per share of our Company based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% 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 ("Primary Issuances")**

| Date of allotment | Number of Equity shares | Nature of allotment | Face value | Issue Price | Nature of Consideration | Total Consideration (₹ in millions) |
|---|---|---|---|---|---|---|
| April 4, 2026 | 23,33,336 | Private placement | 5 | 150 | Cash | 16.97 |

**(b) The price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or other Shareholders of our Company with rights to nominate directors during the 18 months preceding the date of filing of the this Draft Red Herring Prospectus, where 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-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 ("Secondary Transactions"):**

There have been no secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or other Shareholders of our Company with rights to nominate directors during the 18 months preceding the date of filing of the this Draft Red Herring Prospectus, where 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-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.

**6. Weighted average cost of acquisition ("WACA"), floor price and cap price**

| Past transactions | Weighted average cost of acquisition per Equity Share (₹)# | Floor Price (₹)* | Cap Price (₹)* |
|---|---|---|---|
| Weighted average cost of acquisition of Primary Issuances | 150 | [●] | [●] |
| Weighted average cost of acquisition of Secondary Transactions | N.A. | [●] | [●] |

**To be updated at the Prospectus stage.*
*#As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277) by way of their certificate dated September 30, 2026.*

**7. The Offer Price is [●] times of the face value of the Equity Shares**

The Offer Price of ₹ [●] is [●] times of the face value of the Equity Shares and has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters.

**8. Detailed explanation for Offer Price/ Cap Price being [●] times of WACA of primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for the Fiscals 2026, 2025 and 2024 and in view of the external factors which may have influenced the pricing of the Offer.**

[●]*

**To be included on finalisation of Price Band.*

Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Information***" and "***Management Discussion and Analysis of Financial Condition and Revenue from Operations***" beginning on pages 25, 218, 292 and 368 respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section "***Risk Factors***" beginning on page 25 and any other factors that may arise in the future and you may lose all or part of your investment.

## STATEMENT OF SPECIAL TAX BENEFITS

**To,**

**The Board of Directors**
**Sarva Foam Industries Limited**
2nd Floor Commercial Building, E-8 Extension,
Aakriti Eco City Bhopal, Misrod, Bhopal,
Huzur- 462026,
Madhya Pradesh, India

**AND**

**Beeline Capital Advisors Private Limited**
B/1311-1314, 13th Floor, Shilp Corporate Park,
Rajpath Rangoli Road, Thaltej,
Ahmedabad- 380054, Gujarat, India

(Beeline Capital Advisors Private Limited are appointed and referred to as the "**Book Running Lead Manager**" or "**BRLM**" in relation to the Offer)

**Re: Proposed initial public offering of equity shares of face value of Rs. 5/- each (the "Equity Shares" and such offering, the "Offer") of Sarva Foam Industries Limited ("Company")**

We, **S. L. Chhajed & Co. LLP, Chartered Accountants (bearing FRN: 000709C/C400277),** the Statutory Auditors of the Company, hereby report the special tax benefits available to the Company and its material subsidiary i.e. Sarva Foam UK Limited ("material subsidiary") its shareholders, under the Income Tax Act, 2025 as amended (the "**IT Act**") and applicable Indirect Tax Laws (as defined in the Annexure I), along with the rules, regulations, circulars and notifications issued thereon, presently in force in India, in the enclosed statement at **Annexure I**.

This Statement in relation to the Tax Laws has been prepared to comply with the disclosure requirements of clause 9(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**").

The special tax benefits discussed in the enclosed **Annexure I** states the special tax benefits under direct and indirect tax laws and Income Tax Rules, 2026 including amendments made by the Finance Act, 2026 and as (hereinafter referred to as "**Income Tax Laws**"), Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, and Goods and Services Tax (Compensation to States) Act, 2017, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") as amended including the relevant rules, notifications and circulars issued there under (collectively referred as "**Indirect Tax Regulations**") as amended, available to the Company, its shareholders and its material subsidiaries.

Several of these benefits are dependent on the Company and its material subsidiary, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its material subsidiary and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, and its shareholders faces in the future, the Company, and its material subsidiary and its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure I** are neither exhaustive nor conclusive and cover the special tax benefits available to the Company and its material subsidiary and its shareholders and do not cover any general tax benefits available to the Company and its material subsidiary and its shareholders. The contents stated in **Annexure I** are based on the information and explanations obtained from the Company. 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 Offer. We are neither suggesting nor are we advising the investor to invest

money or not to invest money based on this statement.

**Management Responsibility**

The Management is responsible for ensuring that the Company complies with the requirements of the applicable laws and shall be responsible for providing us the required information/documents as may be required by us for certifying the requirement as per paragraph above. The management is responsible for the preparation of the **Annexure I** as on the date of this Statement which is to be included in the Offer Documents is the responsibility of the management of the Company. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of **Annexure I**, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

We conducted our examination for this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2019) ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of 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.

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

i) the Company, its shareholders and its Material Subsidiaries, will continue to obtain these special tax benefits in future; or
ii) the conditions prescribed for availing the special tax benefits where applicable, have been/would be met with; or
iii) the revenue authorities will concur with the views expressed herein.

The contents of the enclosed **Annexure I** are based on the information, explanation and representations obtained from the Company by us and auditors of the subsidiaries and on the basis of understanding of the business activities and operations of the Company and its material subsidiaries.

**Conclusion**

Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 ('**Act**'), it is our responsibility to certify whether **Annexure I** prepared by the Company, presents, in all material respects, the special tax benefits available to the Company, to its shareholders and its Material Subsidiaries (if any), in accordance with the Tax Laws as on the date of this Statement.

We consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent and in our capacity as the statutory Auditors of the Company and in respect of this report to be included in the Offer Documents of the Company or in any other documents in connection with the Offer.

**Restrictions on use**

We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus ("**DRHP**") to be filed with the Securities and Exchange Board of India ("**SEBI**"), the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (NSE and together with the BSE, the "**Stock Exchanges**") and the Red Herring Prospectus ("**RHP**") and the Prospectus ("**Prospectus**") (Prospectus and together with DRHP and RHP, the "**Offer Documents**"), to be filed with the Registrar of Companies, Madhya Pradesh at Gwalior ("**RoC**") and submitted to the SEBI, and the Stock Exchanges with respect to the Offer, and any other regulatory or governmental authorities, and in any other material used in connection with the Offer and on the websites of the Company and the BRLM in connection with the Offer.

We undertake to immediately inform any changes in writing to the above information to the Company and the BRLM until the date when the Equity Shares commence trading on the Stock Exchanges where the Equity Shares are proposed to be listed. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges pursuant to

the Offer.

We also consent to the inclusion of this letter as a part of *"Material Contracts and Documents for Inspection"* in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/Offer closing date. We further consent to this letter being uploaded, as may be necessary, on the online document repository platform of the stock exchanges in terms of applicable law.

We confirm that the information herein is true, fair, correct, complete, accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. This certificate can be relied on by the Company, the BRLM and the Legal Counsel to the Offer and to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

**For S. L. Chhajed & Co. LLP**
**Chartered Accountants**
**FRN: 000709C/C400277**

**Vijit Baidmutha**
**Partner**
**Membership No: 406044**
**UDIN: 26406044KKYSNM3359**

**Place: Bhopal**
**Date: 30th September 2026**
**Encl: Annexure I**

## ANNEXURE I

## STATEMENT OF TAX BENEFITS AVAILABLE TO SARVA FOAM INDUSTRIES LIMITED ("THE COMPANY"), ITS MATERIAL SUBSIDIARY (SARVA FOAM UK LIMITED) AND ITS SHAREHOLDERS UNDER THE DIRECT TAX LAWS

The statement of direct tax benefits enumerated below is as per the provisions of the Income-tax Act, 2025 ("the Act"), read with the Income-tax Rules, 2026, as amended from time to time and applicable for Tax Year 2026-27, presently in force in India.

This statement sets out below the tax benefits available to the Company, its material subsidiary and its Shareholders to whom shares may be allotted in terms of proposed Issue under the tax laws presently in force in India.

Several of these benefits are dependent on fulfilling various conditions prescribed under the relevant tax laws. Accordingly, the ability of the Company, its material subsidiary and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which are based on the business imperatives, the Company, its material subsidiary or the shareholders may or may not choose to fulfil.

We do not express any opinion or provide any assurance as to whether the Company, material subsidiary or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

### (I) TAX BENEFITS AVAILABLE TO THE COMPANY

### 1) Benefit of Lower Tax Rate under Section 200 of the Income Tax Act, 2025

Pursuant to enactment of Income Tax Act, 2025 w.e.f. April 1, 2026, section 115BAA of earlier Income Tax Act, 1961 has been replaced by Section 200 under Income Tax Act, 2025. Section 200 of the Act provides an option to a domestic company to pay corporate tax at a reduced rate of 22%plus applicable surcharge and cess. In case the Company opts for concessional income tax rate as prescribed under section 200 of the Act, it will no longer be eligible to avail following exemptions / incentives under the Act and will also need to comply with the other conditions specified in Section 200.

a) (i) Section 45(2) (expenditure on scientific research) or 47(1)(b) (expenditure on skill development project) of the Act; or
(ii) Chapter VIII other than provisions of section 146 (deduction in respect of additional employee cost) or 148 (deduction in respect of certain inter-corporate dividends) of the Act; or
(iii) Sections specified in section 205(1)(a) to (g) as below -

- Section 33(8) (additional depreciation);
- Section 45(3)(a) or (b) or (c) (expenditure on scientific research);
- Section 46 (capital expenditure of specified business);
- Section 47(1)(*a*) (expenditure on agricultural extension project);
- Section 48 (deduction for deposits in tea development account, coffee development account and rubber development account) and Section 49 (deduction for deposit to special account or site restoration fund); and
- Section 144 (deduction for units in Special Economic Zone).

b) without set off of any loss carried forward or depreciation from any earlier tax year, if such loss or depreciation is attributable to any of the deductions referred to in clause (a);

c) without set off of any loss or allowance for unabsorbed depreciation deemed so under section 116, if such loss or depreciation is attributable to any of the deductions referred to in clause (a).

The provisions of section 206 with respect to Minimum Alternate Tax ("**MAT**") are not applicable where the Company opts for the concessional income tax rate as prescribed under section 200 of the Act. Further, the Company will not be entitled to claim tax credit relating to MAT u/s 206 of the Act. As per the provisions of the Act, once such option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.

**Note:** The Company exercised the option under Section 115BAA of the Income-tax Act, 1961 in FY 2024-25 relevant to AY 2025-26 and filed the prescribed declaration in Form 10-IC within the stipulated due date. Accordingly, the Company has been subject to taxation under the concessional tax regime prescribed under Section 115BAA of the Income-tax Act, 1961 up to AY 2026-27. Pursuant to the enactment of the Income-tax Act, 2025 with effect from April 1, 2026, the corresponding concessional tax regime is contained in Section 200 of the Income-tax Act, 2025 and, accordingly, from Tax Year 2026-27 onwards, the Company shall continue to be governed by and pay income-tax under the concessional tax regime prescribed under Section 200 of the Income-tax Act, 2025, subject to compliance with the conditions specified therein

**2) Section 146 – Deduction of Additional Employee Cost**

The Company is entitled to claim a deduction of an amount equal to 30% of additional employee cost (as defined u/s 146 of the Act) incurred in the course of business in the tax year for three consecutive assessment years including the assessment year relevant to the previous year in which such employment is provided to the additional employees under section 146 of the Act.

The key conditions for claiming the deduction are as follows:

a. There should be an increase in the total number of employees employed by the Company as on the last day of the tax year, as compared to the total number of employees as on the last day of the immediately preceding tax year.

b. The deduction is allowed only in respect of additional employees whose total emoluments do not exceed INR 25,000 per month.

c. Emoluments should be paid through account payee cheque, account payee bank draft, electronic clearing system or such other prescribed electronic mode.

d. Employees for whom the entire contribution is paid by the Government under the Employees' Pension Scheme notified under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 shall not be considered as additional employees.

e. The employee should participate in a recognised provident fund.

f. The employee should have been employed for a minimum period of 240 days during the tax year, (except in the case of assessees engaged in the manufacturing of apparel, footwear or leather products, where the minimum period is 150 days). Where such minimum period is completed in the immediately succeeding tax year, the employee shall be deemed to be an additional employee of such succeeding tax year.

g. The deduction shall not be available if the business is formed by splitting up or reconstruction of an existing business, or is acquired by the assessee through transfer or pursuant to a business reorganisation.

h. The assessee is required to furnish a report of an accountant, in the prescribed form and manner, on or before the specified date.

i. The deduction is restricted to 30% of the additional employee cost incurred in the relevant tax year and shall be allowed for a period of three consecutive tax years, including the tax year in which such employment is provided.

**3) Section 148 – Deduction on Inter – Corporate Dividends**

Section 148 provides for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 236(1) of the Act.

Where the Company receives any such dividend during a tax year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said tax year, it shall be entitled to the deduction under Section 148 of the Act.

**(II) TAX BENEFITS AVAILABLE TO MATERIAL SUBSIDIARY (SARVA FOAM UK LIMITED)**

There are no possible special tax benefits available to the material subsidiary. under the direct tax laws of UK.

**(III) TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

**1) Resident shareholder**

**Tax on dividend income**

- Dividend income earned by the shareholders shall be taxable in their hands at the rates applicable to such shareholders in accordance with the provisions of the Income-tax Act, 2025 ("the Act").

- In the case of domestic corporate shareholders, deduction under Section 148 of the Act (deduction in respect of certain inter-corporate dividends) may be available, subject to fulfilment of the prescribed conditions.

- Long term capital gains tax: As per Section 198 of ITA, 2025 (erstwhile section 112A of the ITA, 1961), long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at the rate of 12.5% (without indexation) subject to prescribed conditions. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 125,000.

- Short term capital gains tax: -As per Section 196 of ITA, 2025 (erstwhile section 111A of the ITA, 1961), short-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20%. This is subject to fulfilment of prescribed conditions under Direct Tax Laws.

- With effect from April 1, 2026, consideration received by shareholders on buy-back of shares shall be taxable as capital gains in accordance with the provisions of the Income-tax Act, 2025. The cost of acquisition of the shares shall be allowed as a deduction while computing the capital gains or loss arising from the buy-back transaction. Any resultant capital loss shall be eligible for carry forward and set-off in accordance with the provisions of the Act.

- The Company shall withhold tax on dividend distributed to resident shareholders at the rate of **10%** or such other rate as may be prescribed under the ActTax on Long-term capital gains.

- **Treaty Benefit to Non-resident Shareholders**: As per Section 159 of ITA, 2025 (erstwhile Section 90(2) of the IT Act,1961) non-resident shareholders will be eligible to take the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits. Further, any income by way of capital gains or dividend accruing to non-residents may be subject to withholding tax per the provisions of Direct Tax Laws or under the relevant DTAA, whichever is beneficial to such non residents. However, where such non-residents have obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such a shareholder is resident.

- **Exemption available to specified Mutual Funds**: As regards the shareholders that are Mutual Funds, under Schedule VII of the ITA, 2025 (erstwhile section 10(23D) of the IT Act,1961) any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

## STATEMENT OF TAX BENEFITS AVAILABLE TO COMPANY AND ITS SHAREHOLDERS UNDER THE INDIRECT TAX LAWS

Outlined below are the tax benefits available to the Company and its shareholders under the Indirect tax laws in force in India. This statement is as per the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975, as amended by Finance Act 2026 including the relevant rules, notifications and circulars issued there under applicable for the Financial Year 2026-27 and Foreign Trade Policy presently in force in India.

### (I) TAX BENEFITS AVAILABLE TO THE COMPANY

1. Benefits of Advance Authorization under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)
   The Company is availing benefit under the Advance Authorization scheme covered under chapter 4 of the FTP wherein it is eligible to undertake duty free import of inputs, which is physically incorporated in manufacturing goods for export purposes (making normal allowance for wastage). Under this scheme, the Company is under obligation to undertake export of goods within a prescribed time period.

2. Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962:

   As per Section 75 of the Customs Act, the Central Government is empowered to allow duty drawback on goods manufactured in India and exported. The Company avails duty drawback benefit as per the All- Industry Rate (AIR) in the duty drawback schedule.

3. Benefits Of Remission of Duties and Taxes on Export Products ("RoDTEP") Scheme under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023):

   This scheme provides rebate of duties/ taxes / levies (which are not refunded under any other existing schemes), at the Central, State and local level, borne on the exported product, including prior Stage cumulative indirect taxes on goods and services used in the production of the exported product and such indirect duties/ taxes / levies in respect of distribution of exported product. The Company avails RoDTEP benefit as notified, on exported products. Under the Scheme, a rebate would be granted to eligible exporters at a notified rate as a percentage of FOB value with a value cap per unit of the exported product, wherever required, on export of items which are categorized under the notified 8-digit HS Code. However, for certain export items, a fixed quantum of rebate amount per unit may also be notified.

4. Benefits under the Central Goods and Services Act, 2017, respective State / Union Territory Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant rules prescribed thereunder):

   Under GST regime, the exporter has the option to either undertake exports under cover of a Bond/ Letter Of Undertaking ("LUT") without payment of IGST and claim refund of accumulated input tax credit subject to fulfilment of conditions prescribed for export as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017 or the exporter may export with payment of IGST and claim refund of IGST paid on such exports. Thus, the Integrated Goods and Service Tax Act, 2017 permits a supplier undertaking zero rated supplies (which will include the supplier making supplies to SEZ) to claim refund of tax paid on exports as IGST (by undertaking exports on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

5. Benefit Of Export Promotion Capital Goods scheme (EPCG) under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023):

   The Company is availing benefit under the export promotion capital goods scheme covered under chapter 5 of the FTP wherein it is eligible to undertake duty free import of capital goods which are used in manufacturing of goods. Under the scheme, the Company is required to fulfil an export obligation i.e., undertake export of goods within a prescribed time period.

### (II) TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY

There are no possible special tax benefits available to the material subsidiary. under the indirect tax laws of UK.

**(III) TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

There are no indirect tax benefits available to the shareholders of the Company.

## SECTION IV – ABOUT THE COMPANY

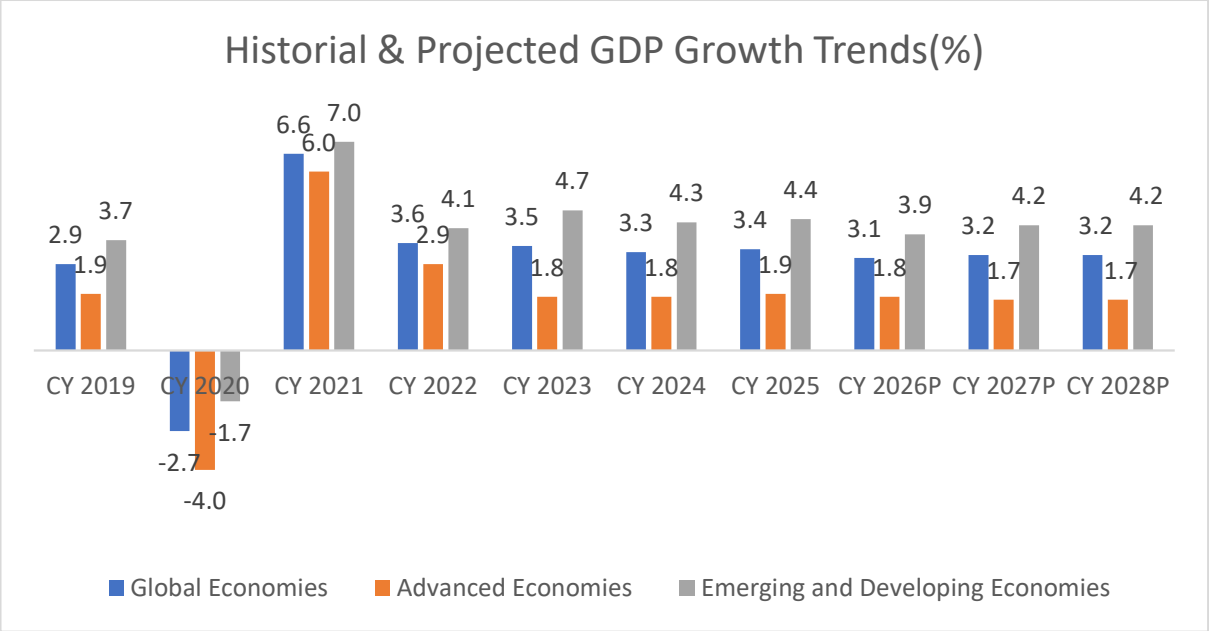
## INDUSTRY OVERVIEW

### 1. Global Macroeconomic Scenario

### 1.1 Global Economic Overview

According to World Economic Outlook, global growth is projected at 3.1% in 2026 and at 3.2% in 2027 and 2028, slower than the recent pace of about 3.4% in CY 2024–25 and is expected to settle at approximately that rate over the medium term, below the historical average of 3.7% during 2000–19. The forecast for 2026 has been revised downward by 0.2 percentage point, while the forecast for 2027 and 2028 remains unchanged compared with the January 2026 WEO Update. Global headline inflation is expected to rise to 4.4% in 2026 and decline to 3.7% in 2027, reflecting upward revisions for both years.

The conflict involving US, Israel and Iran is increasingly functioning as a global supply and confidence shock. The International Energy Agency (IEA) describes the current situation as the largest oil supply disruption on record, with flows through the Strait of Hormuz reduced to a trickle and the resulting effects spreading across refined fuels and liquefied natural gas (LNG). At the same time, aviation disruptions and elevated risk premia are weakening services activity and increasing uncertainty around investment decisions. A significant share of global energy flows through the Strait of Hormuz, and shipping disruptions and insurance constraints are therefore translating directly into higher landed costs, supply chain delays, and greater output risks for energy-intensive manufacturing. As a result, the policy environment has increasingly become challenging, while growth support is required but renewed cost-push inflation across energy, freight, and eventually food inputs is limiting the scope for faster monetary easing.




Source – IMF Global GDP Forecast Release, April 2026

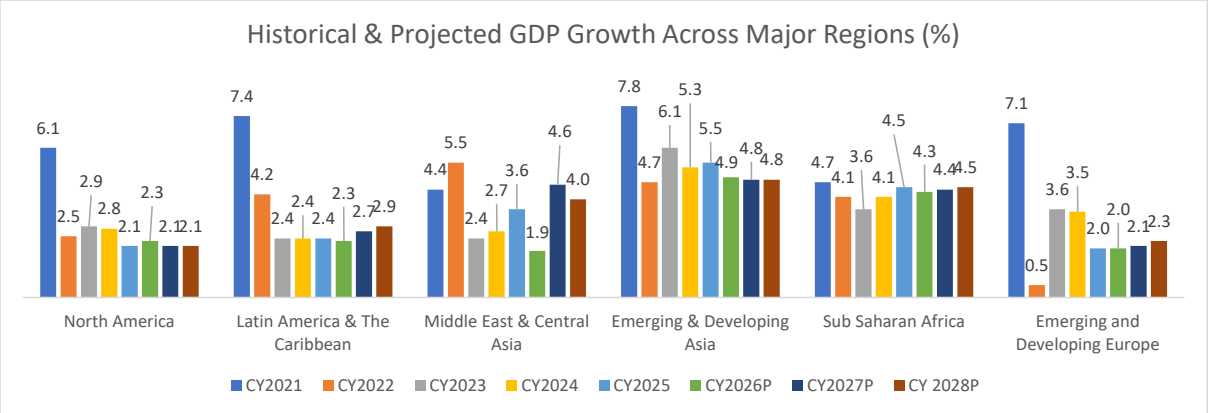
*Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict economic criteria and has evolved over time. It comprises 40 countries in the Advanced Economies category, including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected Eurozone members (Germany, Italy, France, etc.). The group of emerging and developing economies (156) comprises all economies not classified as Advanced Economies (e.g., India, China, Brazil, Malaysia).*

### 1.2 Historical and Projected GDP Growth

GDP growth across major regions showed a mixed trend during 2024–25. While growth in several regions—including Middle East & Central Asia, Emerging and Developing Asia, Sub-Saharan Africa as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies.

In the Middle East and Central Asia, economic growth is projected to decline from **3.6% in 2025** to **1.9% in 2026**, before recovering to **4.6% in 2027 and 4.0% in 2028**, reflecting the region's direct exposure to the conflict and the anticipated rebound thereafter. For commodity-exporting economies directly affected by the conflict, reduced production and export activity are expected to result in a significant downward revision to 2026 GDP growth projections.

Growth in emerging and developing Asia is projected to moderate from **5.5% in 2025** to **4.9% in 2026** and is further estimated to grow at **4.8% in 2027 and 2028**. Within the region, China's 2026 growth forecast has been revised upward by **0.2 percentage point** relative to the October estimate, to **4.4%**, despite a **0.1 percentage point downward revision** from January. This upward adjustment reflects the impact of lower effective U.S. tariff rates on Chinese goods, along with stimulus measures that are expected to offset the negative effects of the shock arising from the Middle East conflict. However, China's growth is projected to slow to **4.0% in 2027**, as structural headwinds continue to weigh on the economy, including the prolonged slowdown in the housing sector, a shrinking labor force, declining returns on investment, and weaker productivity growth.




Source- IMF World Economic Outlook, April 2026

In Latin America and the Caribbean, economic growth is projected to remain broadly stable at 2.3% in 2026 before strengthening to 2.7% in 2027 and 2.9% in 2028. The effects of the Middle East conflict across the region are expected to be uneven, with smaller economies likely to experience a more pronounced negative impact due to their relatively greater vulnerability to external shocks.

Growth in sub-Saharan Africa is projected to remain relatively stable at 4.3% in 2026 and 4.4% in 2027 and 4.5% in 2028. However, this regional outlook masks significant variation across countries, with some economies expected to face more pronounced challenges than others. In particular, oil-importing and non-resource-intensive economies are likely to be adversely affected by the conflict in the Middle East, as heightened external pressures may weigh on economic activity and weaken growth prospects. In emerging and developing Europe, economic growth is expected to slow sharply to 2.0% in 2025 and recover only marginally thereafter, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027 and 2.3% in 2028.

### 1.3 Global Economic Outlook

The conflict between Israel/the United States and Iran, which began in February, has developed into a global shock to transport, trade, and security planning. As a result, periodic airspace closures across Israel and parts of the Gulf, together with severe disruption to shipping through the Strait of Hormuz, have affected the movement of oil, oil products, and LNG. Consequently, businesses have faced longer and less reliable supply lines, higher freight and insurance costs, and more frequent "stop-go" operating conditions.

The near-term growth outlook has softened as the conflict is affecting both demand and costs. Disruption to the oil channel is coinciding with pressure on the non-oil outlook as travel and services weaken and risk premia rise. Airspace disruption has increased operating costs and reduced travel reliability, while higher jet fuel costs have added to pressure on carriers and freight forwarders.

Investment conditions have also tightened as higher regional risk premia have increased insurance, shipping, hedging, and working capital costs. At the same time, logistics disruption and higher input costs are raising inflation risks. Fertilizer and related input disruption is also creating a lagged risk to food prices.

**Asia-Pacific:** In Asia-Pacific, the conflict has created sustained stress for business continuity. Even with fighting paused, energy availability, shipping disruption, and insurance costs are expected to continue weighing on operations over the next quarter. Oil prices remain well above January levels despite easing from March peaks, while war-risk insurance, tighter tanker availability, and rerouting costs remain elevated. As a result, several fuel-importing economies—including Japan, South Korea, India, and parts of Southeast Asia—have faced power-conservation measures and fuel rationing, increasing the risk of operational downtime in energy-intensive sectors.

Shipping and supply chains are also facing second-round effects. Many Asia–Europe shipments have been diverted via the Cape of Good Hope, thereby extending lead times by 10–14 days. Although some routes have reopened, schedules remain compressed and insurers remain cautious, which has increased delivery deadline risk across manufacturing, particularly in chemicals, electronics, and pharmaceuticals. Input volatility and fertilizer disruption are also adding to inflation risks and thereby complicating the policy outlook.

**Latin America**: In Latin America, the U.S.-Israel-Iran conflict has increased energy market pressures, with higher Brent crude prices raising input costs and inflation risks across the region. Consequently, net hydrocarbon exporters such as Brazil, Colombia, and Ecuador are benefiting from stronger external balances, while net energy importers—including Panama, Chile, and much of Central America—are facing higher import costs. Elevated fertilizer prices are also weighing on agricultural output and margins, including in Brazil and Argentina. In response, governments have introduced fuel subsidies and price controls.

**Middle East & North Africa**: In the Middle East and North Africa, the conflict continues to affect the region directly, with many countries facing missile and drone attacks from Iran in response to attacks by the United States and Israel on Iran. In the short term, economic growth is expected to slow sharply as exports decline, uncertainty constrains spending, and governments delay investment initiatives. The reduction in food imports is also expected to significantly affect countries with limited domestic production capacity. Bahrain, Qatar, and Kuwait remain highly dependent on imports through the Strait of Hormuz and therefore face risks of food shortages and concerns regarding social stability if disruption persists.

**Sub-Saharan Africa:** In Sub-Saharan Africa, the conflict continues to disrupt energy and fertilizer supply chains, thereby keeping the region under significant external pressure. Higher global oil prices are sharply rising fuel and transport costs for import-dependent economies such as Kenya, Uganda, Ethiopia, and Ghana. Policy responses have varied across the region. Ethiopia introduced emergency fuel subsidies in mid-March to contain domestic price increases, while Kenya is experiencing stronger pass-through from higher fuel costs, which is weighing on aviation, logistics, and export activity.

### 1.4 Global Growth Projection

Growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027 and 2028, while the overall impact of the Middle East conflict is expected to remain modest, lowering 2026 growth by 0.2 percentage point relative to the pre-conflict forecast. This limited effect reflects positive terms-of-trade gains in the United States and stronger growth momentum, supported by government measures, in Japan, whereas more significant negative effects are expected mainly in net energy-importing economies, including the euro area and the United Kingdom. In the United States, growth is projected at 2.3% in 2026 and 2.1% in 2027 and 2028, with fiscal policy and the lagged effects of monetary easing in 2025 continuing to support activity, even as higher trade barriers since April 2025 weigh on growth. The 0.1 percentage point downward revision from the January 2026 WEO Update reflects a small negative effect from the war, but this is partly offset by a rebound following the end of the 2025 federal government shutdown, along with stronger productivity growth and positive carryover effects. Although the International Emergency Economic Powers Act (IEEPA) ruling may reduce tariff-related fiscal revenues, its impact on the fiscal balance and activity is expected to remain limited and spread over the forecast horizon. Growth in 2027 is expected to remain solid, supported by tax incentives, including those for corporate investment under the One, Big, Beautiful Bill Act (OBBBA), while technology-driven momentum is projected to moderate and productivity growth is expected to gradually converge toward historical norms.

Growth in emerging market and developing economies is projected to slow to 3.9% in 2026 before recovering to 4.2% in 2027 and 2028, while the Middle East conflict is expected to have a greater impact on this group than on advanced economies, reducing 2026 growth by 0.3 percentage point relative to the pre-conflict forecast. In emerging and developing Asia, growth is expected to moderate from 5.5% in 2025 to 4.9% in 2026 and 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward to 4.4%, as lower effective U.S. tariffs and stimulus measures offset the impact of the conflict, although growth is projected to slow to 4.0% in 2027 as structural headwinds intensify. India's growth outlook has also improved, with growth revised

upward to 7.6% in 2025 and projected to remain at 6.5% in 2026, 2027 and 2028, supported by strong carryover effects and lower additional U.S. tariffs on Indian goods. Meanwhile, several South and Southeast Asian economies are expected to face weaker domestic demand due to lower tourism and remittance inflows, while the Philippines has seen a sharp downward revision for 2026.

In the Middle East and Central Asia, growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before rebounding to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict. The downturn is expected to be most severe among affected commodity exporters, particularly Bahrain, Iran, Iraq, Kuwait, and Qatar, while the impact is expected to be less severe in other economies. Accordingly, Iran's economy is projected to contract by (-) 6.1% in 2026, before rebounding to 3.2% in 2027 and moderating to 1.5% in 2028. By contrast, Saudi Arabia's growth is projected at 3.1% in 2026, rising to 4.5% in 2027 before easing to 3.6% in 2028. In sub-Saharan Africa, growth is expected to remain broadly stable at 4.3% in 2026, 4.4% in 2027, and 4.5% in 2028, although oil-importing economies are likely to face greater pressure, while Nigeria and South Africa are expected to record moderate but gradually improving growth profiles. In Latin America and the Caribbean, growth is projected at 2.3% in 2026, 2.7% in 2027, and 2.9% in 2028, with Brazil expected to benefit modestly in the near term from its position as a net energy exporter, while Mexico is projected to recover gradually to 1.6% in 2026, 2.2% in 2027, and 2.1% in 2028.

In emerging and developing Europe, the sharp slowdown in growth to 2.0% in 2025 is expected to reverse only marginally, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027, and 2.3% in 2028. Within the region, Russia's 2026 growth forecast has been revised upward by 0.3 percentage point relative to January, to 1.1%, as higher commodity prices are expected to support activity. This momentum is projected to continue, with growth remaining at 1.1% in 2027 before moderating slightly to 1.0% in 2028. By contrast, Türkiye's 2026 growth forecast has been revised downward by 0.8 percentage point relative to the January 2026 WEO to 3.4%, as weaker-than-expected growth in 2025 and higher oil and gas prices are expected to weigh on activity.

**Key factors impacting Global Macroeconomic landscape**

- Geopolitics continues to constitute a major source of global macroeconomic and business risk. The Russia–Ukraine war remains a persistent driver of instability, as Russia has intensified large-scale missile and drone attacks on Ukrainian cities and infrastructure, while Ukraine has stepped up strikes on Russian ports, refineries, and export infrastructure, reportedly contributing to a reduction in Russian oil output in April. The Israel–Iran–U.S. confrontation has emerged as the most significant near-term external shock to the global economy, with the IMF warning that disruptions to the Strait of Hormuz and regional energy infrastructure could materially weaken global growth and raise inflation; under its April 2026 reference forecast, global growth has been lowered to 3.1% and inflation raised to 4.4%, with materially worse outcomes under prolonged disruption scenarios. In parallel, the Pakistan–Afghanistan border conflict remains a significant regional flashpoint, although China-mediated talks are seeking to secure a ceasefire and reopen border crossings after months of cross-border attacks and trade disruption. At the same time, U.S. strategic activism continues to influence regional risk perceptions: Washington has removed sanctions on Venezuela's interim leadership and deepened engagement with Caracas, tensions over Greenland have re-emerged amid renewed U.S. rhetoric and ongoing diplomatic discussions with Denmark and Greenland, and U.S.–Nigeria security cooperation has continued to deepen in response to regional instability and counterterrorism concerns. In addition, resource nationalism and strategic competition over rare earths and other critical minerals have become increasingly operational concerns rather than distant strategic risks. The IEA's April 2026 assessment notes that demand for magnet rare earths has doubled since 2015 and is projected to increase by more than 30% by 2030, while supply chains remain highly concentrated, with China accounting for around 60% of mined output, more than 90% of refining, and nearly 95% of permanent magnet production, thereby heightening global exposure to export controls, supply concentration, and industrial policy interventions
- The period of relatively frictionless trade supported by multilateral liberalisation and free trade agreements is increasingly giving way to regionalisation, nearshoring, friend-shoring, and diversification of production networks. Rising tariffs, policy uncertainty, and strategic realignment are creating a more fragmented trade environment and raising the premium on resilience over pure efficiency

Technology adoption and sustainability have become core strategic priorities. Organizations are advancing digital transformation by embedding AI, automation, and cybersecurity into their operations to enhance productivity and safeguard critical assets. AI adoption is emerging as a visible driver of optimism, particularly within the information and communications sectors. Growth in cloud computing, streaming, IoT, and AI and Advancements in hardware and cooling technologies aim to reduce energy consumption and improve performance is driving the need for more powerful and scalable data centres.

## 2. India Macroeconomic Analysis

The global economy is expected to navigate a more challenging environment as it enters CY 2026. According to the IMF's World Economic Outlook (April 2026), global growth is projected to moderate from **3.4% in CY 2025 to 3.1% in CY 2026**, reflecting weaker economic momentum across several major economies, persistent geopolitical uncertainties, and the lingering effects of global trade disruptions. Growth in advanced economies remains subdued, with the United States expected to expand at a modest pace of around **2.3% in CY 2026**, while China is projected to witness a gradual slowdown to **4.4% in CY 2026 and 4.0% thereafter**, highlighting structural challenges in the world's second-largest economy.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| –5.8% | 9.7% | 7.6% | 9.2% | 6.5% | 7.6% | 6.5% | 6.5% | 6.5% |
| 2.3% | 8.6% | 3.1% | 5.4% | 5.0% | 5.0% | 4.4% | 4.0% | 4.0% |
| -2.2% | 6.1% | 2.5% | 2.9% | 2.8% | 2.1% | 2.3% | 2.1% | 2.1% |
| -4.2% | 2.7% | 0.9% | 1.4% | -0.2% | 1.2% | 0.7% | 0.6% | 0.6% |
| -10.3% | 8.6% | 4.8% | 0.4% | 1.1% | 1.3% | 0.8% | 1.3% | 1.6% |
| -2.7% | 5.9% | -1.4% | 4.1% | 4.3% | 1.0% | 1.1% | 1.1% | 1.0% |
| -4.1% | 3.9% | 1.8% | -0.9% | -0.5% | 0.2% | 0.8% | 1.2% | 1.2% |

Source: World Economic Outlook, April 2026

Against this backdrop, **India continues to stand out as one of the fastest-growing major economies globally**. The country's growth estimate for CY2025 has been revised upward to **7.6%**, supported by robust domestic demand, resilient investment activity, strong services-sector performance, and better-than-expected momentum during the latter half of the fiscal year. Looking ahead, GDP growth is projected to remain healthy at **6.5% during CY2026 and CY2027**, underpinned by favorable demographics, rising infrastructure investments, expanding manufacturing capabilities, and continued policy support. India's relative resilience assumes greater significance amid a global landscape characterized by slowing growth in major economies such as China, Germany, Japan, and the United Kingdom. Furthermore, while geopolitical tensions, including the Middle East conflict, are expected to weigh on tourism and remittance flows across several Asian economies, India remains comparatively insulated due to its large domestic consumption base and diversified growth drivers. The moderation in proposed U.S. tariffs on Indian goods has also provided a supportive tailwind for exports and business confidence.

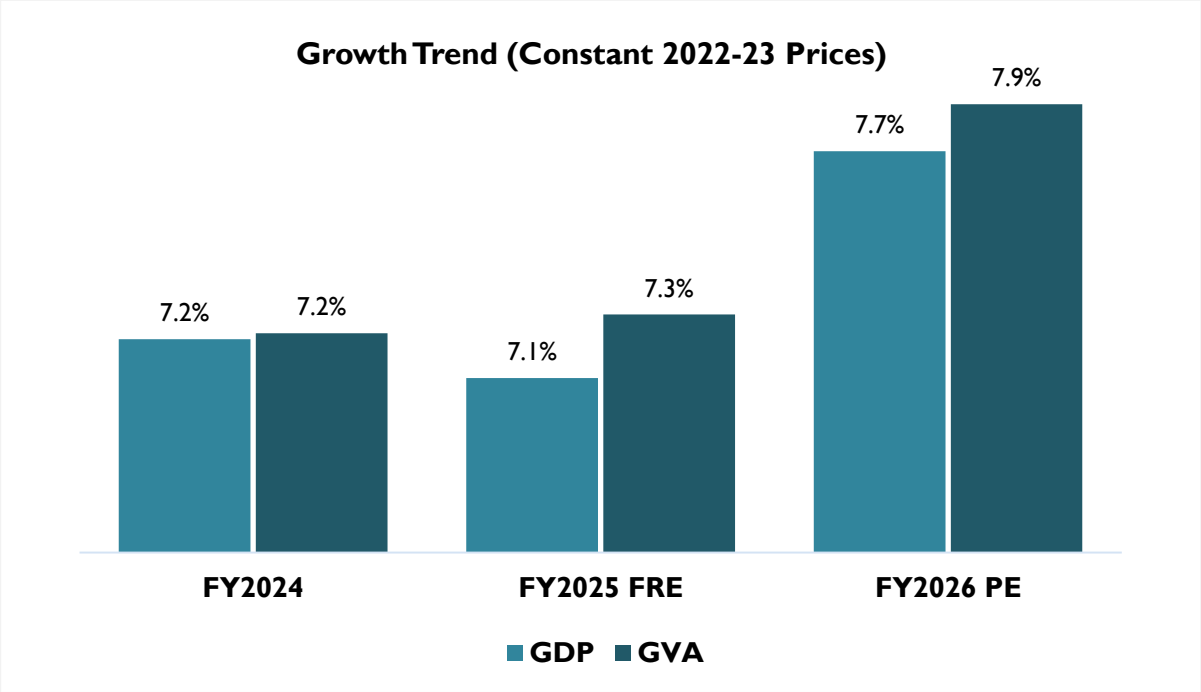
Overall, the divergence between India's sustained growth trajectory and the slowing outlook for several large economies reinforces the country's attractiveness as a preferred destination for global capital, strategic investment, and long-term business expansion. As global investors increasingly seek growth opportunities in a fragmented economic environment, India is well positioned to benefit from structural shifts in supply chains, digital transformation, and ongoing industrialization trends.

### 2.1 Historical GDP and GVA Growth Trend

As per Provisional Estimates, India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 323.12 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2024–25. This represents a growth rate of 7.7% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

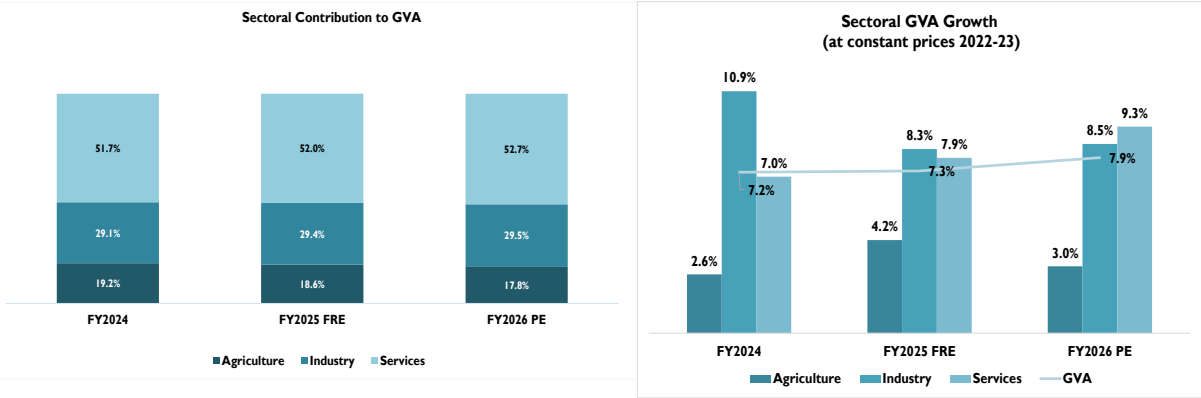
Similarly, Real GVA for FY 2025–26 is estimated to reach INR 294.91 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.

[1] For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with fiscal year 2022/23 as a base year




Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025,
FRE is First Revised Estimate; PE is Provisional Estimates

## 2.2 Sectoral Contribution to GVA and Annual Growth Trend




Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook
FRE is First Revised Estimate; PE is Provisional Estimates[2]

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.9% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 5.15%, and 7.36%, respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.74% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.5% in FY 2026.

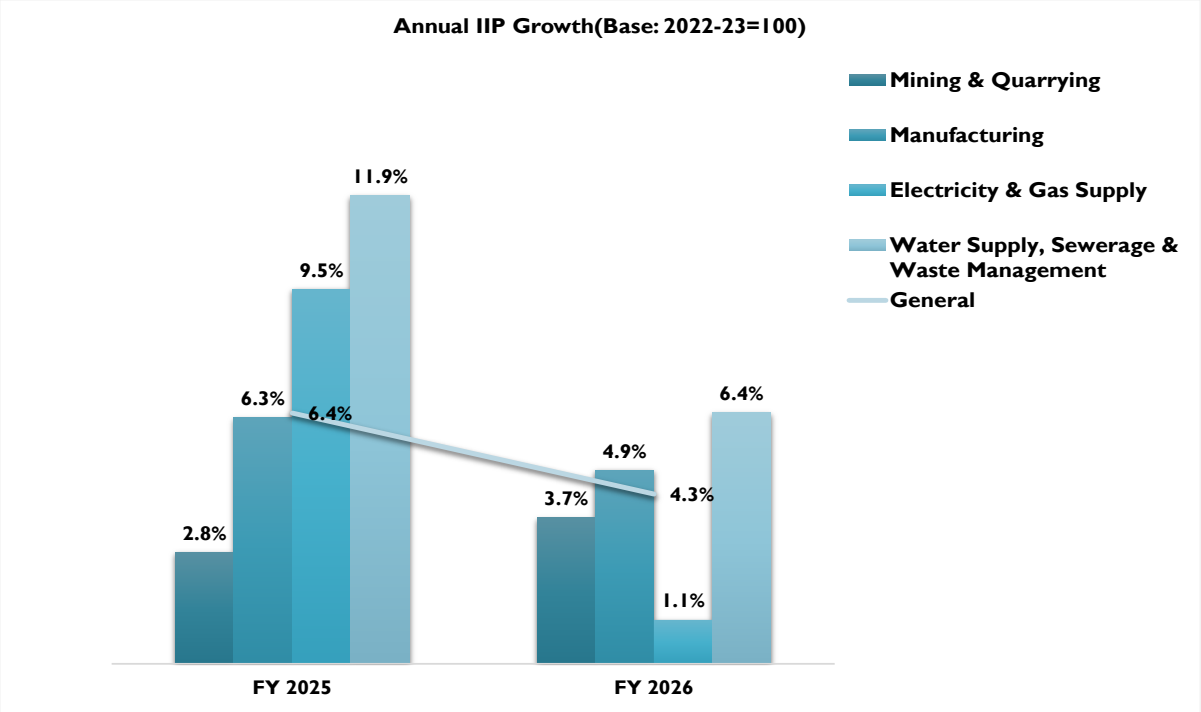
[2]https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

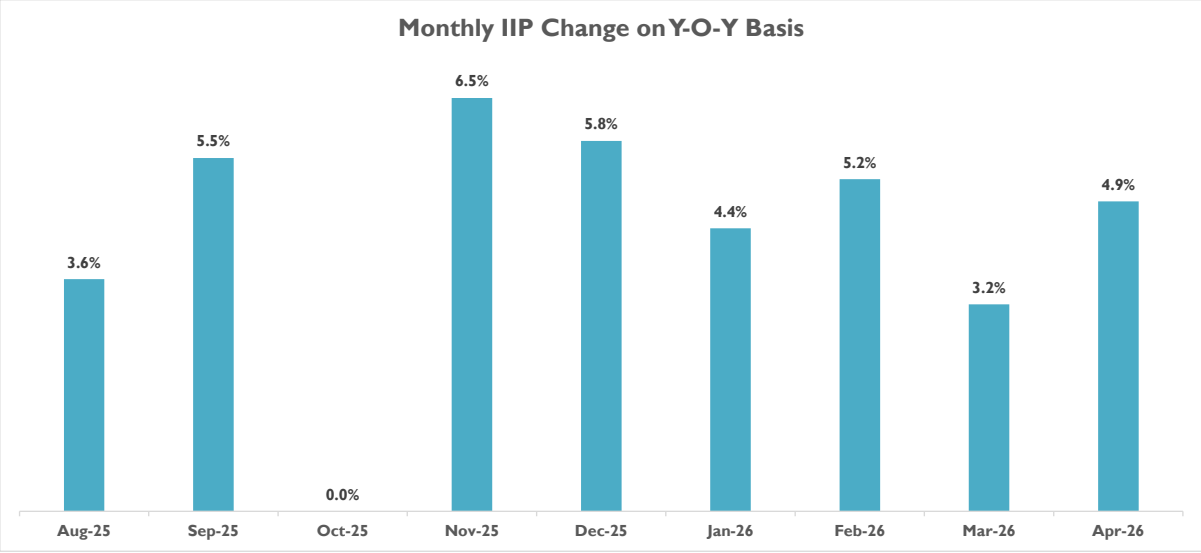
The services sector continued to be the main driver of economic growth. It expanded by 9.3% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52.0% in FY 2025, with a further increase to 52.7% in FY 2026.

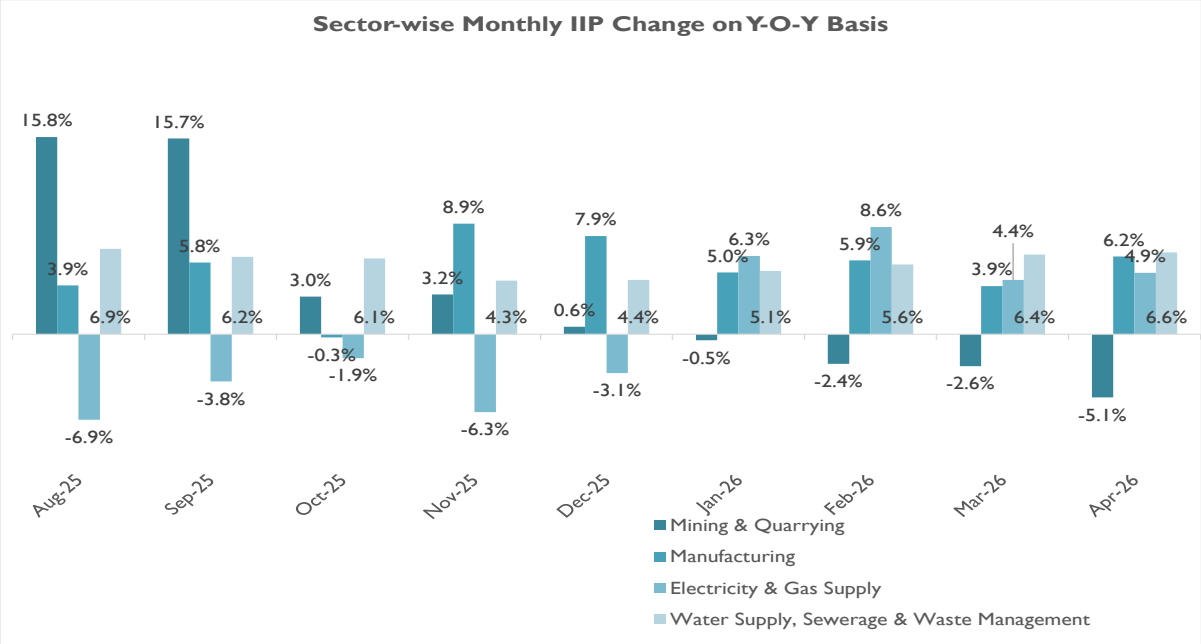
The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 3.0% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.8% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.9% in FY 2026 from 7.3% in FY 2025.

## 2.3 Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2026, recording a 4.3% y-o-y growth against 6.4% increase in the previous year. The manufacturing index showed moderation, increasing by 4.9% in FY 2026 compared with 6.3% in FY 2025. The Electricity & Gas Supply sector index also moderated, growing 1.1% in FY 2026 compared with 9.5% in the previous year. Water Supply, Sewerage & Waste Management also moderated by 6.4% in FY 2026 compared with 11.9% in the previous year, while the mining sector index grews by 3.7% in FY 2026 compared with 2.8% in the previous year.



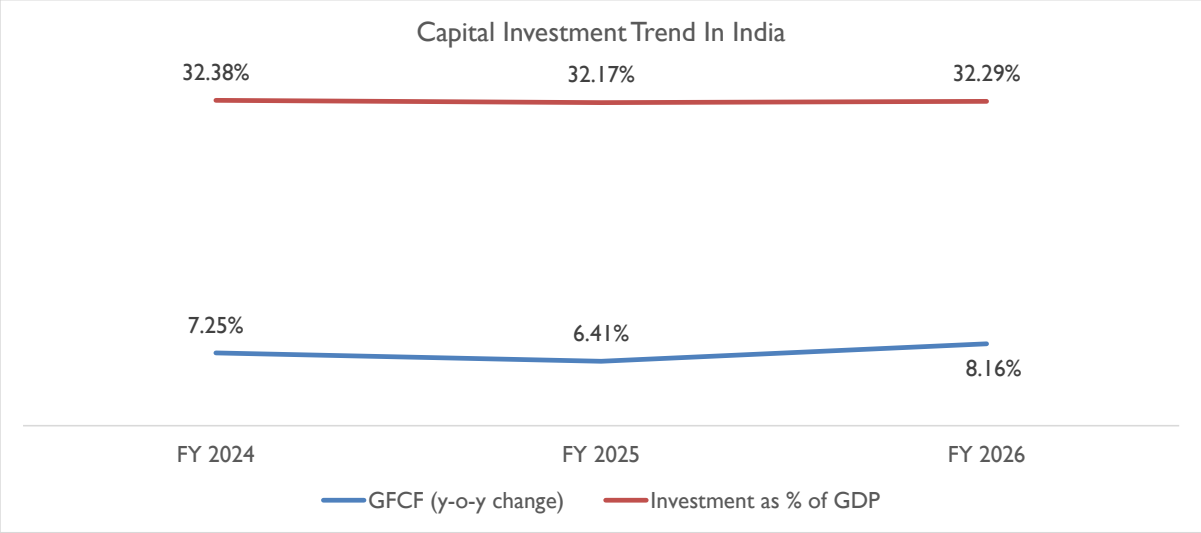


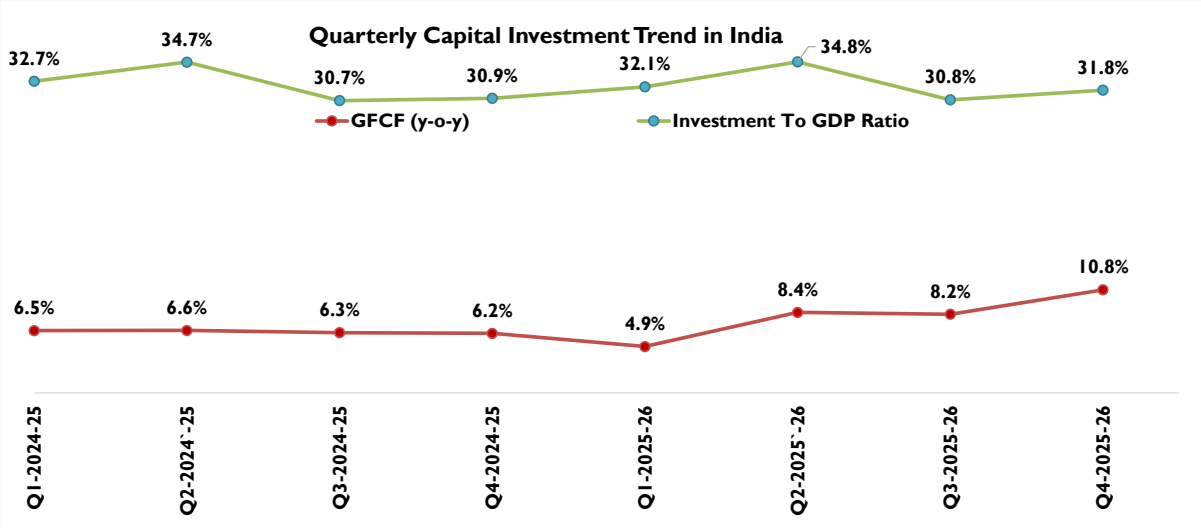

Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of April 2026 is 4.9 percent as compared to April 2025. The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of April 2026 are (-)5.1 percent, 6.2 percent, 4.9 percent and 6.6 percent respectively

## 2.4 Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 8.16% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.29%.



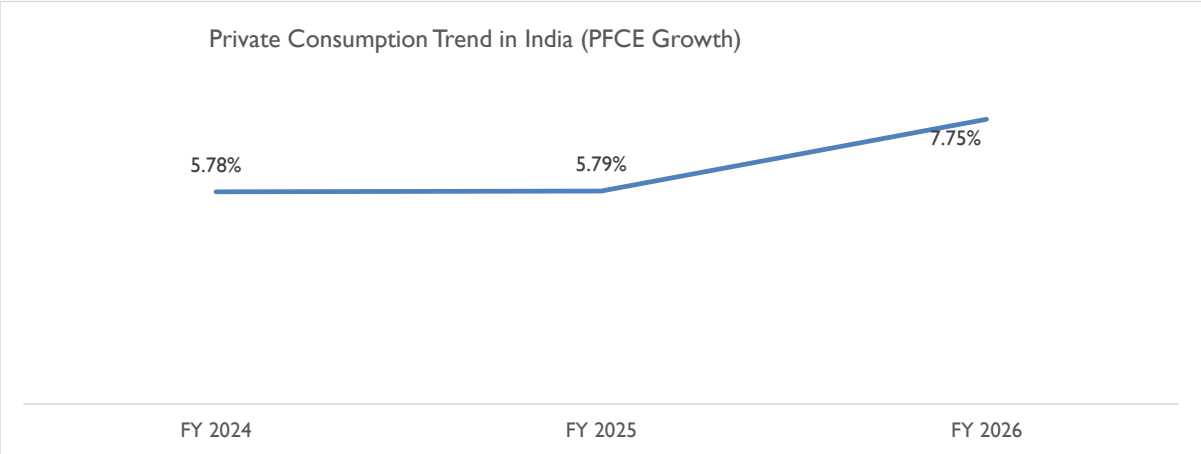


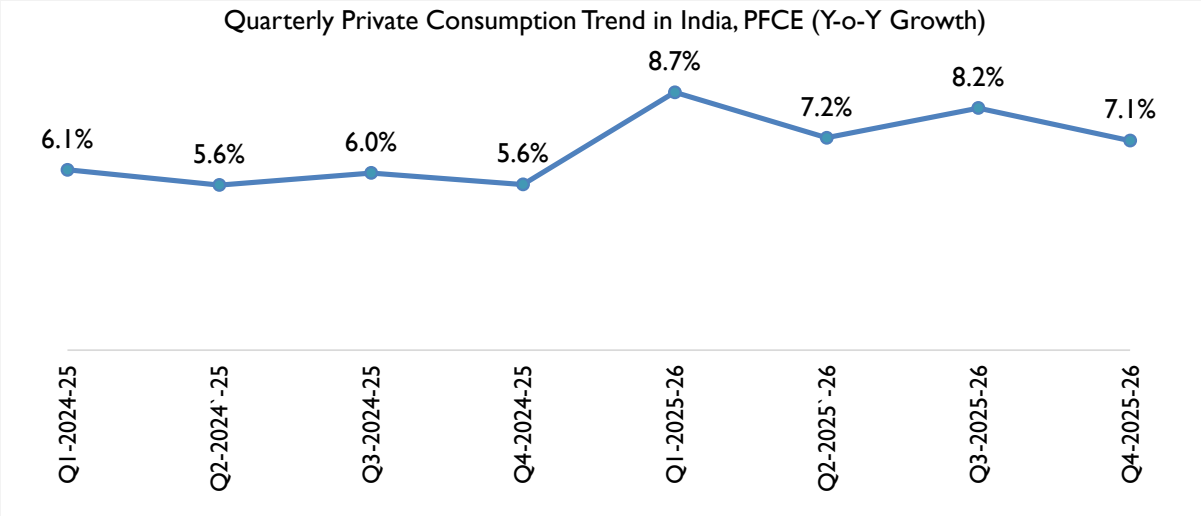

Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators reflect a healthy and improving investment environment, supported by sustained investment intensity and stronger capital formation in recent quarters. The Investment to GDP ratio remained consistently above 30% throughout the period, highlighting continued resilience in capital deployment. The ratio increased from 32.7% in Q1 FY 2024-25 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In FY 2025-26, the ratio improved again to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level during the period, before remaining healthy at 30.8% in Q3 and 31.8% in Q4. This indicates that investment activity continued to remain robust despite normal quarterly variations.

GFCF (y-o-y) growth also points toward a positive investment trend, particularly in FY 2025-26. After remaining broadly stable during FY 2024-25, with growth ranging between 6.2% and 6.6%, GFCF growth accelerated meaningfully from 4.9% in Q1 FY 2025-26 to 8.4% in Q2 and 8.2% in Q3, before rising further to 10.8% in Q4. This strong improvement in the second half of FY 2025-26 suggests strengthening fixed capital formation and a revival in investment momentum. Overall, the data indicates that India's capital investment landscape remains on a positive trajectory, with sustained investment levels and improving GFCF growth reflecting stronger capital spending, better investment confidence, and continued support for economic growth.

## 2.5 Private Consumption Scenario






Sources: MOSPI, CMIE Economics Outlook

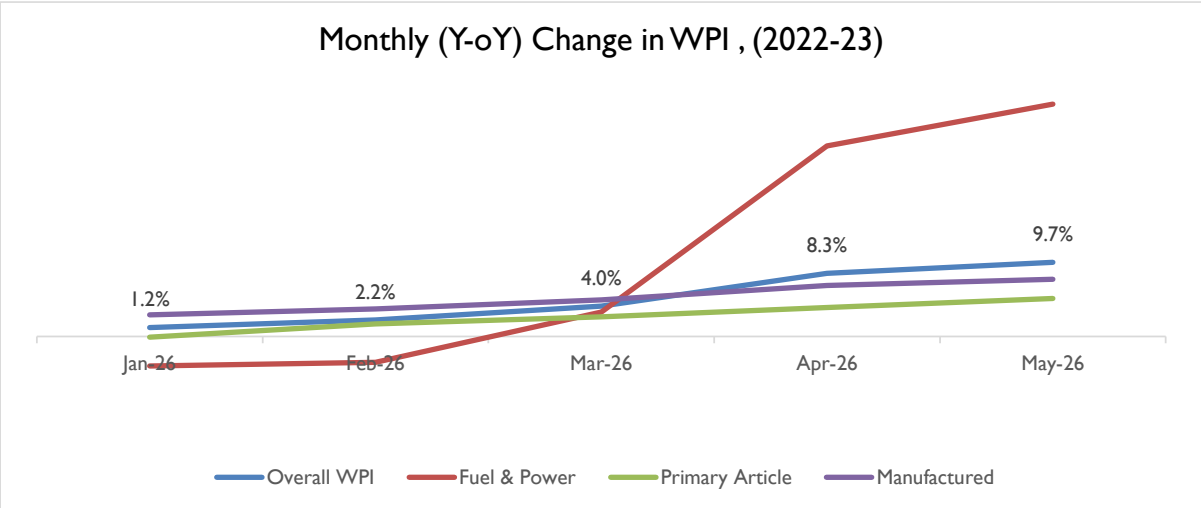
Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. PFCE recorded healthy growth in FY 2025-26 relative to FY 2024-25. However, quarterly PFCE growth moderated sequentially to 7.1% in Q4 FY 2025-26 from 8.2% in Q3 FY 2025-26

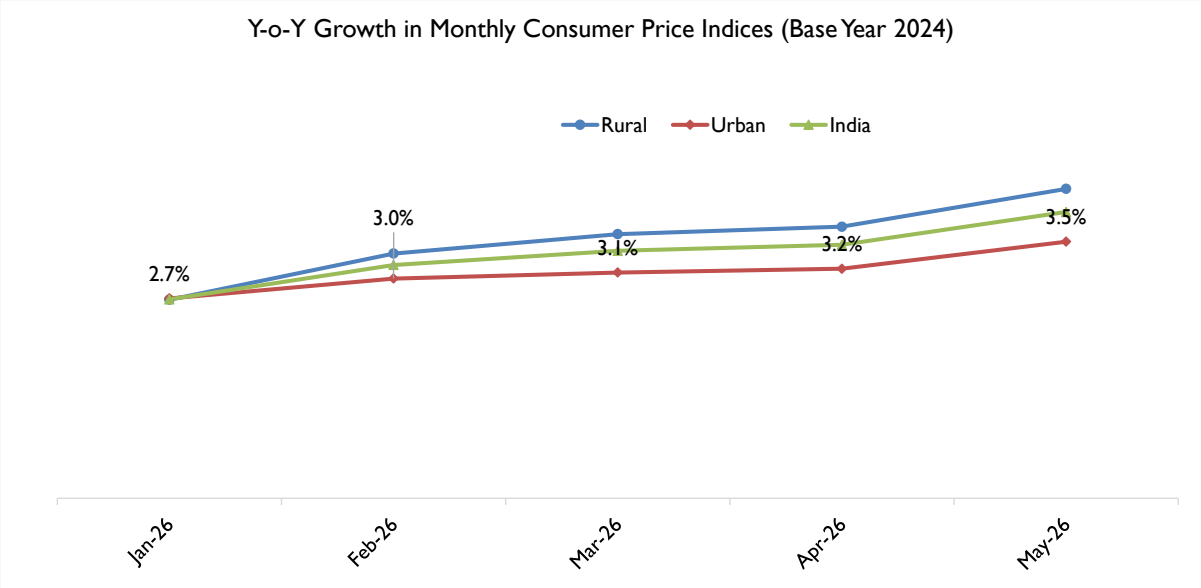
## 2.6 Inflation Scenario

The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.

All India Wholesale Price Index (WPI) inflation for May 2026 is 9.68 per cent on year-on-year (YoY) basis, compared to 8.26 per cent in April 2026. The index for All Commodities for May 2026 stands at 109.9, whereas it was 108.8 in April 2026. Across Groups, 'Mineral Oils (containing Petroleum Products)', 'Crude Petroleum and Natural Gas', 'Manufacture of Chemicals and Chemical Products', and 'Manufacture of Basic Metals', have been major drivers of WPI inflation in April and May 2026.

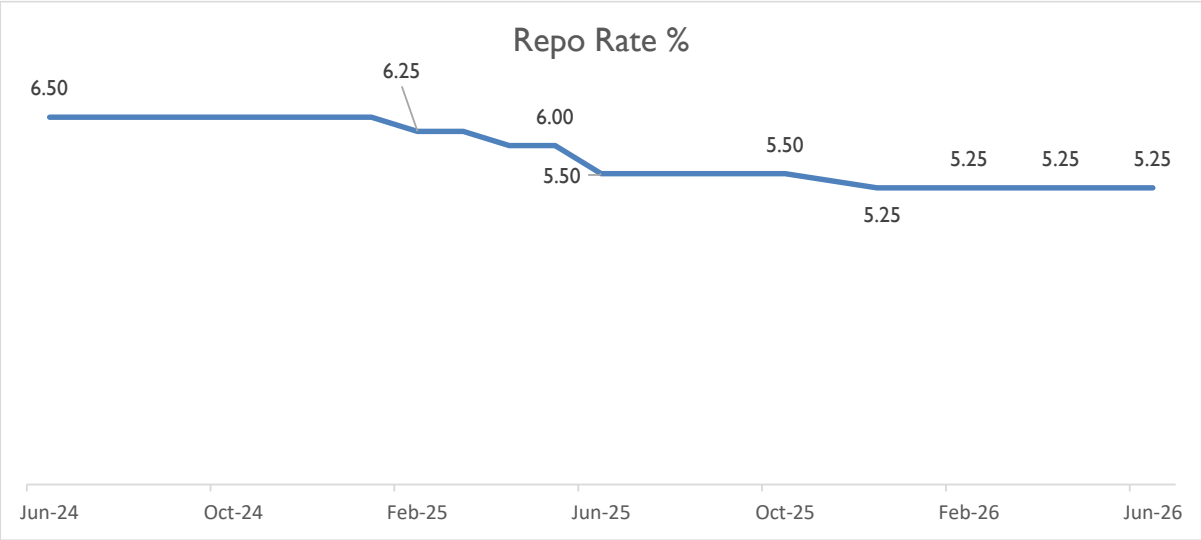
Across Major Groups, YoY inflation for Primary Articles, Fuel and Power, and Manufactured Products is 4.99 per cent, 30.33 per cent, and 7.48 per cent, respectively in May 2026, whereas it was 3.78 per cent, 24.89 per cent, and 6.68 per cent, respectively, in April 2026. The indices for Primary Articles, Fuel and Power, and Manufactured Products are 113.7, 113, and 107.8, respectively, in May 2026, whereas they were 112.6, 110.9, and 107, respectively, in April 2026.






Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey (HCES) 2023-24. Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of May, 2026 over May, 2025 is 3.93%(Provisional). Corresponding inflation rates for rural and urban are 4.25% and 3.53%, respectively. On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, in June 2026.




Sources: CMIE Economic Outlook

### 3. Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India's cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into "connectors" such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be

supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative's push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably.

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiation marks a major strategic milestone, as it offers near-universal market access for 99.5% of India's exports by value and integrates India more deeply into a USD 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the deal is expected to improve market access, support export competitiveness and high-value job creation. It is likely to promote a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement (CEPA)[3] has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and Oman. Bilateral trade between the two countries stood at USD 10.61 billion in FY 2024–25, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India's export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman.

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and trade-linked business exposure. The Gulf–Levant 11[4] (GL 11) economies account for around 15% of India's merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route

[3] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203&reg=3&lang=1
The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.

[4] For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant 11 (GL-11). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs

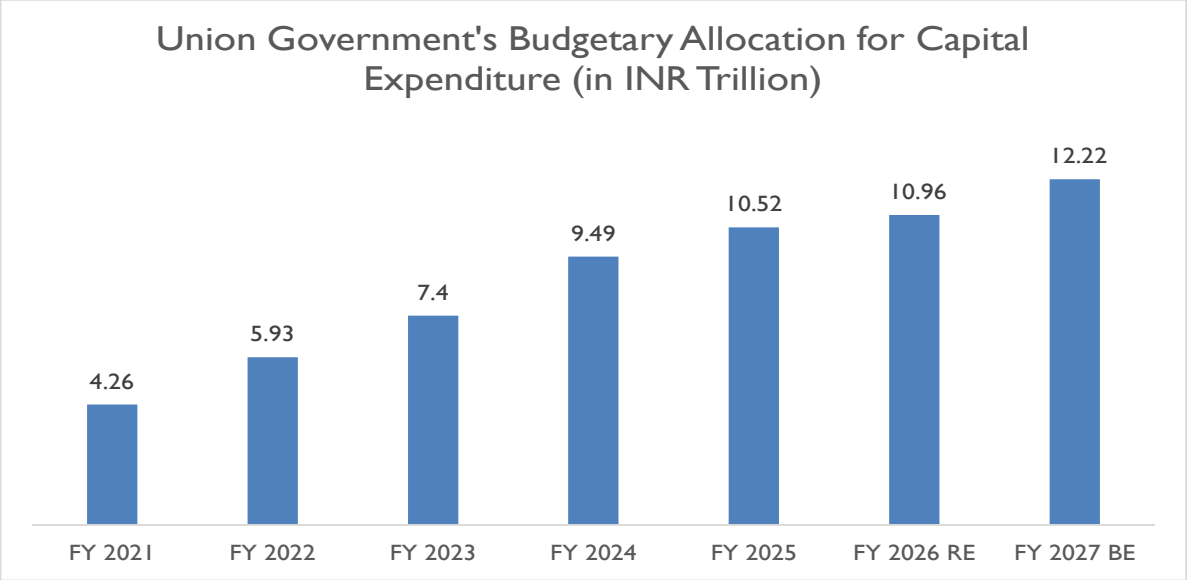
in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

## 4. Key Growth/Demographic Drivers for Economic Growth

### 4.1 Government focus on infrastructure development

The infrastructure sector has received a strong boost in Budget FY'27, marked by a record INR 12.2 trn[5] public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC, which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047[6] will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5mn – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT[7] structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.



Union Budget, Government of India

[5]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.

[6] https://www.indiabudget.gov.in/doc/budget_speech.pdf

[7]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817&reg=3&lang=1

Note: BE (Budget Estimates) and RE (Revised Estimates)

### 4.2 Development of Domestic Manufacturing Capability

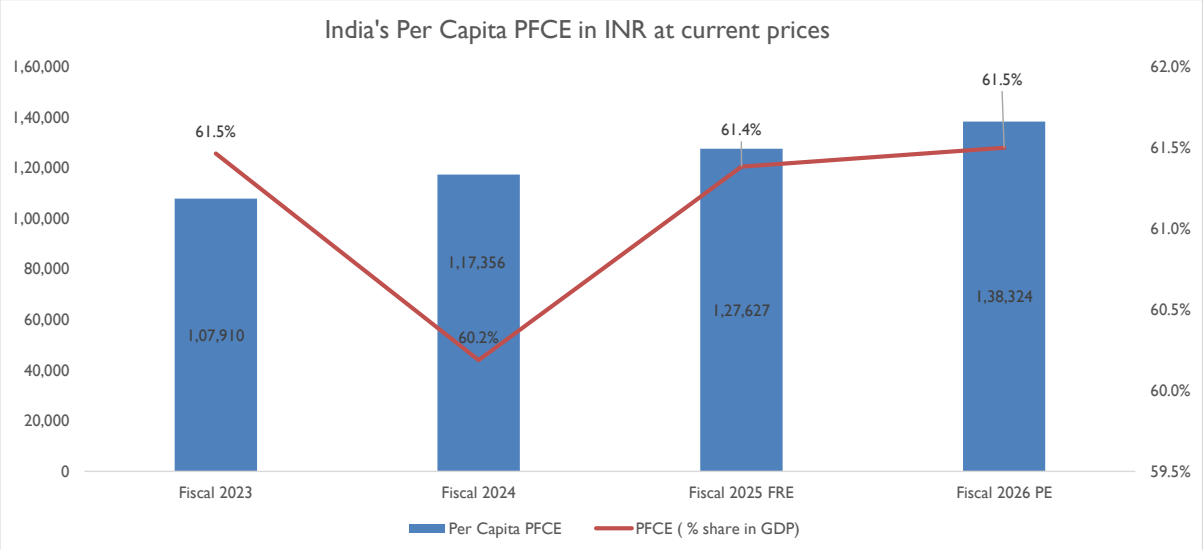
The Government launched the Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthening domestic production capabilities. The overall incentive outlay earmarked for the PLI scheme is estimated to be INR 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

### 4.3 Strong Domestic Demand

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by the Covid-19, domestic demand is recovering. Consumer Confidence surveys by the Reserve Bank and other institutions point to an improvement in the Consumer Confidence Index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is reflecting in the private final consumption expenditure (PFCE) metric.

India's per capita Private Final Consumption Expenditure (PFCE) at current prices has shown a consistent upward trend, indicating steady improvement in household consumption levels over the years. Per capita PFCE increased from INR 1,07,910 in Fiscal 2023 to INR 1,17,356 in Fiscal 2024, and further rose to INR 1,27,627 in Fiscal 2025 FRE. It is estimated to increase further to INR 1,38,324 in Fiscal 2026 FE, reflecting continued growth in consumer spending and improving consumption capacity.

PFCE as a share of GDP also remained healthy during the period, broadly staying above 60%. The share stood at 61.5% in Fiscal 2023, moderated to 60.2% in Fiscal 2024, before recovering to 61.4% in Fiscal 2025 FRE and further improving to 61.5% in Fiscal 2026 FE. This indicates that private consumption continues to remain a key driver of India's economic growth. Overall, the steady increase in per capita PFCE, along with a stable PFCE share in GDP, reflects resilient household demand and sustained consumption momentum in the economy.

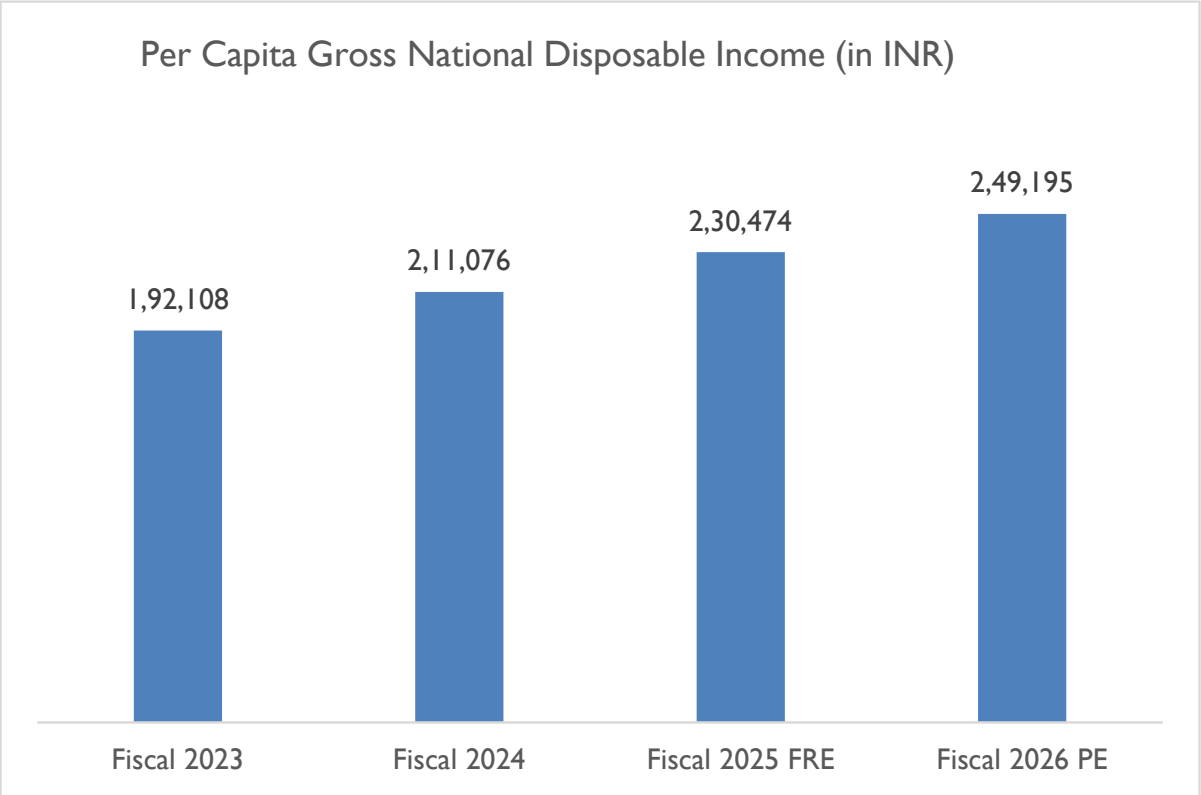



Source: Ministry of Statistics & Programme Implementation (MOSPI)
FRE is First Revised Estimate; PE is Provisional Estimates

There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 20470F0F0F0F[8]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.

- Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita Gross National Disposable Income (GNDI) has shown a steady upward trend, reflecting improvement in overall income levels and disposable income capacity. Per capita GNDI increased from INR 1,92,108 in Fiscal 2023 to INR 2,11,076 in Fiscal 2024 and further rose to INR 2,30,474 in Fiscal 2025 FRE. It is estimated to increase further to INR 2,49,195 in Fiscal 2026 PE, indicating continued growth in income levels across the economy. The consistent rise in per capita GNDI highlights strengthening purchasing power and improving household income conditions, which can support consumption demand going forward. Overall, the trend reflects a positive income environment, with rising disposable income expected to contribute to sustained private consumption and broader economic growth.



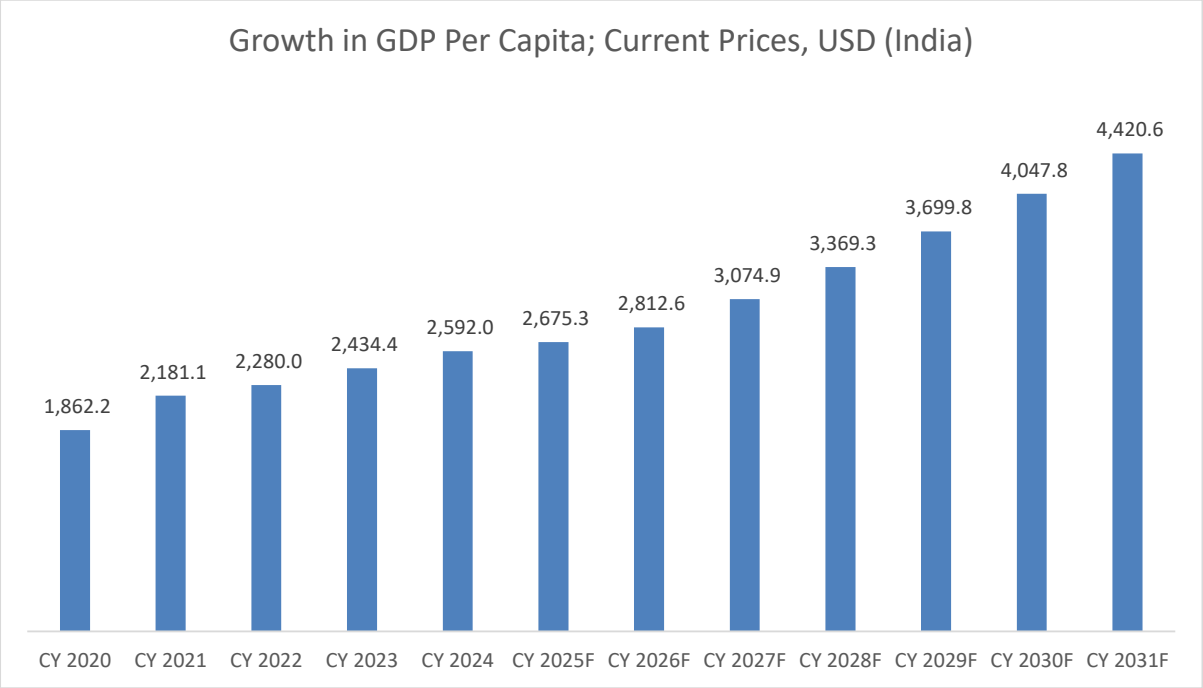

Source: Ministry of Statistics & Programme Implementation (MOSPI)
FRE is First Revised Estimate; PE is Provisional Estimates

### 4.4 India's Per Capita GDP Trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

[8] As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakhs are considered as middle-class households.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.

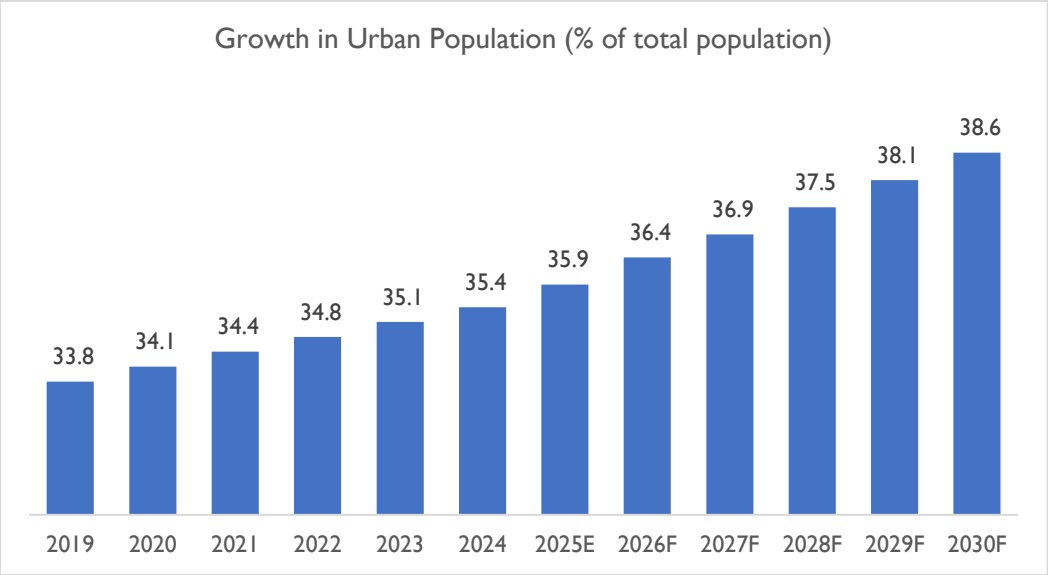



Source: IMF

From CY 2024 to CY 2031, India's per capita GDP is projected to grow at a compound annual growth rate of 7.9%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

### 4.5 Increasing Urbanization

As per the Handbook of Urban Statistics 2022, India's urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.



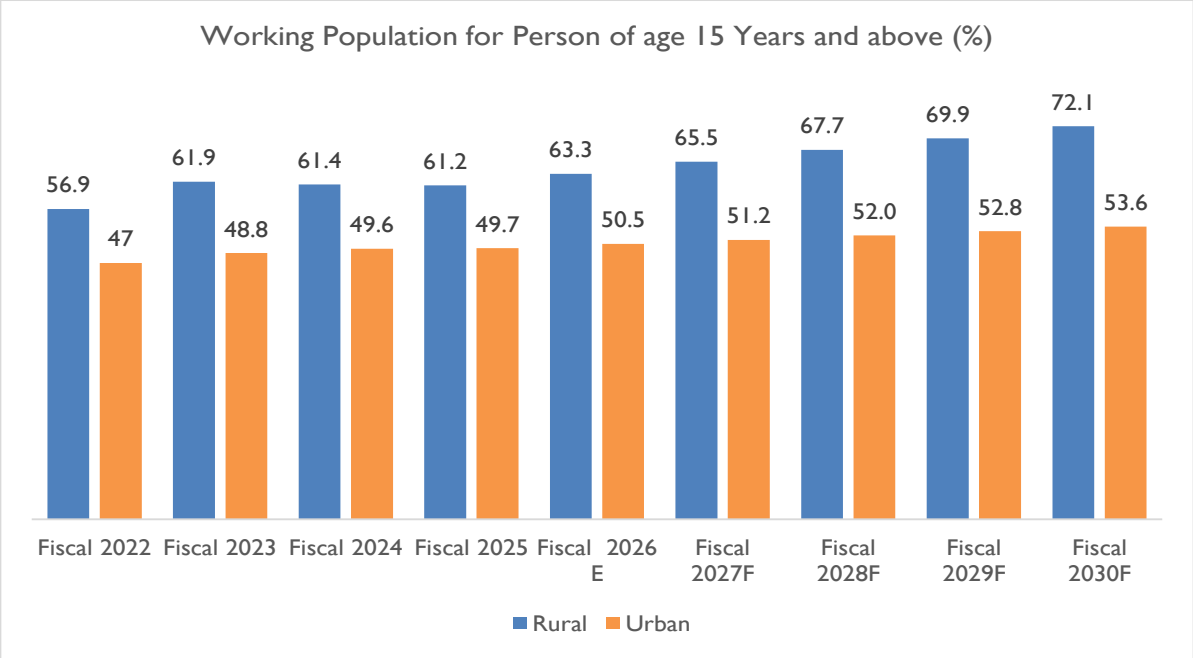
Source: World Bank,1F1F[9] Dun & Bradstreet Research and Estimates

The share of urban population in total population has been rising steadily. In 2019, 33.81% of the total population was urban. By 2025, it had reached 35.9%, showing an increase over a span of five years of about 2.10%. The share of urban population is further forecasted to cross 38.6% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

### 4.6 Rural vs. Urban Working Population by Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from a share of 47% in FY22 to 49.7% in FY25, whereas in rural areas, it grew from 56.9% in FY22 to 61.2% in FY25.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.




Source: Periodic Labour Force Survey (PLFS) Annual Report, Dun & Bradstreet Research and Estimates
Note: 2025 refers to the period January 2025 – December 2025 and likewise for 2024, 2023 and 2022

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions.

[9] https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

### 4.7 Digitization and shifting towards Cashless Transactions in India

India has undergone a substantial digital transformation over the last decade, supported by increasing internet penetration, widespread smartphone adoption, a robust digital public infrastructure framework, and government-led initiatives aimed at promoting financial inclusion and formalization of the economy. Programmes such as Digital India, Aadhaar-enabled services, Direct Benefit Transfers (DBT), and the Unified Payments Interface (UPI) have accelerated the adoption of digital transactions across consumers, businesses, and government agencies.

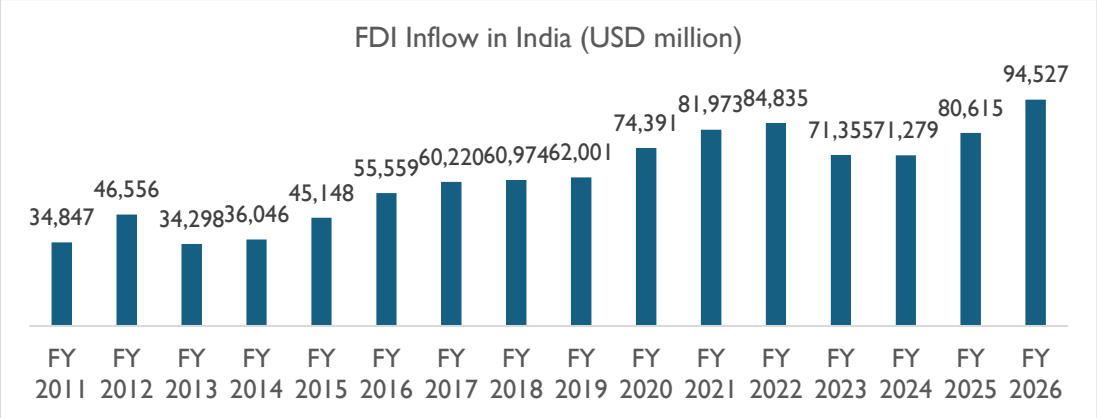
India has emerged as one of the world's largest digital payments markets, with UPI serving as a key enabler of the country's transition toward a less-cash economy. According to the Reserve Bank of India ("RBI"), cashless transactions in India grew by 26.8% in transaction volume during FY2026, following growth of 34.8% in FY2025, reflecting continued expansion of the country's digital payments ecosystem.[10]

The UPI platform continues to dominate retail digital payments. As per data released by the National Payments Corporation of India ("NPCI"), UPI processed approximately 24,162 crore transactions with an aggregate value of approximately ₹314 lakh crore during FY2026. The platform had onboarded more than 55 crore users as of June 2026, underscoring its widespread adoption across both urban and rural markets.[11]

The continued growth of digital payments is expected to support greater formalization of economic activity, improve transaction efficiency, enhance financial inclusion, and reduce dependence on cash-based transactions. These structural developments are creating a conducive environment for businesses that leverage digital channels, technology-enabled services, and electronic payment ecosystems.

### 4.8 Foreign Direct Investment Trend in India

FDI inflows in India observed a steady increase from FY 2013 to FY 2022 while it witnessed a decline of 15% in FY 2023 and a decline of 0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to March 2026. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified and the Income Tax Act, 1961, was amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.




Sources: Department for Promotion of Industry and Internal Trade

[10] https://www.rbi.org.in/scripts/AnnualReportPublications.aspx?Id=1469

[11] https://www.ibef.org/news/upi-onboarded-55-49-crore-users-by-june-2026-transactions-reach-us-3-56-trillion-in-fy26

## 5. Rebonded Polyurethane (PU) Foam Overview

### 5.1 Product Overview and Position within the Polyurethane (PU) Foam Ecosystem

Rebonded polyurethane (PU) foam occupies a distinct secondary tier within India's PU foam ecosystem, converting post-industrial manufacturing foam trims into a high-density, performance-adequate material that serves a wide spectrum of comfort, acoustic, and industrial end-uses. The product is manufactured by shredding PU foam trims into crumb, blending the crumb with a binder, and compressing the mixture under heat and pressure into dense and durable blocks or sheets. This process trades the uniform cellular structure of virgin foam for a heterogeneous, crumb-matrix composite that prioritises density control, resilience, and cost efficiency. As India's housing, furniture, and manufacturing activity continues to expand, rebonded foam's dual character, as both a foam trim-valorisation channel and a functional input for the organised sleep and furnishing sector, positions it at the intersection of circular-economy objectives and domestic consumption growth.

Polyurethane (PU) foam is a soft, cellular material used in furniture cushions, mattresses, and car seats, formed through the interaction of poly-hydroxy compounds, water, and isocyanates. Its defining performance attributes include the ability to compress under load, recover to its original shape, and maintain structural integrity across repeated loading cycles, making it the foundational input for the comfort and upholstery value chain. PU foam is a lightweight and flexible cushioning material widely used in mattresses, furniture and other similar everyday products.

Rebonded PU foam is made by upcycling PU offcuts and trims into finished products such as rebonded foam blocks, sheets and carpet underlays with the help of binders, which acts as an adhesive for this process. PU Binder is a polyurethane-based chemical binding agent used in the manufacture of rebonded foam. It is applied to shredded PU foam particles and, upon curing, forms a polymeric bond between the individual foam particles, converting them into a consolidated foam structure (referred to as a block). The binder acts as the bonding medium that provides structural integrity, cohesion and mechanical strength to the finished rebonded foam product.

### 5.2 Core Performance Attributes

The performance profile of rebonded PU foam is shaped by its heterogeneous crumb composition, which simultaneously determines its mechanical and acoustic properties. Density control is the primary differentiator: by varying crumb fineness and binder ratios during compression, producers can achieve a wide range of bulk densities to match specific load-bearing requirements in carpet underlays, mattress support cores, and furniture cushion bases.

Beyond mechanical performance, the crumb-matrix architecture of rebonded foam equips it with sound absorption and vibration-damping characteristics that virgin PU foam, with its uniform open-cell structure, cannot replicate at equivalent density. These properties extend the product's utility well beyond comfort applications into acoustic insulation panels, anti-vibration pads, gymnasium flooring underlays, and industrial cushioning components. Additionally, rebonded foam's relatively consistent surface texture and cuttability make it amenable to fabrication into custom geometries without specialist tooling, further broadening its addressable application base. Taken together, density controllability, compression recovery, acoustic damping, dimensional stability, and recycled-content credentials constitute the attribute set that defines rebonded foam's competitive niche within the wider PU foam market.

### 5.3 Industry Value Chain

The value chain for rebonded polyurethane (PU) foam in India spans from upstream petrochemical feedstocks and virgin foam manufacturing to Trim aggregation, mechanical rebonding, and final application in bedding, furniture, and acoustics.

1. Upstream: Feedstock & Virgin PU Foam Generation:
    a. **Petrochemical Feedstocks:** Primary inputs like Polyols and Isocyanates (TDI/MDI) are sourced
    b. **Virgin Foam Producers:** Slabstock and molded PU foam manufacturers produce PU foams for automotive, furniture, and consumer goods. *The cutting and shaping processes at this tier generate significant post-industrial output (trims, offcuts, and defective blocks)*

2. Midstream-A: Trims and Offcuts Collection & Aggregation:

    a. **Trims and Offcuts Sourcing:** A network of local scrap dealers, aggregators, and unorganized-sector collectors harvest post-industrial foam trims and offcuts from furniture hubs, automotive workshops, and large foam-converting factories

    b. **Post-Consumer Inflow:** A segment also involves collecting discarded post-consumer items like old mattresses, though industrial trimmings remain the primary feedstock for quality control

3. Midstream-B: Rebonding & Processing (The Transformation):

    a. **Shredding & Crushing:** Foam trims are mechanically shredded into uniform multicolored foam chips or flakes

    b. **Blending & Binding:** The chips are tumbled and thoroughly mixed with specialized liquid polyurethane binders/adhesives (often mixed with anti-fungal or low-VOC additives)

    c. **Compression & Curing:** The mixture is transferred into cylindrical or rectangular molds and subjected to hydraulic or mechanical compression combined with steam or heat curing to activate the binder.

    d. **Block Cutting:** The cured high-density rebonded block is sliced into standard commercial sheets, rolls, or custom profiles

### 5.4 Application and End-User Landscape

Rebonded PU foam's application landscape is structured around the physical performance attributes described above, and spans consumer, commercial, and industrial end-use segments.

- **Mattress and Bedding Support:** Rebonded foam serves as a high-density support core or base layer in mattress construction, providing foundational load distribution beneath comfort layers of virgin PU foam. Its density and resilience make it well suited to the mass-market and mid-range mattress segments that balance performance and cost.

- **Carpet and Floor Underlays:** Carpet underlay is among the major applications for rebonded foam globally and in India. The material's density, shock absorption, and dimensional stability extend carpet life, improve underfoot comfort, and provide thermal insulation, meeting performance requirements for both residential and commercial flooring installations.

- **Furniture and Upholstery Support:** Rebonded foam is used as seat-base and back-support padding in chairs, sofas, and institutional furniture, where its load-bearing durability and cost efficiency are more important than the surface comfort characteristics associated with premium virgin foam grades.

- **Acoustic and Vibration Damping:** The heterogeneous crumb structure gives rebonded foam sound-absorption properties exploited in partition panels, wall linings, machinery mounts, and anti-vibration pads in automotive and industrial settings. The polyurethane foam sector's broad linkages with buildings, automobiles, commercial refrigeration, and domestic appliances create a sizeable addressable base for these acoustic and damping applications.

- **Sports and Industrial Uses:** Gymnasium flooring, martial arts mats, playground safety surfaces, packaging cushioning, and protective padding in personal protective equipment represent further applications, driven by the material's shock-absorption performance at commercially accessible price points.

### 5.5 Circular Economy Linkages

The polyurethane foam sector maintains linkages with a broad range of economic activities, spanning buildings, cold storages and cold chain infrastructure, automobiles, commercial refrigeration, domestic appliances such as refrigerators and water geysers, and office and domestic furniture applications. Rebonded foam sits at the productive intersection of this ecosystem: it valorises the post-industrial PU foam trim generated across these upstream end-uses and feeds the output back into the organised sleep and furnishing value chain as a cost-efficient, performance-adequate input.

From a sustainability perspective, rebonded PU foam represents one of the most practical examples of a circular economy in the polymer industry. Instead of sending foam trims to landfills or incineration, the material is recovered and reintroduced into the manufacturing cycle as a value-added product. This trims-to-resource approach reduces the consumption of virgin polyurethane raw materials and extends the useful life of polymer resources.

**Key Sustainability Attributes**

**1. Supports Circular Economy**

- Converts PU foam trims into reusable industrial products.
- Promotes resource efficiency by keeping materials in productive use for longer.
- Enhances traceability and recycled-content utilization, which is increasingly important under India's evolving environmental and EPR frameworks.

**2. Reduces Carbon Emissions**

- Avoids emissions associated with virgin foam production by substituting recycled feedstock.
- Diverts trims from landfill and incineration, reducing associated greenhouse gas emissions.
- Lowers the overall environmental footprint of mattress, furniture, automotive, and flooring value chains. Industry players highlight the role of rebonded foam in preventing significant volumes of foam trims and offcuts from entering disposal streams.

**3. Conserves Resources**

- Decreases demand for petrochemical-derived polyurethane inputs.
- Maximizes material recovery from manufacturing processes.
- Encourages efficient utilization of existing resources within the domestic foam ecosystem.

Overall, rebonded polyurethane foam is best understood as a material that performs a dual economic function: it is a foam trims-management mechanism for the PU foam industry and a cost-efficient, performance-adequate input for the mattress, furnishing, acoustic, and industrial end-use market. As India's housing pipeline, urbanisation, and organised furniture consumption continue to deepen, the demand base for rebonded foam is expected to broaden across residential, institutional, and industrial channels, supported by an upstream foam manufacturing ecosystem that is both expanding in capacity and progressing toward more formalised environmental and quality standards.

**Key Characteristics of Rebonded PU Foam Relative to Conventional PU foam**[12]

- **Higher Density and Load-Bearing Characteristics Compared with Conventional PU Foam** Rebonded PU foam is generally manufactured at higher density levels than conventional PU foam, which may provide higher load-bearing characteristics and support in applications requiring increased structural performance.
- **Resistance to Repeated Compression and Fatigue** The bonded structure and density characteristics of rebonded PU foam may provide resistance to repeated compression and fatigue under normal operating conditions, supporting performance retention in certain end-use applications.

[12] This outlines certain characteristics generally associated with rebonded polyurethane ("PU") foam relative to certain grades of conventional flexible PU foam. Actual performance may vary depending on product specifications, density, formulation, manufacturing process, end-use application, loading conditions and operating environment.

- **Firmness and Support Characteristics** Rebonded PU foam is typically characterized by a firmer feel and higher support characteristics compared with certain grades of conventional PU foam, making it suitable for applications where higher firmness is desired.
- **Compression Resistance Properties** Rebonded PU foam generally exhibits resistance to compression and deformation under sustained loading conditions, which may contribute to maintenance of its functional characteristics over time.
- **Dimensional Stability Characteristics** The manufacturing process of rebonded PU foam creates a compressed and bonded structure that may support dimensional stability and shape retention under continuous or repeated loading conditions.
- **Impact and Vibration Absorption Characteristics** Rebonded PU foam possesses impact and vibration absorption properties that make it suitable for applications such as cushioning, flooring underlays, packaging, transportation and other vibration-management end uses.
- **Suitability for Applications Requiring Higher Mechanical Performance** Owing to its density, support and compression-resistance characteristics, rebonded PU foam is used in applications requiring higher mechanical performance relative to certain conventional PU foam grades.
- **Utilization of Recovered PU Foam Material** Rebonded PU foam is predominantly manufactured using recovered polyurethane foam material, including suitable production off-cuts, trims and other foam residues, whereas conventional PU foam is generally manufactured primarily from virgin raw materials.
- **Contribution to Circular Economy and Sustainability Objectives** By incorporating recovered polyurethane foam material as a principal raw material, rebonded PU foam may assist customers in increasing recycled content within their products and supporting broader sustainability and circular economy initiatives.
- **Resource Utilization Benefits** The manufacturing process enables suitable polyurethane foam production trims and off-cuts to be converted into a value-added product, contributing to improved utilisation of material resources.

## 5.6 SWOT Analysis of Rebonded Polyurethane Foam

**Strengths**

**1. Strong Circular Economy and Sustainability Credentials**

- Rebonded foam is produced primarily from post-industrial and post-consumer polyurethane foam trims that would otherwise be landfilled.
- Enables material recovery and waste minimization within the polyurethane value chain.
- Supports circular economy objectives pursued by governments, OEMs, retailers and mattress manufacturers globally.
- Increasingly used by brands seeking recycled-content products and ESG compliance.

**2. Cost Advantage versus Virgin Foam**

- Utilizes trims foam feedstock rather than entirely virgin petrochemical raw materials.
- Generally provides a lower-cost cushioning solution compared to many virgin high-density PU foams.
- Particularly attractive for value and mid-market applications such as:
    - Carpet underlays
    - Mattresses

- Gym flooring
- Acoustic insulation
- Packaging

**3. High Density and Durability**

- Typically exhibits:
  - Higher density
  - Good compressive strength
  - Enhanced durability
  - Better load-bearing properties
- Suitable for:
  - Furniture seating systems
  - Orthopedic mattresses
  - Transportation seating
  - Sports flooring

**4. Established Manufacturing Technology**

- Manufacturing technology is mature and widely understood.
- Capital investment requirements are lower than many advanced polymer-processing industries.
- Production processes are relatively scalable.
- Established manufacturing ecosystems already exist in India, China, South East Asia, Europe and North America

**5. Diverse End-Use Applications**

The industry is not dependent on a single market.

Key applications include:

- Mattresses
- Carpet underlays
- Furniture
- Automotive seating
- Transportation
- Packaging
- Insulation
- Sports flooring
- Soundproofing

- Footwear components

**6. Lower Carbon Footprint than Virgin Foam**

- Reuse of polyurethane trims reduces demand for virgin polyols and isocyanates.
- Diverts polyurethane trims from landfills and incineration.
- Life-cycle assessments in various markets generally indicate environmental benefits from material recycling.

**Weaknesses**

**1. Dependence on Trims Availability**

- Industry growth depends on access to adequate polyurethane foam trims. Trim generation is linked to activity in Furniture manufacturing, Mattress production, Automotive industry and Packaging industry

**2. Quality Consistency Issues especially in case of inappropriate value chain quality checks**

- Feedstock originates from multiple foam grades and sources. Variations in Density, Color, Mechanical properties and Contamination levels may affect final product quality.

**3. Limited Suitability for certain Applications**

- Certain high-performance applications require Precise comfort characteristics, Fire-retardant performance and Specialized formulations where virgin foam may continue to remain preferred.

**4. Exposure to Adhesive/Binder Costs**

- Rebonded foam production requires polyurethane binders/adhesives which are derived from petrochemical feedstocks. Hence, input cost volatility can impact margins.

**Opportunities**

**1. Expansion of Global Mattress Industry**

Mattresses remain the largest end-use segment for rebonded foam globally. Growth drivers include Urbanization, Rising disposable incomes, Increased mattress replacement rates, Growing health and wellness awareness and Hospitality sector expansion.

**2. Increasing Regulatory Focus on Circular Economy**

Governments across the world are introducing Extended Producer Responsibility (EPR), Waste diversion targets, Recycling mandates, Circular economy initiatives. These policies can encourage Foam trims and offcuts collection, Recycling infrastructure development and Adoption of recycled-content materials.

**3. Growth in Green Building and Sustainable Construction**

- Applications include Acoustic insulation, Thermal insulation, Underlays and Shock absorption products. As buildings pursue sustainability certifications, recycled-content materials may gain preference. This leads to new growth channels beyond traditional bedding and furniture.

**4. Rising Carpet Underlay Penetration**

Developed markets such as United Kingdom, Australia, New Zealand, Western Europe and North America already utilize rebond foam extensively in carpet underlays whereas emerging markets remain underpenetrated. There is significant headroom for adoption in Asia and Middle East markets.

**5. Automotive and Mobility Applications**

Potential uses include Seat cushions, NVH (Noise, Vibration and Harshness) solutions, Acoustic insulation and Flooring materials. Electric vehicle manufacturers are increasingly emphasizing recycled content. Hence, ESG-driven automotive sourcing could benefit rebond foam suppliers.

**6. Development of Advanced Recycling Systems**

Emerging technologies include Chemical recycling, Polyol recovery, Digital waste tracking systems and Automated sorting systems. This may lead to improved trims quality and feedstock availability.

**7. Carbon Reduction and ESG Procurement Programs**

Large corporations increasingly assess suppliers based on:

- Recycled content
- Waste diversion
- Carbon footprint reduction
- Circularity metrics

Hence, Rebonded foam can position itself as a preferred recycled-content material in procurement frameworks.

**8. Emerging Markets Industrialization**

Rapid furniture and bedding expansion in countries such as India, Vietnam, Indonesia, Africa and Middle East countries. This creates both - new foam trims and offcuts streams and new demand centers.

**Threats**

**1. Competition from Alternative Sustainable Materials**

Emerging materials include Natural latex, Coir-based products, Recycled polyester systems, Bio-based foams and Plant-derived polyurethane foams. Sustainability-focused customers may seek alternatives perceived as more environmentally friendly. Sustainability-focused customers may seek alternatives perceived as more environmentally friendly.

**2. Stricter Chemical and Environmental Regulations**

Governments are increasingly regulating aspects related to Isocyanates, VOC emissions, Flame retardants and Waste management practices. This may lead to increasing compliance costs. Hence, smaller and unorganized manufacturers may face operational challenges.

**3. Feedstock Competition**

Multiple recycling pathways are emerging:

- Chemical recycling
- Energy recovery
- Industrial recycling programs
- Closed-loop manufacturer collection schemes

Competition for foam trims requirement could increase raw material costs.

**4. Volatility in Petrochemical Markets**

Industry economics remain linked to MDI/TDI prices, Polyol prices, Binder costs and Crude oil prices. This may lead to margin pressure during periods of raw-material inflation.

**5. Economic Slowdowns may affect Key End Markets**

Major demand sectors such as Furniture, Mattresses, Construction and Automotive are cyclical. Global recessions can significantly reduce demand volumes.

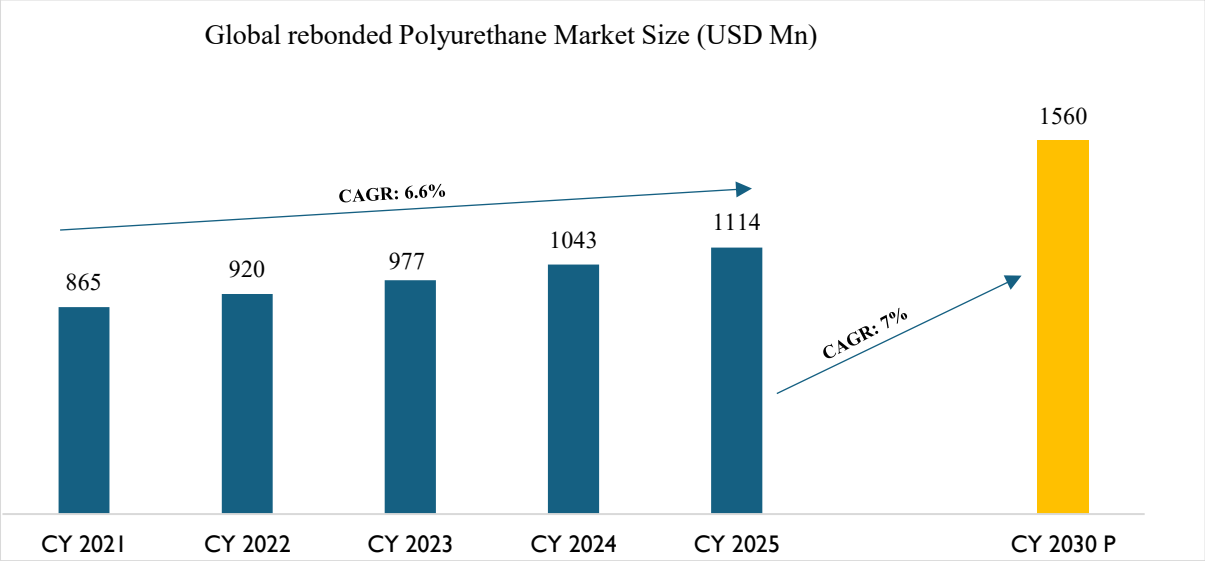
**6. Supply Chain Formalization may impact smaller and unorganized manufacturers**

Large buyers increasingly require Traceability, Recycled-content certifications, ESG reporting and Product stewardship documentation. Smaller unorganized manufacturers may lose competitiveness if they are unable to meet compliance expectations.

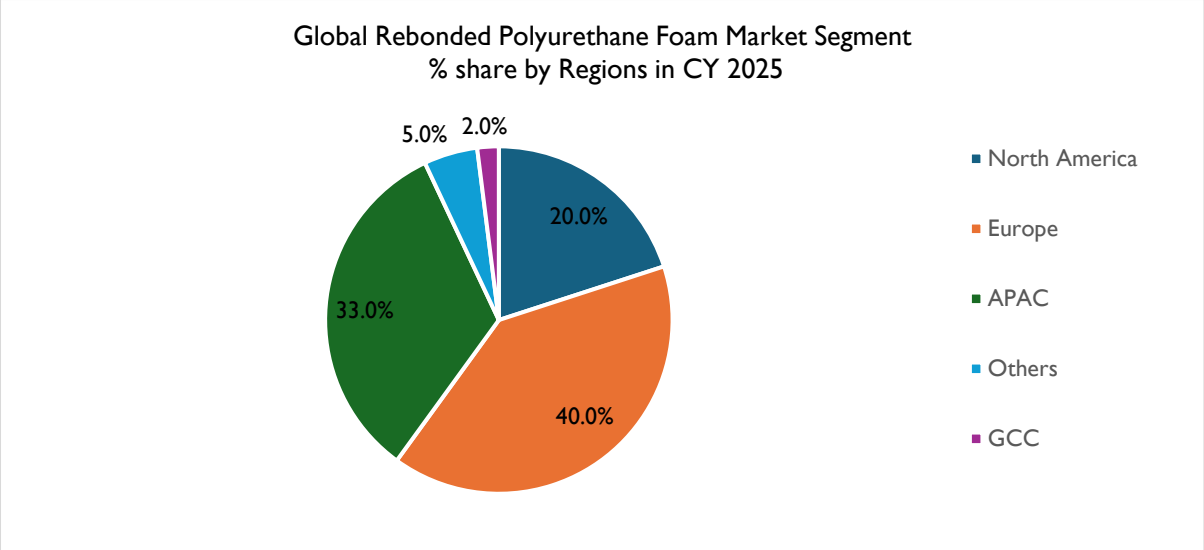
**Global Rebonded Polyurethane Market**

The global rebonded Polyurethane (PU) market is witnessing steady growth, estimated to have expanded from ~USD 865 million (Mn) in CY2021 to USD ~1114 million by CY2025, reflecting a CAGR of approximately 6.6%. The global rebonded polyurethane foam market remains a niche segment relative to the overall PU foam industry. However, it is one of the fastest-growing circular economy segments within the foam industry, driven by mattress manufacturing, carpet underlays, acoustic solutions, and sports flooring.

The rebonded PU foam market has been witnessing stable growth as it sits at the intersection of cost savings, foam trims reduction/ reusability, and sustainability. Unlike many recycled-material markets that depend primarily on regulation, rebonded foam provides a clear economic benefit to manufacturers. As mattress recycling programs expand and ESG requirements become more prevalent, rebonded PU foam is likely to witness consistent growth in the medium term. The projected growth for the global rebonded PU foam market is estimated to be around USD 1,560 million by CY 2030 resulting in around a 7% CAGR growth rate between CY 2025 and CY 2030.




Source: Primary Research, D&B Estimates * P = Projected
Global Rebonded Polyurethane Foam market share by Region in CY 2025:




Source: Primary Research, D&B Estimates

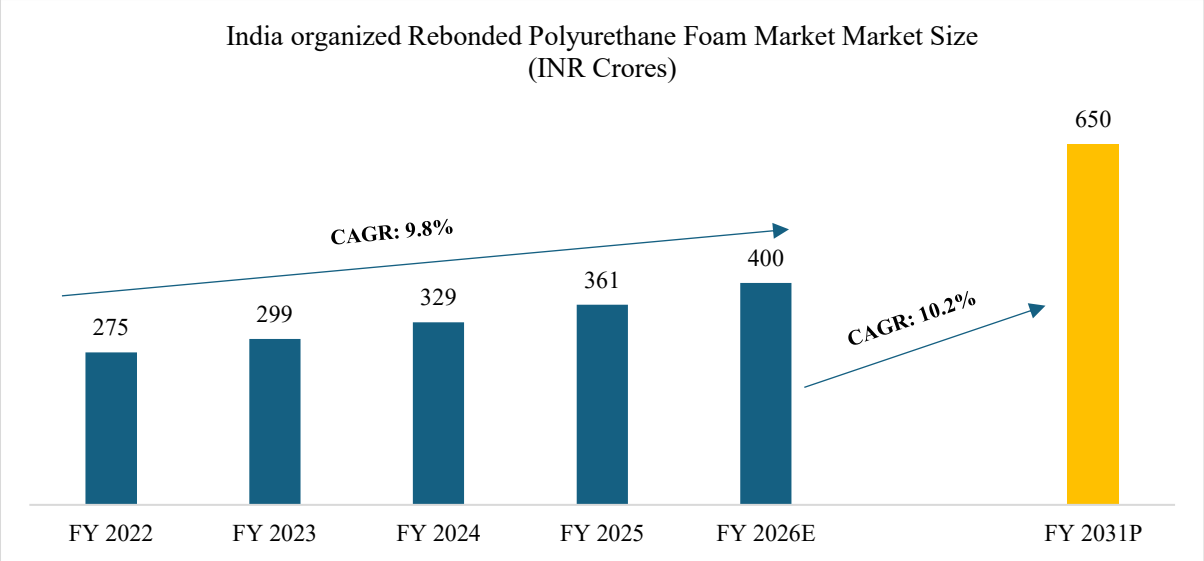
The global rebonded PU foam market exhibits a relatively balanced regional distribution between developed and developing economies, with Europe estimated to be holding the largest share at approximately 40%, closely followed by Asia-Pacific (APAC) at ~33% and North America at ~20%. The strong presence of Europe and North America reflect environment regulations, sustainability goals, advanced recycling mandates, well-established and advanced processing capabilities.

Meanwhile, APAC, with a ~33% share, represents a rapidly growing market driven by increasing urbanization, increasing construction and real estate activities and expanding automotive and furniture manufacturing. Overall, the regional mix highlights a combination of mature demand centres and high-growth emerging markets shaping the global landscape.

## 6. India Rebonded Polyurethane Foam Industry

The industry is characterized by a mix of organized foam players, captive/ integrated mattress manufacturers and regional/ semi-organized and unorganized players. The Indian rebonded Polyurethane foam market is witnessing steady growth, with the organized market estimated to have expanded from approximately INR 275 crores in FY2022 to around INR 400 crores in FY2026E, reflecting a CAGR of around 9.8%. This strong growth trajectory is driven by growing foam trips and offcuts generation base, a sustained real estate completion pipeline and an organised mattress sector that simultaneously drives trim supply and end-use demand. The market is also benefiting from growing applications such as carpet underlays, gym flooring and sport applications and industrial/ acoustic uses. The higher growth rate compared to the global market indicates that India is emerging as a key high-growth region for rebonded PU foam.

Going forward, the rebonded Polyurethane market in India is projected to increase to around INR 650 crores registering a CAGR of around 10.2% between FY 2026 and FY 2031.



Source: Primary Research, D&B Estimates *E= Estimated, P= Projected

## 6.1 Key Demand Drivers

Mattress and Bedding Support

Rebonded foam serves as a high-density support core or base layer in mattress construction, providing foundational load distribution beneath comfort layers of virgin PU foam. Its density and resilience make it well suited to the mass-market and mid-range mattress segments that balance performance and cost.

Within the Indian mattress industry, rebonded PU foam plays a critical role as a support and comfort material, particularly in the value, mid-premium, and orthopedic mattress segments. It is widely used by organized mattress manufacturers as well as regional and unorganized producers due to its durability, cost-effectiveness, and sustainability benefits. The material is also prevalent in Hotel and Institution mattress lines as well as e-commerce mattress models.

The residential real estate sector is estimated to make up over 70% of the overall real estate market in FY 2026, with~10 million new homes added in FY 2026[13]. With rapid urbanization, population growth, increase in nuclear families, ease in finance availability and increasing disposable income, demand for housing is expected to witness substantial growth in India. Residential housing constitutes dominant demand for organized mattresses market in India. Furthermore, it is estimated that ~half of the mattresses are made from Polyurethane foam. The combination of growing housing demand in India along with dominance of Polyurethane foam mattresses bodes well for rebonded PU foam. The mattress channel therefore functions as both, the largest generator of post-industrial trims and the primary consumer of the rebonded foam output produced from that trim, creating a closed-loop dynamic within the PU foam value chain.

Another factor driving rebonded PU foam demand in India is growing demand for orthopaedic mattresses or related segments. Statistics indicate that pain relief is the primary trigger for new mattress purchases in India, leading to a market where over 60% of all mattresses sold now carry the orthopaedic label[14]. Orthopaedic mattresses may often use a thick core of rebonded PU foam owing to high-density and rigid foundation needed for proper spinal alignment.

Carpet Underlays

The carpet underlay industry represents an important end-use segment for rebonded polyurethane (PU) foam globally and is emerging as a niche but growing application in India. Carpet underlay refers to the cushioning layer installed beneath carpets to improve comfort, acoustics, insulation, durability, and floor protection.

[13] https://www.ibef.org/industry/real-estate-india

[14] https://ispf.co.in/beyond-comfort-the-vital-role-of-orthopedic-mattresses/

Rebonded PU foam is among the most widely used carpet underlay materials worldwide due to its resilience, load-bearing capability, long life, and sustainability credentials.

Carpet Underlay is a cushioning and supportive layer installed between a carpet and the underlying floor. It provides a resilient base for the carpet, enhancing underfoot comfort, cushioning and insulation while helping to absorb and distribute the impact and load generated through regular use. Carpet underlay also helps improve the carpet's performance, appearance retention and durability by reducing direct wear and impact on the carpet.

In India, demand for rebonded PU foam from the carpet underlay segment is majorly linked to growth in hospitality, commercial real estate, hospitality, premium residential construction, corporate offices, airports, educational institutions, and modern retail developments.

Hotels are among the largest consumers of carpet underlays because carpets are extensively used in:

- Guest rooms
- Corridors
- Ballrooms
- Convention centers
- Luxury suites
- Meeting rooms

The hospitality real estate market is evolving with growing focus on sustainability, eco-friendly practices and experiential accommodation offerings. Government policies allowing 100% FDI and tourism-promoting initiatives such as Swadesh Darshan and PRASAD boost sector growth. India's hospitality sector is projected to reach nearly US$ 60 billion by 2028, driven by a surge in domestic travel and rising spending and increasing foreign tourist arrivals (FTA), with demand outpacing supply especially in luxury hotel segments. High occupancy rates of 60-70% and rising room rates were reported despite challenges like high land costs and capital intensity.[15] As per CMIE, India's FTA increased from 2 million in FY 2022 to around 9 million in FY 2026. Similarly, Domestic Tourist arrival also increased from around 677 million in 2021 to 4,287 million in 2025. With tourism trends expected to continue going forward, India is expected to require capacity additions in the hospitality sector along with regular maintenance and replacement of hotel furniture and furnishings. India's hospitality sector is estimated to have surged in 2025, with hotel investments reaching USD 567 million across 28 transactions—a 67% increase from 2024's USD 340 million. This reflects strong investor confidence across diverse market segments.[16]

India's hospitality sector continues to witness significant capacity additions driven by tourism, business travel, and branded hotel expansion. Increased deployment of soft flooring in hospitality projects directly supports demand for carpet underlays made from rebonded PU foam. It creates recurring demand both during new construction and renovation cycles every 5-10 years.

Furniture Cushioning

India's furniture market has witnessed strong growth driven by urbanization, rising disposable income, expanding housing stock, and increasing consumer spending on home interiors. India is the second-largest furniture market in Asia-Pacific and one of the fastest-growing markets. The furniture market in India is expected to grow by 10-12% per annum to around USD 60 billion by 2033[17].

The furniture cushioning industry is one of the largest end-use markets for rebonded polyurethane (PU) foam in India. Rebonded foam is extensively used in sofas, recliners, office seating, modular furniture, auditorium seating,

[15] https://www.ibef.org/industry/real-estate-india

[16] https://www.jll.com/en-in/insights/hotel-investment-trends-in-india

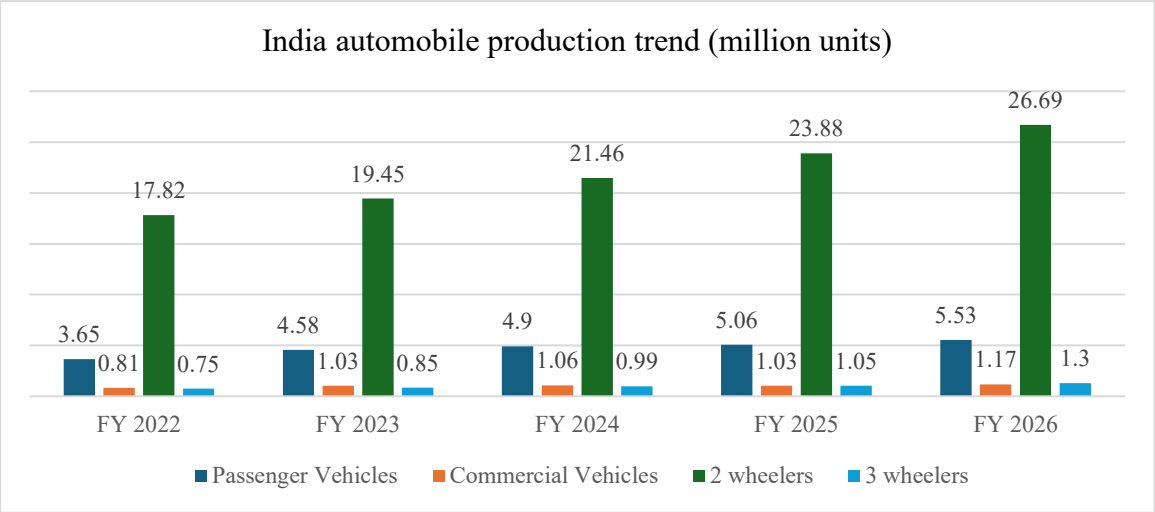
[17] https://www.investindia.gov.in/sector/furniture

institutional furniture, and commercial interiors due to its combination of durability, cost-effectiveness, load-bearing capability, and sustainability benefits. With expected growth in furniture production volumes, the requirement for rebonded cushioning material as support layers increases.

Automotive industry

The automotive industry is an important end-use segment for rebonded polyurethane (PU) foam in India. Rebonded foam is widely used in vehicle seating, headrests, armrests, acoustic insulation components, door panels, flooring systems, and NVH (Noise, Vibration & Harshness) management applications. Compared with virgin foam alone, rebonded foam offers improved load-bearing capacity and durability, making it suitable for high-traffic vehicle applications.

India is the fourth-largest manufacturer of motor vehicles overall and ranks third specifically for passenger cars. The strongest demand driver is the expansion of vehicle manufacturing in India.




Source: SIAM

Growing demand and production in the automotive industry along with OEMs under pressure to improve sustainability performance, represents increasing opportunity for rebonded PU foam usage. As India's automotive sector continues to expand its domestic and export footprint, rebonded PU foam is expected to remain an important material for seating, acoustic insulation, and interior comfort applications, particularly due to its durability, cost-effectiveness, and circular-economy advantages.

Footwear Industry

The footwear industry represents another downstream end-use sector for polyurethane foam products, including rebonded polyurethane foam. Rebonded polyurethane foam is used in selected footwear applications such as insoles, comfort inserts, padding components and shock-absorption layers due to its cushioning properties, durability and cost-effectiveness.
India is the second-largest footwear producer globally, accounting for approximately 11.6% of global footwear production, with annual production of approximately 2.1 billion pairs. Nearly 95% of the footwear produced in India is consumed domestically, reflecting the significant size of the country's footwear market.[18] As footwear manufacturers increasingly focus on comfort, cushioning and value-engineered product offerings, growth in the footwear industry may support demand for polyurethane foam-based materials, including rebonded polyurethane foam, used in selected footwear applications.

Sustainability and Circular Economy Push

Perhaps the strongest long-term driver for rebonded PU foam underlays is sustainability.
The Indian mattress, furniture, automotive, and foam industries generate substantial volumes of PU foam trims annually. Rebonded foam enables this trim to be converted into a value-added product rather than being landfilled.

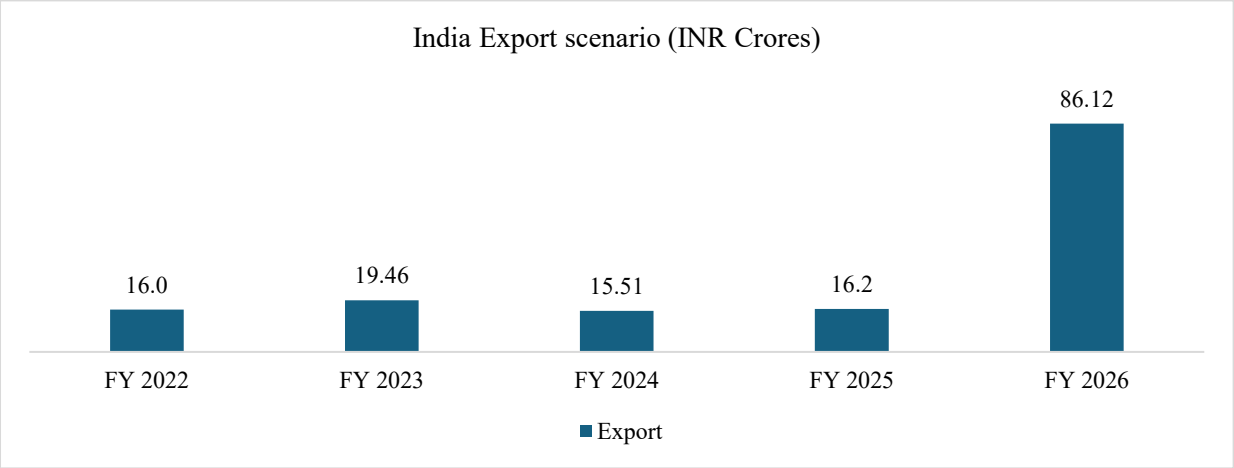
[18] https://leatherindia.org/footwear-industry-best-foot-forward/

Key sustainability benefits include:

- Trims diversion from landfill
- Reduced virgin polymer consumption
- Lower carbon intensity versus production of equivalent virgin foam
- Alignment with green building certifications

This aligns well with growing adoption of LEED-certified buildings, IGBC-certified projects andCorporate ESG initiatives.

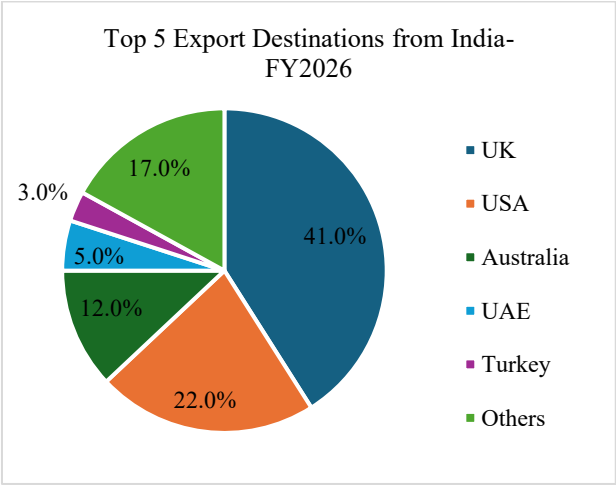
### 6.2 India Export Scenario[19]




Source: Directorate General of Foreign Trade

Exports of flexible polyurethane products *including rebonded polyurethane foam* exhibited a substantial increase primarily in FY 2026, increasing from INR 16 crores in FY2022 to INR 86.12 crores in FY 2026. While the trend remained relative stagnant between FY 2022 to FY 2025, a substantial jump in FY 2026 portrays growing demand for Indian flexible polyurethane products globally and increasing competitiveness of domestic manufacturers.

Top 5 Export Destinations:




Source: Directorate General of Foreign Trade

[19] HS code considered - 39211310 (flexible cellular polyurethane plates, sheets, film, foil, and strip)

Exports during FY2026 were moderately concentrated, with the UK emerging as the largest export destination, accounting for approximately 41% of total exports. This is followed by the USA at 22% and Australia at 12%.

### 6.3 Key Challenges related to Indian rebonded Polyurethane Foam Industry

The Indian rebonded polyurethane foam industry is fundamentally linked to the availability of post-industrial and post-consumer PU foam trims generated from mattresses, furniture, automotive seating, packaging, and other PU foam applications. While rebonded foam is often promoted as a circular-economy product due to its ability to convert foam trims into value-added materials such as carpet underlays, gym flooring, acoustic insulation, and cushioning products, the industry faces several structural challenges.

**1. Challenges Related to Availability of PU Trims and Offcuts**

a) Dependence on Secondary Raw Material Supply - Unlike virgin foam manufacturers that primarily depend on petrochemical feedstocks, rebonded foam manufacturers rely on consistent supplies of PU trims and offcuts. The availability of such suitable material is directly tied to production volumes in mattress, furniture, automotive, and foam-converting industries.

Key challenges include:

- Irregular generation patterns from foam manufacturers
- Regional concentration of foam trim generation around major furniture and mattress clusters
- High dependence on informal trims collection networks
- Limited organized collection systems for post-consumer mattresses

Consequently, many rebonded foam producers spend significant effort and logistics costs securing sufficient feedstock.

b) Trims and Offcuts Price Volatility - PU trims prices in India can vary substantially depending on Density, Foam grade, Color segregation, Contamination levels and Geographic location

c) Logistics and Aggregation Challenges - PU trim possesses Low bulk density, High transportation volume and Uneven geographic generation.

As a result:

- Transportation costs represent a meaningful percentage of delivered trims and offcuts costs.
- Long-distance movement of foam can reduce economic viability.
- Smaller recyclers often struggle to build reliable collection networks.

The fragmented nature of India's furniture and mattress manufacturing ecosystem further complicates aggregation.

**2. Landfill Persistence Concerns -** Although rebonded foam helps divert trims from landfill, polyurethane itself remains a difficult material from a waste-management perspective. In general, PU foam degrades slowly, is resistant to biological breakdown, can remain in landfills for decades and contributes to long-term plastic waste accumulation. Consequently, even recycled PU products eventually face disposal challenges at their end of life.

**3. Limited Collection Infrastructure for Post-Consumer Trims -** India has a limited formal infrastructure for mattress take-back, PU trims segregation and End-of-life foam collection. As a result, the industry relies predominantly on Factory trims, Furniture manufacturing offcuts and Mattress production offcuts. This limits access to potentially large post-consumer streams that could support industry growth.

## 6.4 Regulatory Landscape[20]

India's regulatory environment for rebonded polyurethane (PU) foam functions as both a quality gatekeeper and a structural support mechanism, with compliance posture directly determining access to organised institutional demand. While India may currently not have a dedicated regulation exclusively governing rebonded polyurethane foam, the industry may be regulated through a combination of:

1. Environmental regulations governing PU waste generation, collection, recycling and disposal.
2. BIS product standards governing performance and quality of polyurethane foam used in mattresses and cushioning applications.
3. Factory, occupational health and chemical-handling regulations applicable to PU foam manufacturing operations.
4. Pollution control norms administered by CPCB and State Pollution Control Boards (SPCBs).
5. Circular economy and waste management policies which increasingly encourage recycling of polyurethane foam trims into rebonded foam products.

At COP26[21] (26th session of the Conference of the Parties), India announced five major commitments:

- Achieve 500 GW of non-fossil fuel electricity capacity by 2030.
- Meet 50% of energy requirements from renewable energy by 2030.
- Reduce cumulative projected carbon emissions by 1 billion tonnes by 2030.
- Reduce emissions intensity of GDP by 45% from 2005 levels by 2030.
- Achieve Net Zero emissions by 2070.

For sectors such as polyurethane foam recycling, waste-to-energy, industrial waste valorization, and circular economy initiatives, India's Net Zero commitment provides an overall policy direction encouraging:

- Resource efficiency
- Waste reduction and recycling
- Circular manufacturing
- Alternative fuels and clean energy adoption
- Carbon footprint reduction initiatives

## 6.5 BIS Standards Relevant to Polyurethane Foam

While there is no exclusive BIS standard for rebonded foam, the following standards applying to Polyurethane foam may be used as references:

- **IS 7888**: Methods of Test for Flexible Polyurethane Foam - This BIS standard specifies testing methodologies for Density, Tensile strength, Elongation, Compression set, Indentation hardness, Resilience, Fatigue performance and Tear strength

[20] Ministry of environment, forest and climate change, CPCB, BIS, https://www.pib.gov.in/PressReleasePage.aspx?PRID=2244104&amp%3blang=1&amp%3breg=3&reg=48&lang=2#:~:text=Lakh%20MT, Lakh%20MT

[21] https://www.pib.gov.in/PressReleasePage.aspx?PRID=1795071&reg=48&lang=2

- **IS 7933:** Flexible Polyurethane Foam for Domestic Mattresses - The official Indian Standard for flexible polyurethane foam used specifically in domestic mattresses, covering physical performance, indentation hardness, durability, and density

India does not have a dedicated, standalone national waste management policy specifically for polyurethane (PU) foam, but PU foam disposal is generally governed under the broader framework of the Environment Protection Act 1986 and state-level pollution control board regulations. Under India's Circular Economy framework, MoEF&CC has notified market-based EPR frameworks across multiple waste categories, including plastic waste, battery waste, e-waste, waste tyres, and used oil, obligating producers, importers, and brand owners (PIBOs) to ensure environmentally sound end-of-life management and to meet mandatory annual targets for recycling and/or use of recycled content. As of 5 March 2026, the EPR portal ecosystem across these categories had registered 4,574 recyclers in total, with 417.57 lakh MT of waste recycled and 341.93 lakh MT of EPR certificates generated. This scale of recycler registration and certificate activity in adjacent streams demonstrates that EPR as an operational mechanism is maturing rapidly in India. No specific EPR framework for polyurethane foam or mattress trims has yet been notified. However, the expanding EPR architecture and high-level institutional momentum around circular economy, signal a clear policy direction toward wider waste-category coverage. For the rebonded-foam segment, any future extension of EPR to foam trims and offcuts would benefit from an established institutional and portal infrastructure, while simultaneously imposing collection, documentation, and recycled-content targets on producers and brand owners. Operators that have already built trims and offcuts-tracking and recycled-content documentation capabilities will be better placed to absorb such obligations at lower incremental cost.

### 6.6 Competitive Landscape

The Indian rebonded polyurethane foam market is characterized by a mix of specialized rebonded foam manufacturers, vertically integrated foam producers, mattress companies with captive recycling capabilities, and numerous regional unorganized players. Competition is driven not only by price and manufacturing capabilities but also by control over foam trims, customer relationships, geographic presence, and degree of vertical integration.

Factors Shaping Competition in the Indian Rebonded Polyurethane (PU) Foam Market:

1. **Access to PU Foam Trims and Offcuts** - PU foam trims and offcuts is the primary raw material for rebonded foam production. Manufacturers compete to secure PU foam production trims, Mattress manufacturing offcuts, Furniture cushioning offcuts and trims, Automotive seat foam trims and offcuts and Foam converter trims/ offcuts. Companies with reliable long-term sourcing arrangements may enjoy lower input costs, consistent feedstock quality and higher margins.

2. **Vertical Integration and Captive Trims Generation** - Integrated players participating across multiple stages of the value chain can internally generate and consume rebonded foam. Mattress manufacturers having rebonding capabilities may produce and utilize internally for captive consumption. Such rebonded foam may never enter the merchant market. As a result, independent rebonders often compete against players that possess an inherent raw-material cost advantage.

3. **Procurement Economics and Raw Material Cost** - Raw material costs constitute the largest component of rebonded foam manufacturing costs. Manufacturers that can efficiently procure and process mixed-density or lower-grade trim gain a cost advantage. The ability to convert variable trim streams into consistent finished products is often a key differentiator.

4. **Scale and Procurement Network Strength** – Larger or organized manufacturers often have the benefit of better bargaining power and wider supplier networks owing to higher procurement volumes as compared to fragmented and unorganized players. As the market matures, procurement scale will becoming increasingly important.

5. **Product quality and relationships with mattress manufacturers** - Primarily viewed as a commodity product, rebonded foam is increasingly differentiated by quality. Organized mattress manufacturers typically prioritize consistency over price alone. Therefore, suppliers with strong quality-control systems gain a competitive advantage. Furthermore, mattresses account for a major proportion of rebonded PU foam demand in India. Hence, long-standing relationships with branded and organized manufacturers may influence growth prospects of rebonded PU foam suppliers giving them preferred supplier status. In many cases, customer approvals and qualification processes may create barriers for new entrants.

## 6.7 Competitor Profiles

| Company | Profile |
|---|---|
| **Brahma Foam Industries Private Limited** | Brahma Foam Industries Private Limited (BFIPL) is based in the Sikandrabad industrial area of Bulandshahr, Uttar Pradesh. The company was incorporated in 2017, while earlier running the business under the name Shivam Foam Industries since 2014.<br>The company has a diverse product portfolio consisting of Conventional PU foam sheets, High-density PU foam, HR foam, PU peeling rolls, PU rebonded foam, Memory-mix rebonded foam, Rebonded-foam mattresses, Spring, orthopaedic and pillow-top mattresses and Pillows and sofa-cum-bed products. They manufacture and trade these products under their own brand name **EURO FRESH.**<br>They have 2 established units - 1 unit in Sikandarabad, UP spread over 2,500 sq.m and it's 2nd unit in Aligarh, UP spread over 40,000 sq.m.<br>BFIPL can be classified as an integrated foam-to-mattress player with a merchant rebonded-foam offering, rather than as a pure rebonding specialist. Its integration is relevant in three ways towards rebonded PU foam – Internal foam trip availability, captive consumption and external sales of rebonded PU foam. |
| **Sleeploop India Private Limited** | Sleeploop India Private Limited is located at Plot No. 821, Sector III, Pithampur Industrial Area, Dhar district, Madhya Pradesh. As per publicly available information, the company was established in 2010 and operates as a manufacturer and supplier of rebonded foam products.<br>The company's product portfolio includes Multicolour rebonded foam, Rebonded-foam blocks, Bonded-foam blocks, Bonded-foam sheets, Mattress bonded foam and Customized rebonded-foam components. |
| **Saloni Coir Private Limited** | Saloni Coir Private Limited is a Ghaziabad-based manufacturer of mattresses, PU foam, rebonded foam, coir products and cushioning materials. Its public profile states that it was established in 1980 and operates as a limited company.<br>The company's public listing of products includes Rubberized coir sheets, Coir-based products, Rebonded PU foam, Conventional PU foam, PU foam cushions, Soft mattresses, Spring mattresses, Foam mattresses, Dunlop-type mattress products and Bedding accessories and covers. Its visible brands or product names include Saloni Smart Mattress, Goldline PU Foam, Saloni PU Foam, Duco Saloni Foam and Elegant Foam. |
| **AR Foam Industries** | AR Foam Industries is publicly identified as a Sonipat-based manufacturer or supplier of rebonded foam. It is located at Plot No. 34G, HSIIDC Industrial Area, Sector 57, Phase IV, Kundli, Sonipat, Haryana. It also offers PU foam strips, PU strips and PU films. |

## 6.8 Financial Indicators of Peers

### Brahma Foam Industries Private Limited

| Particulars (INR Mn) | FY 2025 | FY 2024 | FY 2023 |
|---|---|---|---|
| Total Income | 323.91 | 259.62 | 129.47 |
| Revenue from Operations | 323.88 | 259.58 | 129.47 |
| Key Operating costs | 313.77 | 251.64 | 124.36 |
| EBITDA | 19.82 | 15.73 | 10.16 |
| EBITDA Margin (%) | 6.12% | 6.06% | 7.85% |
| Profits After Tax | 0.57 | 0.17 | 0.61 |
| PAT Margin (%) | 0.18% | 0.07% | 0.47% |
| Debt Equity Ratio (times) | 4.43 | 7.43 | 5.56 |
| Return on Equity (%) | 2.65% | 1.56% | 5.67% |
| Return on Capital Employed (%) | 8.69% | 8.68% | 7.24% |
| Interest Coverage Ratio (times) | 1.06 | 1.06 | 1.20 |
| Return on Assets (%) | 0.31% | 0.11% | 0.64% |

Note: The financials for FY 2026 are not available on the Ministry of Corporate Affairs (MCA) Website.

### Sleeploop India Private Limited

| Particulars (INR Mn) | FY 2025 | FY 2024 | FY 2023 |
|---|---|---|---|
| Total Income | 159.04 | 165.06 | 134.10 |
| Revenue from Operations | 158.42 | 164.21 | 133.92 |
| Key Operating costs | 135.70 | 148.06 | 130.37 |
| EBITDA | 36.62 | 27.23 | 8.30 |
| EBITDA Margin (%) | 23.12% | 16.58% | 6.20% |
| Profits After Tax | 13.41 | 11.22 | 1.49 |
| PAT Margin (%) | 8.46% | 6.83% | 1.11% |
| Debt Equity Ratio (times) | 2.13 | 3.08 | 4.07 |
| Return on Equity (%) | 38.38% | 52.11% | 14.45% |
| Return on Capital Employed (%) | 21.51% | 21.68% | 7.11% |
| Interest Coverage Ratio (times) | 4.62 | 3.84 | 2.03 |
| Return on Assets (%) | 9.86% | 9.70% | 2.72% |

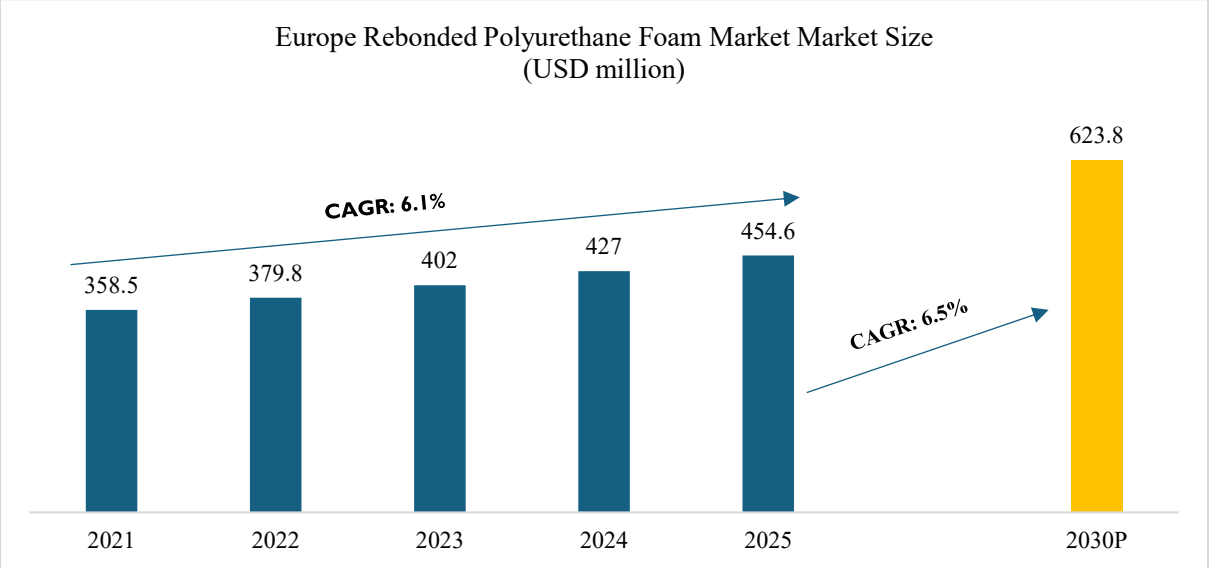
Note: The financials for FY 2026 are not available on the Ministry of Corporate Affairs (MCA) Website.

## 7. United Kingdom (UK) Rebonded Polyurethane Foam Industry

Europe is the world's most mature rebonded polyurethane (PU) foam market, driven by well-established collection and recycling systems, stringent landfill regulations, circular economy policies, and large downstream demand from carpet underlays, bedding, furniture, sports surfaces and automotive applications. The UK is one of the largest individual rebonded foam markets in Europe, particularly due to its developed carpet underlay industry apart from other end-user industries, where rebonded PU foam underlay has been a prominent product for decades.

The European market is estimated to have the largest global share of around 40% in the global rebonded Polyurethane foam industry. The market is estimated to have grown from around USD 359 million in CY 2021 to around USD 455 million in CY 2025, reflecting a CAGR of around 6.1%. This stable growth trajectory is driven by demand from end-user sectors as well as policies related to sustainability and awareness levels

Going forward, the rebonded Polyurethane market in Europe is projected to increase to around USD 624 million registering a CAGR of around 6.5% between CY 2025 and CY 2030 portraying a sustained growth.

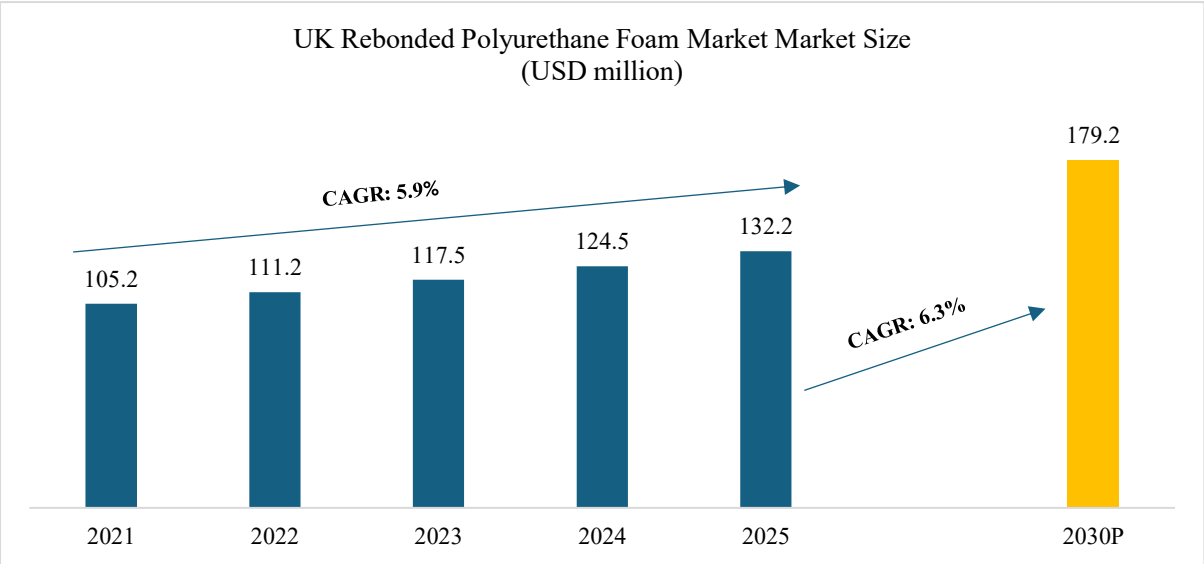



Source: Primary Research, D&B Estimates * P= Projected

The UK represents a structurally relevant market for rebonded polyurethane foam because it combines a relatively established carpet-underlay industry, a sizeable automotive and furniture ecosystem, rising landfill costs, stricter waste-reduction objectives and growing customer demand for products with recycled content.

UK is estimated to be a major contributor to the overall European rebonded PU foam market and is relatively amongst the most mature market in the region. The UK market is estimated to have grown from around USD 105 million in CY 2021 to around USD 132 million in CY 2025, reflecting a CAGR of around 5.9%.

Going forward, the rebonded Polyurethane market in UK is projected to increase to around USD 179 million registering a CAGR of around 6.3% between CY 2025 and CY 2030 portraying a sustained growth.




Source: Primary Research, D&B Estimates * P= Projected

### 7.1 Regulatory Landscape and other Key Demand Drivers supporting rebonded Polyurethane Foam market in UK

Regulatory Landscape[22]

**1. Policy direction is increasing the value of secondary materials**

The UK has a legally binding target to reach net-zero greenhouse-gas emissions by 2050. In parallel, England has a statutory target to reduce residual waste excluding major mineral wastes to no more than 287 kg per person by 2042, approximately a 50% reduction from 2019. An interim pathway seeks to reduce residual waste to no more than 437 kg per person and 25.5 million tonnes by 2030. These targets do not mandate rebonded PU foam specifically, but they create a policy environment that favours recycling, reuse and material-retention routes over disposal.

The UK government established a Circular Economy Taskforce in November 2024 to support the development of England's first comprehensive circular-economy strategy. Its stated objectives include retaining resource value for longer, increasing resource efficiency, strengthening supply chains, reducing emissions and stimulating investment in recycling technologies and infrastructure. Rebonding fits this policy logic because it converts PU foam production trims and offcuts or recovered foam into a marketable composite rather than treating it as residual waste.

**2. Landfill economics improve the business case for rebonding:**

Landfill tax has become an important commercial driver for recovering PU foam trims. From 1 April 2026, the standard landfill-tax rate in England and Northern Ireland is GBP130.75 per tonne, up from GBP 126.15 per tonne in 2025-26. The tax is additional to haulage, handling and landfill gate fees, making disposal materially more expensive than the tax rate alone indicates.

[22] https://www.gov.uk/government/publications/net-zero-strategy, https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law, https://www.gov.uk/government/publications/residual-waste-reduction-environment-act-target-delivery-plan/residual-waste-reduction-environment-act-target-delivery-plan, www.legislation.gov.uk/uksi/2023/92/pdfs/uksiem_20230092_en.pdf, https://www.gov.uk/government/publications/landfill-tax-rates-for-2026-to-2027/landfill-tax-increase-in-rates-from-1-april-2026,

### 3. ESG reporting is influencing material selection:

Manufacturers, retailers, construction contractors, hotel groups and automotive OEMs increasingly seek evidence on waste diversion, recycled content, product carbon footprint and end-of-life routes. Rebonded foam offers comparatively clear ESG attributes: it uses secondary foam, displaces part of the demand for virgin PU foam, diverts low-density bulky foam trims from landfill and can often be sourced through domestic recycling networks. These benefits are most commercially persuasive when supported by chain-of-custody records, recycled-content calculations, life-cycle assessment and documented end-of-life arrangements.

### 4. Waste Hierarchy Requirements

Under regulations like the Waste (England and Wales) Regulations 2011, all businesses and public bodies that produce, handle, or transport commercial waste must legally apply the waste hierarchy. The UK Waste Framework regime establishes a legally binding waste hierarchy requiring organizations to prioritize:

1. Prevention
2. Reuse
3. Recycling
4. Recovery
5. Disposal

Disposal through landfill is considered the least preferred option. Businesses handling waste are required to demonstrate that they have considered the waste hierarchy when managing waste streams. Rebonding offers a practical route to comply with waste hierarchy obligations by converting waste foam into secondary products.

### 5. CertiPUR™ by EUROPUR[23]

CertiPUR™ is a voluntary certification scheme administered by EUROPUR (European Association of Flexible Polyurethane Foam Manufacturers) for flexible polyurethane foam used in Mattresses, Upholstered furniture, Cushions and Bedding products. The certification verifies that the foam meets the required stringent quality and safety parameters. In December, 2025, EUROPUR launched ***CertiPUR™ for Bonded Foam***, a new module extending the CertiPUR™ programme to mechanically recycled polyurethane foam. It is the first certification scheme dedicated specifically to the health and safety properties of rebonded foam used in mattresses, upholstered furniture and other comfort applications. Several UK foam manufacturers currently hold or are increasingly planning to acquire this certification. This becomes a commercial differentiation as it demonstrates use of safe recycled foam feedstock, Low VOC emissions, Compliance with health and environmental requirements and suitability for furniture, furnishings and bedding applications.

Other Key demand drivers:

- **Carpet underlays**

Carpet underlay is a major driver for rebonded Polyurethane foam in UK. UK flooring-industry commentary indicates that PU underlays are becoming more prominent in the UK underlay market, partly because rolls are lighter than traditional rubber alternatives and are easy for fitters to cut and handle. Industry players are also portraying a broad range of domestically produced recycled-PU underlays across mainstream, premium, acoustic and underfloor-heating applications. Leading companies like Interfloor claim that their underlays contain approximately 80% recycled content.[24]

[23] https://europur.org/europur-launches-certipur-for-bonded-foam/

[24] https://www.interfloor.com/about-us/environmental-ethical-responsibilities/

As per the Office of National Statistics, UK, the consumer expenditure on carpets and other floor coverings is estimated to have increased from GBP 3.95 billion in CY 2016 to GBP 5.33 billion in 2025[25] portraying increasing demand for carpets and floor coverings including underlays. With expected continued growth, demand for rebonded polyurethane foam from underlays is expected to drive the market in UK.

The UK has a large stock of flats, terraced housing, converted properties, hotels, student accommodation and multi-occupancy buildings where footfall and furniture-movement noise are material concerns. England's building regulations[26] cover resistance to the passage of sound in dwelling houses, flats, rooms for residential use and schools. While an underlay alone does not guarantee compliance for every floor construction, the regulatory framework increases the importance of tested acoustic flooring systems and products that reduce impact-sound transmission. Rebonded PU foam's cellular structure can absorb and dissipate impact energy, reducing the transmission of footsteps, dropped objects and furniture movement through the floor (subject to test results).

- **Automotive:**

The UK continues to have a meaningful vehicle-manufacturing footprint. The Society for Motor Manufacturers and Traders (SMMT) in UK reported 371,756[27] cars manufactured in the first half of 2026, of which approximately 285,900, or 76.9%, were exported. This production base supports demand from OEMs and Tier 1/Tier 2 suppliers for seating, interior trim, acoustic barriers, cavity fillers, seals and NVH components. At the same time, the UK vehicle market is electrifying. Battery-electric vehicles accounted for approximately 25.3% of year-to-date new-car registrations through July 2026[28], with 327,683 BEVs registered, up 28.7% from the corresponding period of 2025. Plug-in hybrids represented a further 13.25%. The zero-emission vehicle mandate and the government's 2030-35 transition timetable provide continued policy pressure toward electrified vehicle platforms. Electric powertrains remove or reduce combustion-engine noise, but this makes other noticeable sounds including tyre-road noise, wind noise, electric-motor tonal noise, inverter and HVAC noise, structural vibration, suspension and impact noise and rattles and squeaks from interior components. Reduction in NVH is increasingly becoming important for Car manufacturers, especially Electric Vehicles. Rebonded PU can serve selected NVH applications because its density can be adjusted and its irregular cellular structure can provide energy absorption and damping. Potential locations include floor systems, luggage compartments, carpet backing, seat bases, parcel shelves and selected interior acoustic assemblies. However, the material must meet OEM requirements for flammability, odour, VOCs, fogging, durability, humidity resistance, dimensional stability and part-to-part consistency.

### 7.2 Competitive Landscape

The UK rebonded polyurethane foam market is relatively consolidated compared with many other European countries, with a few large integrated manufacturers and several specialist converters competing across flooring underlay, furniture, bedding, sports surfaces, packaging, transportation, and industrial applications. The market is increasingly shaped by sustainability regulations, circular economy targets, landfill diversion initiatives, and growing demand for recycled-content materials.

Unlike virgin polyurethane foam manufacturing, rebonded foam production requires access to a reliable stream of post-industrial and post-consumer PU foam trims. As a result, scale, collection networks, trims and offcuts-processing capabilities, and downstream market access have become key competitive differentiators.

Key Competitor Profile

| Company | Profile |
|---|---|
| **Vita Group (Brand NOVUS and Ball and Young – carpet underlays)** | The Vita Group is a UK-headquartered manufacturer and converter of flexible polyurethane foam, latex products, flooring solutions and engineered cellular materials. It is widely regarded as a major player in the UK and European PU foam and rebonded PU foam industry. The group has more than 75 years of operating experience and reports 32 facilities across 13 countries, supported by four innovation centres in the UK and continental Europe. It is involved in several stages of the value chain including: |

[25] https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/timeseries/advn/ct

[26] https://www.gov.uk/government/publications/resistance-to-sound-approved-document-e

[27] https://www.smmt.co.uk/vehicle-data/electric-vehicle-registrations/

[28] https://www.smmt.co.uk/vehicle-data/car-registrations/

| | |
|---|---|
| | • Production of virgin flexible PU foam<br>• Conversion of foam blocks into components<br>• Generation and recovery of PU foam production trim<br>• Manufacture of reconstituted or rebonded foam<br>• Production of rebonded PU foam carpet underlays<br>• Manufacture of sports shockpads and other recycled-foam products<br>• Production of polyurethane binders, adhesives and flooring compounds<br><br>It's business activities are divided into 4 strategic units – Furniture and bedding solutions, finished mattress, engineered solutions and flooring.<br><br>Brand NOVUS - NOVUS is The Vita Group's dedicated reconstituted (rebonded) polyurethane foam product range, manufactured by recycling polyurethane foam production offcuts and trims into high-performance engineered foam blocks. The brand forms a key pillar of Vita's circular economy strategy by enabling polyurethane foam trims and offcuts generated during manufacturing and conversion processes to be reintroduced into the value chain rather than being sent to landfill or incineration. The company produces Square rebonded blocks, Round rebonded blocks, Carpet underlay materials, Sports shockpads, Furniture reinforcement foams and Mattress support cores. Within the UK and European rebonded foam market, NOVUS is one of the most established commercially branded rebonded foam offerings and is supplied into several end-use sectors including flooring underlays, furniture, bedding, sports surfaces, packaging, and industrial applications. Within Vita's flooring division, NOVUS forms an important raw material source for underlay products sold through the Ball & Young business.<br>Ball and Young - Ball & Young is the flooring division of The Vita Group and is one of the UK's leading manufacturers of carpet, laminate and wood flooring underlays. The business supplies a broad range of underlay products through well-established brands such as Cloud 9, Blue Heaven and Cast Iron, serving both residential and commercial flooring applications. All Ball & Young underlays are manufactured in the UK and are designed to improve comfort, thermal insulation, sound reduction and floor durability.<br>Ball & Young is regarded as a major UK underlay manufacturers and is one of the oldest in the development of PU foam carpet underlays. Its Cloud 9 range has been established in the UK market for decades and remains one of the prominent PU foam underlay brands. The company's competitive position is strengthened by its integration with Vita Group's foam manufacturing and recycling operations, giving it access to large volumes of polyurethane trim foam feedstock while supporting circular-economy initiatives. Ball & Young is particularly important from a rebonded polyurethane foam perspective because many of its products are manufactured using recycled polyurethane trim foam, which is collected, shredded, bonded, and converted into underlay products. |
| **Interfloor** | Interfloor Ltd is one of UK's largest flooring accessories and underlay manufacturers and is widely recognized through its flagship underlay brands Tredaire and Duralay along with sustainability focused brand - Renu. The company manufactures carpet underlays, laminate and wood flooring underlays, flooring accessories, adhesives, gripper rods, and related flooring installation products. Interfloor positions itself as one of Europe's leading flooring underlay manufacturers with manufacturing operations centered in the UK. Besided PU foam underlays, the company also manufactures sponge rubber underlays, crumb rubber underlays and laminate/ wood flooring underlays.<br>As mentioned in their publicly available information, the manufacturing process of PU foam underlay involves:<br>• Collection of foam offcuts and post-use polyurethane foam<br>• Shredding and granulation of recovered foam<br>• Mixing with proprietary binding agents<br>• Moulding into large rebond foam blocks ("logs")<br>• Steam curing under pressure<br>• Drying process<br>• Peeling into required thicknesses<br>• Lamination with films, backings and reinforcement layers<br>• Cutting, rolling and packaging<br>The company reports that it's PU foam underlays approximately contains 80% recycled content.[29] Furthermore, it's Renu range is reportedly made from approximately 98% recycled material. |

[29] https://www.interfloor.com/about-us/environmental-ethical-responsibilities/

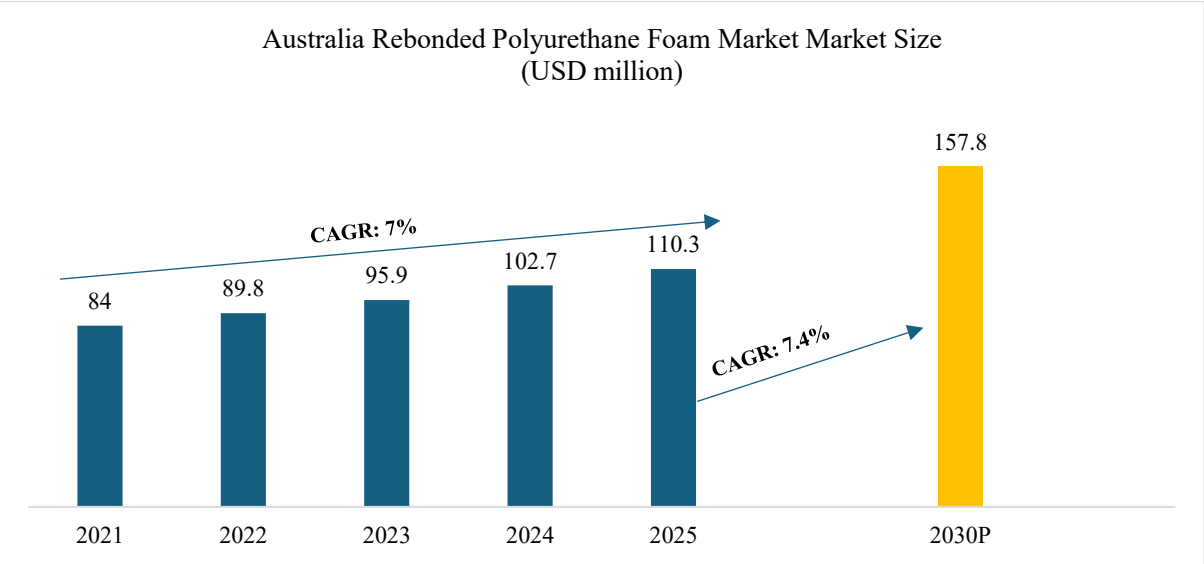
| | |
|---|---|
| | Interfloor is one of the most important UK participants in the rebonded PU foam ecosystem because rebonded polyurethane foam is not a niche product for the company; it is central to its core manufacturing operations and underlay product portfolio. |
| **QA Flooring Solutions** | QA Flooring Solutions Ltd headquartered in Liverpool, England is a UK-based integrated flooring products company supplying luxury vinyl flooring (LVT), carpet underlays, laminate and wood underlays, flooring accessories, and acoustic flooring solutions. Historically known primarily as a flooring distributor and brand owner, QA has increasingly invested in domestic manufacturing and now operates UK-based underlay production facilities that recycle polyurethane foam into carpet underlays.<br>The company operates across:<br>• Carpet underlays<br>• Wood and laminate underlays<br>• Acoustic underlays<br>• Flooring accessories<br>• LVT flooring<br>• Flooring installation systems<br>Primary feedstock for PU foam underlays constitutes:<br>• Recycled post-consumer mattress foam<br>• Reclaimed polyurethane foam<br>• Post industrial industrial furniture foam offcuts |

## 8. Australia Rebonded Polyurethane Foam Industry

Australia has a commercially established but relatively concentrated rebonded polyurethane foam industry. The market is centred on carpet underlay, with smaller applications in gym and impact mats, commercial seating, automotive components, packaging, acoustic products and load-bearing support layers. Unlike the United Kingdom, where rebonded PU foam underlay is supported by a large carpet market and several specialist manufacturers, Australia's industry is shaped by a small number of integrated foam and flooring-underlay producers, long transport distances and growing mattress and underlay recovery programs. The market is shaped by locally manufactured as well as imported rebonded Polyurethane Foam products

The Australian market is estimated to have a prominent share in the Asia-Pacific rebonded Polyurethane foam industry. The market is estimated to have grown from around USD 84 million in CY 2021 to around USD 110 million in CY 2025, reflecting a CAGR of around 7%. This stable growth trajectory is driven by demand from end-user sectors, especially increasing usage of rebonded PU foam in carpet underlays.

Going forward, the rebonded Polyurethane market in Australia is projected to increase to around USD 158 million registering a CAGR of around 7.4% between CY 2025 and CY 2030 portraying a sustained growth.




Source: Primary Research, D&B Estimates * P= Projected

### 8.1 Key Demand Drivers

**Carpet underlay is the principal demand engine:**

The most important factor supporting rebonded PU foam usage in Australia is its suitability for residential and commercial carpet underlay. The Carpet Institute of Australia explicitly identifies rebond foam as one of the main underlay categories used in the country, alongside SBR latex, rubber and felt[30]. The Institute also advises that old underlay should not normally be reused when carpet is replaced because existing wear patterns can transfer to the new carpet. Consequently, carpet replacement creates a corresponding stream of replacement underlay demand, even when the subfloor itself remains unchanged.

Australia already had approximately 11.49 million[31] dwellings as on 30 June 2022, according to the Australian Bureau of Statistics. This stock included houses, townhouses and apartments and has continued to expand through subsequent dwelling additions. Additionally, Australia continues to have a large residential construction pipeline. In the March quarter of 2026 alone, approximately 48,012 dwellings commenced[32].

Rebonded foam underlay demand is linked to both - new dwelling completions as well as carpet replacements in older dwellings because carpet remains common in bedrooms, upper floors, apartments and selected living areas. According to a study undertaken by Macquarie University, approximately 60% of surveyed Australian homes have carpets[33].

**Acoustic comfort is becoming increasingly important:**

Acoustic performance is one of the strongest functional reasons for using rebonded foam beneath carpet. The Carpet Institute states that carpet and underlay help reduce impact noise generated by footfalls, scraped chairs and dropped objects. The combination also controls reverberation within rooms and reduces noise transfer between floors.

Rebonded PU foam can be engineered at relatively high densities, making it effective as an impact-absorbing layer. Higher-density grades are particularly relevant for stairs, corridors, commercial areas and rooms subject to wheeled furniture or repeated foot traffic.

**Regulatory Landscape**

**Circular-economy and waste management policies are increasing preference for recycled content:**

1. The **Recycling and Waste Reduction Act 2020[34]** provides national mechanisms for product stewardship and waste regulation. Product-stewardship arrangements can be mandatory, co-regulatory or voluntary. The 2024 National Waste Policy Action Plan targets:

- a 10% reduction in waste generated per person by 2030
- an 80% average resource-recovery rate by 2030
- increased use of recycled content
- improved economy-wide waste data

These targets do not mandate rebonded foam use, but they create supportive policy conditions for mechanical recycling, recycled-content procurement and end-market development.

[30] https://www.carpetinstitute.com.au/residential/carpet-underlay/

[31] https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/total-value-dwellings/latest-release

[32] https://www.abs.gov.au/statistics/industry/building-and-construction

[33] https://lighthouse.mq.edu.au/article/october-2022/international-microplastics-study-shows-australia-may-be-over-carpeted

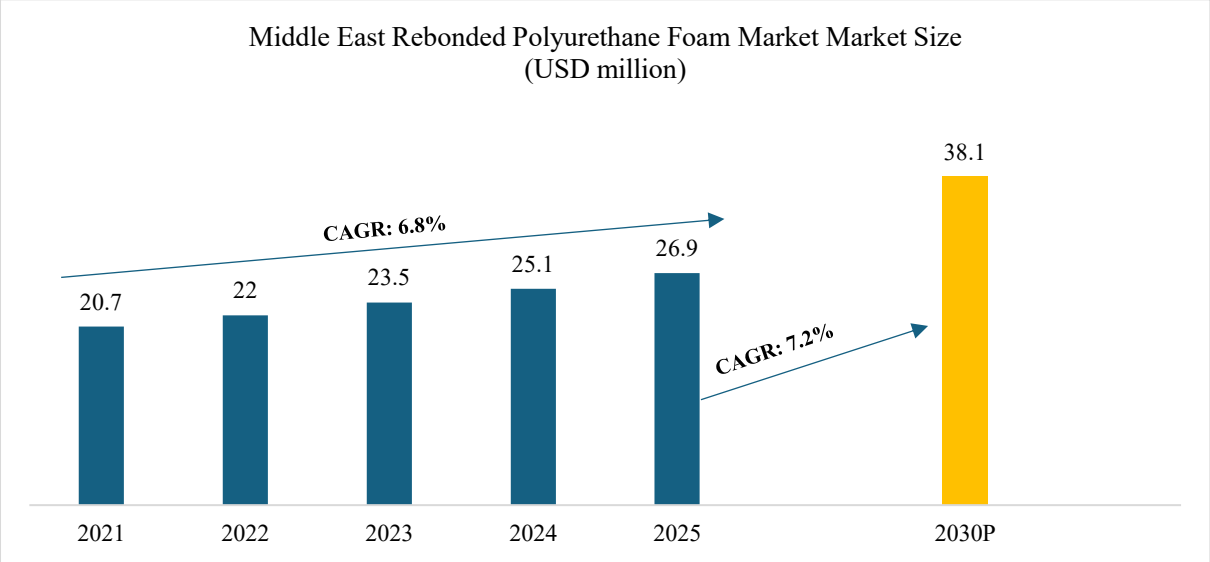
[34] https://www.dcceew.gov.au/environment/protection/waste/publications/national-waste-policy-action-plan

2. Mattresses represent a potentially significant source of PU foam trims, although the ability to use post-consumer mattress foam depends on contamination, sorting, hygiene, logistics and final-product specifications. The Australian Government states that **more than one million mattresses are disposed of to landfill annually**. It supported the Australian Bedding Stewardship Council with a AED 937,700 grant to develop and expand an industry-led mattress and bedding stewardship scheme. Manufacturers, retailers and other supply-chain participants backing the project represented approximately 60% of the market.[35] Recommended action includes increasing collection, reuse and recycling, improving product design, and developing better end-of-life management. This may have implications on both – feedstock availability as well as requirement for stable outlets for recovered material encouraging development for rebonded PU foam material.

## 9. Middle East[36] Rebonded Polyurethane Foam Industry

The Middle East including Saudi Arabia, the UAE, Qatar, Kuwait, Oman and Bahrain, represents an emerging but relatively small and fragmented market for rebonded polyurethane foam. Demand is expected to be concentrated in Mattress support layers and institutional mattresses, Sofas, majlis seating and upholstered furniture followed by Sports flooring, gym mats and impact-absorption products.

The Middle East market is estimated to have grown from around USD 21 million in CY 2021 to around USD 27 million in CY 2025, reflecting a CAGR of around 6.8%. Going forward, the rebonded Polyurethane market in the GCC region is projected to increase to around USD 38 million registering a CAGR of around 7.2% between CY 2025 and CY 2030.



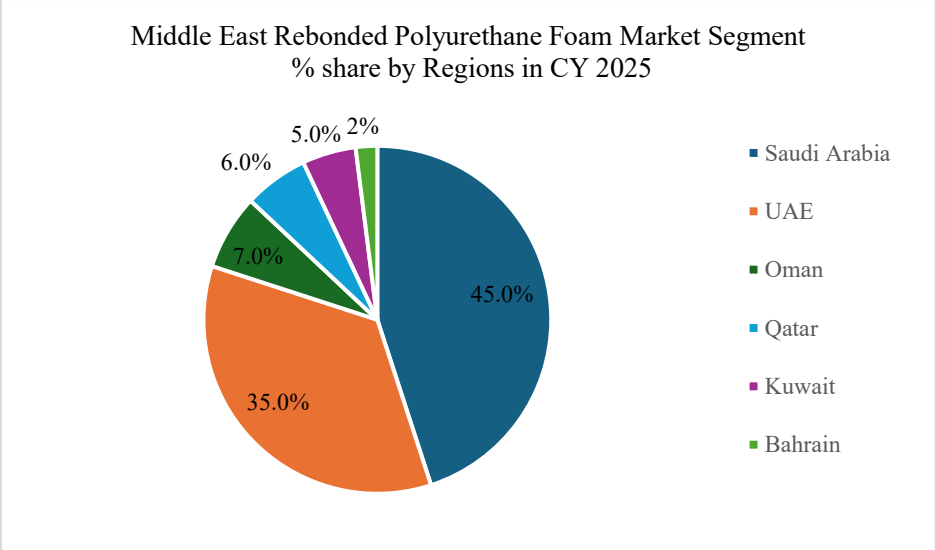

Source: Primary Research, D&B Estimates * P= Projected

Saudi Arabia is estimated to be the largest Middle East market because of its population, domestic foam and mattress manufacturing base, housing and hospitality development, and relatively broader local manufacturing ecosystem. The UAE is the second-largest and arguably a more sophisticated market, with stronger product specification, hospitality demand, imports, foam-conversion capabilities and sustainability-led procurement. Qatar, Kuwait, Oman and Bahrain are smaller and more import dependent.

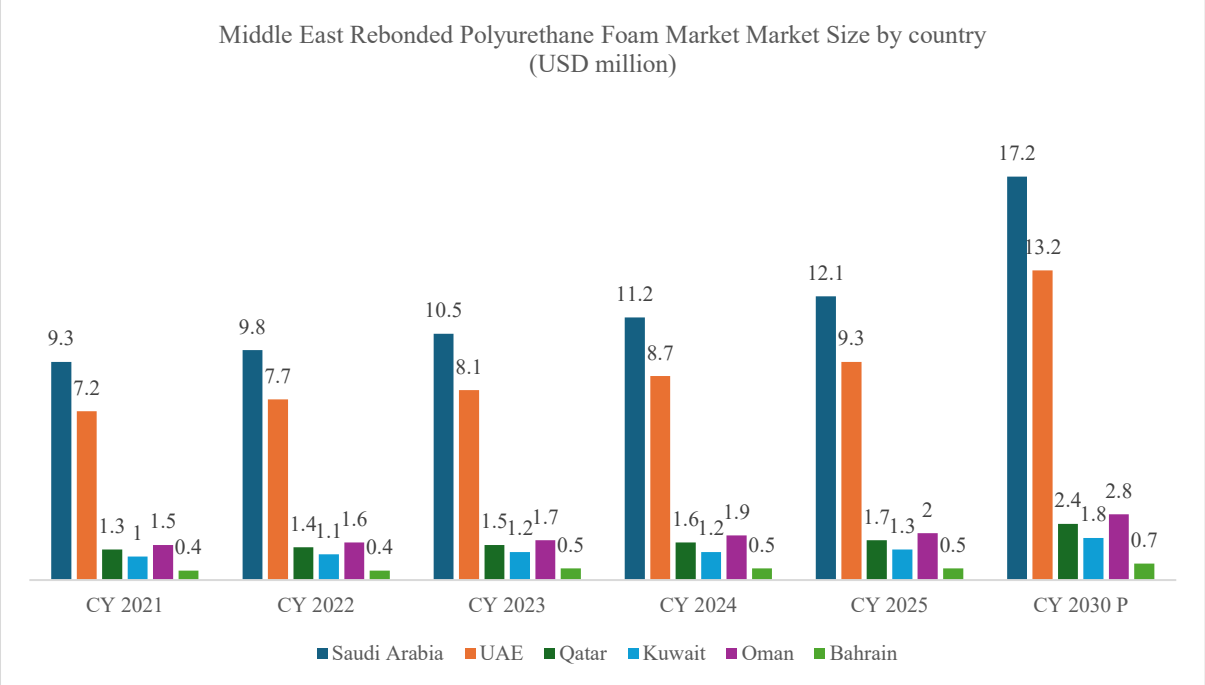
### 9.1 Middle East rebonded Polyurethane Foam market share by Region in CY 2025:

[35] www.dcceew.gov.au/sites/default/files/documents/recycling-mattresses-bedding.pdf

[36] Covering 6 countries – Saudi Arabia, UAE, Oman, Qatar, Kuwait and Bahrain




Source: Primary Research, D&B Estimates




Source: Primary Research, D&B Estimates * P= Projected

## 9.2 Key Demand Drivers

**Regulatory Landscape:**

Saudi Arabia and UAE are estimated to constitute around 80% of the Middle East rebonded Polyurethane Foam market and are expected to continue driving the market going forward. While there may not be specific regulations relating to rebonding of Polyurethane foam in these 2 countries, their ambitions around recycling and waste-management are expected to create tailwinds.

Saudi Arabia is undertaking a broad transformation of its waste sector. In January 2024, the Ministry of Environment, Water and Agriculture reported an ambition to raise recycling to as much as 95%, recycle up to 100 million tonnes annually, attract substantial sector investment and create more than 100,000 jobs. The same official communication indicated that the prevailing recycling rate was only around 3–4%, demonstrating the large implementation gap.[37]

[37] https://www.spa.gov.sa/w2028886

The UAE Circular Economy Policy 2021–2031 identifies sustainable infrastructure, transport and manufacturing among its priorities. It seeks to improve resource efficiency, promote reuse and remanufacturing business models and support cleaner industrial production.[38] The UAE's integrated-waste-management framework operates under Federal Law No. 12 of 2018 and its executive regulations. Waste implementation is coordinated through local authorities, including Dubai Municipality, Tadweer in Abu Dhabi and other emirate-level bodies. The federal platform reports that Tadweer aims to divert 80% of waste from landfill by 2031, while Dubai is implementing its Integrated Waste Management Strategy 2021–2041.[39]

**Mattress and bedding demand:**

Mattresses are likely the largest Middle East outlet for rebond foam. Growth is supported by population, household formation, housing development, hotels, hospitals, student accommodation and workforce housing. The Gulf-Co operation Council (GCC) had a population of approximately 63.3 million in 2025[40], with GDP of around US$2.3 trillion, providing a sizeable high-income consumer and institutional base.

Constraints include imported finished mattresses, consumer preference for virgin high-resilience foam in premium products and negative perceptions when recycled content is not properly documented.

**Hospitality and tourism:**

Hotels consume mattresses, upholstered furniture, acoustic products and flooring materials during initial fit-out and periodic refurbishment.

GCC-Stat's tourism platform reported around 12,400 tourism establishments in 2025, while estimating that travel and tourism generated 75.70 million inbound tourism as well as 11.30 million domestic tourism[41]. The implication for rebond foam is twofold:

1. Demand from new hotels and refurbishment programmes
2. A concentrated stream of old mattresses and upholstered furniture that could support take-back and recycling programmes

Hotel chains are particularly suitable for closed-loop collection because they replace products in batches and retain procurement records.

**Housing and urban development:**

Saudi and UAE residential programmes, mixed-use projects and new urban communities create demand for:

- Mattresses
- Sofas and seating
- Acoustic insulation
- Gyms
- Play areas
- Contract furniture

Rebond foam benefits particularly in high-volume, value-engineered product categories where durability and cost are more important than premium surface comfort.

[38] https://uaelegislation.gov.ae/en/policy/details/sy-s-dol-l-m-r-t-laarby-lmthd-ll-kts-d-ld-ry-2021-2031

[39] https://u.ae/en/information-and-services/environment-and-energy/waste-management

[40] https://dp.marsa.gccstat.org/

41 https://online.gccstat.org/

Saudi Arabia is the largest residential construction market in the Middle East. According to the official Saudi Vision 2030 Housing Program, Homeownership increased from 47% in 2016 to 66.24% by end-2025. and targets 70% homeownership by 2030[42]. Furthermore, Dubai Land Department (DLD), reported in Q1 2026 that total real estate transactions reached AED 252 billion across 60,303 transactions along with total real estate investments of AED 173 billion[43].

**Furniture and majlis seating:**

Traditional majlis, diwaniya and Arabian-floor-seating formats can consume substantial volumes of cushioning material. Rebond foam is suitable for firmer base layers because it:

- Maintains shape under repeated compression
- Provides stable support
- Can be cut into long rectangular forms
- Is less expensive than high-density virgin comfort foam
- Can be layered with softer virgin foam

Some local manufacturers such as Al Rajhi foam in Saudi Arabia explicitly market rebond foam for Arabian sofas and furniture, confirming this region-specific demand application.

## 10. Company Profiling

**Sarva Foam Industries Limited[44]**

**Sarva Foam Industries Limited (SFIL)** is a specialized manufacturer and trader of **rebonded polyurethane (PU) foam**, operating a circular-economy business model that converts PU foam trims and off-cuts into value-added rebonded foam products. The company was founded by Kunal Giani and has developed into a national supplier serving the mattress, furniture, flooring, automotive and industrial sectors.

### 10.1 Corporate Information:

| Particular | Details |
|---|---|
| **Company Name** | Sarva Foam Industries Limited |
| **Founded** | Incorporated in 2018 |
| **Headquarters** | Bhopal, Madhya Pradesh |
| **Registered Office** | Aakriti Eco City, Bhopal, Madhya Pradesh |
| **Business** | Rebonded Polyurethane Foam Manufacturing |
| **Managing Director** | Kunal Giani |
| **Industry Focus** | Mattress, Furniture, Flooring and rebonded Carpet Underlays, Automotive, Industrial Applications |

42vision2030.gov.sa

43 https://dubailand.gov.ae/en/news-media/dubai-s-real-estate-transactions-surge-31-to-reach-aed-252-billion-in-q1-2026/#/

44 Source: Sarva Foam Industries Limited

Sarva Foam Industries Limited (SFIL) is the largest[45] rebonded Polyurethane (PU) Foam player in India (with an estimated market share of around 33%[46] (FY 2026) and also the largest exporter[47] of rebonded PU foam products in India. With a diversified manufacturing base across West, North and South India, the company is positioned to cater to customers across the country. The company is a preferred[48] supplier to one of the leading mattress brands in India and is also a strategic supply partner to other major mattress manufacturers in India. The Company's products are sold to a diverse range of end customers, including companies, in end-use industries such as mattresses, furniture, flooring, footwear and automotive seating among other industries. With established customer relationships, the company serves customers across India and International markets.

Current Manufacturing Plants:

SFIL operates 4 manufacturing locations across India with an installed capacity of around 15,500 metric tonnes per annum as on March 31, 2026. The company has a pan India presence with manufacturing locations mentioned as below:

**1. Dadri, Uttar Pradesh**

**Purpose**

- Supplies Northern and Eastern India
- Strategic proximity to major mattress manufacturing clusters

**2. Silvassa, Dadra & Nagar Haveli**

**Purpose**

- Western India industrial catchment
- Company-owned facility

**3. 2 units in Krishnagiri District, Tamil Nadu – Unit 1 and Unit 2**

The company operates two facilities in Krishnagiri District, Tamil Nadu strategically located near large south Indian mattress manufacturing hubs.

The company operates under ISO 9001:2015-certified systems for all their units and ISO 14001 for their Silvassa Unit.

**Products Portfolio:**

The Company operates under three major product segments:

- Rebonded foam sheets which are precision-cut sheets for mattresses, furniture and flooring
- Rebonded foam blocks which are high-density engineered blocks for industrial conversion

[45] D&B has used the term "largest" based on Sarva Foam Industry Limited's estimated market share within the organized Indian rebonded PU foam market. According to D&B's research, the organized Indian rebonded PU foam market was valued at approximately INR 400 crore in FY 2026, with Sarva Foam generating revenue of INR 133.6 crores in India from its rebonded PU foam products business in India. This translates to an estimated market share of approximately 33% for Sarva Foam Industries Limited. Furthermore, a review of other key participants in the organized segment indicates that their overall reported revenues in FY 2026 were lower than those of Sarva Foam. Accordingly, D&B considers Sarva Foam to be the largest player in the organized Indian rebonded PU foam market, based on its estimated market share and comparative revenue position.

[46] Revenue from rebonded foam products for SFIL in India as provided by the company. D&B has not undertaken an independent assessment to verify it's revenue from rebonded foam products.

[47] Basis SFIL's share in overall exports under HS Code 39211310 as available in customs and shipment data and confirmation of the company that it exports only under this HS Code

[48] Basis shared MOU's and agreements signed by Sarva Foam Industries Limited with certain mattress manufacturers

- Rebonded carpet underlays which are continuous rolls for carpet, sports & acoustic flooring

The Rebonded PU Foam manufactured by the Company is a dense and durable material made by recycling discarded PU foam trims and offcuts. The Company's manufacturing process involves upcycling post-industrial PU foam trims and binders, which helps promote resource efficiency by keeping materials in productive use for longer and maximizes material recovery from manufacturing processes.

The company also plans to transition from a domestic rebonded foam producer into an international carpet underlay and foam materials supplier with existing exports to UK, Ireland, Australia and Qatar. The company also plans to set up manufacturing facilities in UK.

Threats and Challenges:

**1. Dependence on Third-Party Trims**

SFIL operates as a standalone rebonded foam player. It does not generate PU foam trims captively and sources its primary raw material from mattress, furniture and foam-converting manufacturers. Several of the manufacturers that generate trims are also purchasers of the Company's finished products. The volume or cost of trims available to the Company could be adversely affected if mattress and furniture production slows, thus, reducing trims generation.

**2. Volatility in Binder and Chemical Input Costs**

Rebonded foam production uses polyurethane binders derived from petrochemical feedstocks, principally isocyanates (Toluene Diisocyanate or TDI and Methylene Diphenyl Diisocyanate or MDI) and polyols. Prices are volatile depending on crude oil and natural gas prices. Supply disruptions such as the current scenario in the Middle East may lead to substantial increase in prices.

Where the Company is unable to pass through such increases to customers in a timely manner, its margins may come under pressure.

**3. Concentration in the Mattress End-Market**

Mattresses account for a substantial demand for rebonded PU foam demand in India with SFIL being a preferred or strategic supplier to some of the leading Indian mattress manufacturers. While this is a competitive strength, it also exposes the Company to demand cycles in the mattress and home-furnishing sector and loss of volumes if a major customer changes its sourcing strategy or product specifications.

**4. Export Concentration, Freight Costs and Geopolitical Disruption**

The United Kingdom was the largest destination for Indian exports under HS Code 39211310 in FY 2026, accounting for approximate 41% of exports, followed by the USA (22%) and Australia (12%).[49] As one of the largest exporters in this category, SFIL is directly exposed to conditions on the India–Europe and India–Australia shipping routes. Rebonded foam and carpet underlay rolls have low value relative to their volume, so freight constitutes a significant share of landed cost. Shipping conditions have deteriorated significantly during 2026 owing to the closure and restriction on normal commercial traffic around the Strait of Hormuz. Longer transit times also increase the working capital locked in goods-in-transit and overseas inventory.

**5. Foreign Exchange Volatility**

SFIL earns export revenue in foreign currencies such as GBP and AUD while also procuring binders priced in US Dollars and is therefore exposed to currency movements on both sides. The Indian rupee fell to a record low of 96.84[50] against the US dollar in May 2026, amid elevated crude oil prices, a stronger US dollar and geopolitical tensions in West Asia. A weaker rupee raises imported input costs immediately, whereas the benefit on export realisations depends on the movement of GBP and AUD.

**6. Competitive Intensity in Overseas Markets**

[49] Directorate General of Foreign Trade; HS Code 39211310, as presented in the India Export Scenario section of this report
[50] https://www.rbi.org.in/scripts/referenceratearchive.aspx

Both of SFIL's key export markets are dominated by established local manufacturers:

- **United Kingdom:** The market is relatively consolidated, with integrated players such as Vita Group, Interfloor, Ball & Young and QA Flooring Solutions that possess local trims collection networks, established underlay brands and strong relationships with distributors and fitters.
- **Australia:** The market is shaped by a small number of integrated foam and underlay producers, and long domestic transport distances favour local production.

As an importer into these markets, SFIL competes against suppliers with shorter lead times and no exposure to ocean freight, who may respond on price as the Company's market share grows.

**Financial Indicators (Consolidated)**

| Particulars (INR Mn) | FY 2026 | FY 2025 | FY 2024 |
|---|---|---|---|
| Total Income | 2,087.79 | 1,751.46 | 1,326.11 |
| Revenue from Operations | 2,061.21 | 1,748.42 | 1,320.36 |
| Key Operating costs | 1,786.39 | 1,552.15 | 1,211.91 |
| EBITDA | 330.89 | 235.19 | 122.64 |
| EBITDA Margin (%) | 16.05% | 13.45% | 9.29% |
| Profits After Tax | 180.98 | 103.71 | 69.65 |
| PAT Margin (%) | 8.78% | 5.93% | 5.28% |
| Debt Equity Ratio (times) | 1.37 | 3.13 | 2.18 |
| Return on Equity (%) | 25.08% | 52.37% | 44.73% |
| Return on Capital Employed (%) | 17.64% | 24.33% | 23.07% |
| Interest Coverage Ratio (times) | 4.69 | 4.28 | 3.93 |
| Return on Assets (%) | 8.12% | 9.23% | 11.18% |

# OUR BUSINESS

*Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to our Company. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with "**Risk Factors**", "**Industry Overview**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 25, 169, 292, and 368, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole.*

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 19 for a discussion of the risks and uncertainties related to those statements. You should also read "**Risk Factors**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 25, 292,and 368, respectively, 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, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 292.*

*We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Indian Rebonded Polyurethane Foam Market" dated September 29, 2026 ("**D&B Report**"), prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B**"), which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by D&B, who were appointed by us pursuant to the engagement letter dated August 5, 2026. D&B is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and neither our Company, nor our Directors, Promoters, KMPs, SMPs, nor the BRLMs are a related party to D&B as per the definition of "related party" under the Companies Act, 2013. The data included herein includes excerpts from the D&B Report which may have been ordered by us for the purposes of presentation. Further, the D&B Report was prepared on the basis of information as of specific dates and opinions in the D&B Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. D&B has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. A copy of the Industry Report will be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. Further, the D&B Report is not a recommendation to invest or disinvest in any company covered in the D&B Report. Prospective investors are advised not to unduly rely on the D&B Report. For more information and risks in relation to commissioned reports. For more information and risks in relation to commissioned reports, please see "**Risk Factors - Industry information included in the Offer Documents has been derived from the D&B Report, which was prepared by Dun & Bradstreet Information Services India Private Limited and exclusively commissioned and paid for by our Company for the purposes of the Offer, and any reliance on information from the D&B Report for making an investment decision in the Offer is subject to inherent risks**" on page 63. Also see, "**Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data**" on page 21.*

## OVERVIEW

We are a specialized manufacturer and trader of rebonded polyurethane (PU) foam, operating a circular-economy business model that converts PU foam trims and off-cuts into value-added rebonded foam products. We are the largest rebonded Polyurethane (PU) Foam player in India (with an estimated market share of around 33% (FY 2026) and also the largest exporter of rebonded PU foam products in India. *(Source: D&B Report)* We operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring. We have during the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 supplied our rebonded foam products to brands such as Duroflex Limited, Sheela Foam Limited, Infinity Flooring, Repose Mattress Private Limited, Restin Industries and Shrikrishna Enterprises.

PU foam is a lightweight and flexible cushioning material widely used in mattresses, furniture and other similar products *(Source: D&B Report)*. Rebonded PU foam is made by upcycling PU offcuts and trims into finished products such as rebonded foam blocks, sheets and carpet underlays with the help of binders, which acts as an adhesive for this process *(Source: D&B Report)*. PU Binder is a polyurethane-based chemical binding agent used in the manufacture of rebonded foam *(Source: D&B Report)*.

We operate out of our four (4) existing strategically located Manufacturing Facilities with one unit in Northern India at Dadri, Uttar Pradesh, one unit in Western India at Silvassa, Dadra & Nagar Haveli and two units in Southern India at Krishnagiri, Tamil Nadu. Our aggregate manufacturing capacity as of March 31, 2026 is 15,500 MTPA, for details of the installed capacity, actual production and capacity utilisation of our manufacturing facilities as of March 31, 2026, March 31, 2025 and March 31, 2024, see "***Our Business - Capacity and capacity utilisation***" on page 238. Further, we plan to further expand our manufacturing capacities through the proceeds of the Fresh Issue, by financing the capital expenditure requirements of our Company to set up the Proposed Project at Bhopal, Madhya Pradesh.

We also operate through one foreign subsidiary, Sarva Global Ventures Ltd and one foreign step down subsidiary, Sarva Foam UK Ltd which are both incorporated under the Companies Act, 2006 (England and Wales). Through Sarva Foam UK Limited we undertake trading of Rebonded Carpet Underlay accessories.

In addition to our in-house manufacturing operations, we are also involved in trading of (i) raw materials used in our manufacturing process such as different grades of foam binders, foam trims, Rebonded Carpet Underlay accessories; and (ii) finished products such as Rebonded Foam Blocks and Rebonded Foam Sheets to our customers. The revenue bifurcation between our manufacturing and trading activities is set forth below:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations |
| Revenue from manufacturing activity | 1,379.48 | 66.93% | 766.23 | 43.82% | 662.24 | 50.16% |
| Revenue from trading activity | 672.43 | 32.62% | 982.16 | 56.17% | 658.12 | 49.84% |
| Export Benefits | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

Our product offerings adhere to quality standards and specifications as specified by the customers, and we believe that maintaining these high standards along with timely delivery has been instrumental in sustaining long-term relationship with our customers which is reflected in the repeat orders received from our customers. We have a consistent record of customer retention, with several long-standing relationships where we have consistently delivered our products to key clients over many years. Set out below is the breakup of our revenue from operations during Fiscal 2026, Fiscal 2025 and Fiscal 2024:

*(₹ in million)*

| Company's operation | Fiscal 2026 | % of Total Revenue | Fiscal 2025 | % of Total Revenue | Fiscal 2024 | % of Total Revenue |
|---|---|---|---|---|---|---|
| ***Revenue generated from Manufacturing:*** | | | | | | |
| Rebonded Foam Sheets | 810.33 | 39.31% | 680.44 | 38.92% | 610.29 | 46.22% |
| Rebonded Carpet Underlays | 488.57 | 23.70% | - | - | - | - |

| Company's operation | Fiscal 2026 | % of Total Revenue | Fiscal 2025 | % of Total Revenue | Fiscal 2024 | % of Total Revenue |
|---|---|---|---|---|---|---|
| Rebonded Foam Blocks | 22.38 | 1.09% | 30.00 | 1.72% | 12.90 | 0.98% |
| Sale of Scrap and By-Product | 55.10 | 2.67% | 51.60 | 2.95% | 35.36 | 2.68% |
| Others* | 3.10 | 0.15% | 4.19 | 0.24% | 3.69 | 0.28% |
| **Total of Manufacturing Revenue (A)** | **1,379.48** | **66.93%** | **766.23** | **43.82%** | **662.24** | **50.16%** |
| ***Revenue generated from Trading:*** | | | | | | |
| Rebonded foam sheets | 152.77 | 7.41% | 505.23 | 28.90% | 319.87 | 24.23% |
| Rebonded Carpet underlays Accessories | 218.31 | 10.59% | - | 0.00% | - | 0.00% |
| Foam Trims | 241.09 | 11.70% | 268.67 | 15.37% | 241.05 | 18.26% |
| Foam Binders | 56.37 | 2.73% | 183.99 | 10.52% | 96.46 | 7.31% |
| Rebonded Foam Blocks | 3.89 | 0.19% | 24.27 | 1.39% | - | - |
| Others | - | - | - | - | 0.75 | 0.06% |
| **Total of Trading Revenue (B)** | **672.43** | **32.62%** | **982.16** | **56.17%** | **658.13** | **49.84%** |
| Export Benefits (C) | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total (A+B+C)** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

**it primarily constitutes of freight reimbursements.*

We produce specialised foam grades such as memory foam, high resilience ("**HR**") rebonded foam and fire-retardant foam. Our Rebonded Foam Sheets offering are of varying densities in the range of 60 kg/$m^3$ to120 kg/$m^3$. Further, our Rebonded Carpet Underlays are available in varying thickness in the range of 3.5 mm to 11 mm. We have also developed in-house capabilities to deliver customised products based on the requirements of our customers.

In India, we supply our products directly to our customers. From Fiscal 2026, we started supply our products to countries such as United Kingdom, Australia, Qatar and Ireland. Outside India, we supply our products in United Kingdom predominantly through sales agents, whereas in other countries such as Qatar, Australia, and Ireland, our products are supplied directly to our customers. Further, we also participate in trade shows and expositions to market our products in the international markets.

Set out below is our revenue from operations outside India and our revenue from operations within India:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations |
| Revenue from operations from within India | 1,336.56 | 64.84% | 1,747.29 | 99.94% | 1,320.36 | 100.00% |
| Revenue from operations from outside India | 715.35 | 34.71% | 1.10 | 0.06% | - | - |
| Export benefits | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

We are aided in our growth by our qualified senior management team, comprising seasoned professionals with significant industry experience. Our Chairman and Managing Director, Kunal Giani, has over 15 years of experience in the foam industry. We believe that the quality and combined expertise of our senior management team, along with the presence of a dedicated employee base of 101 permanent employees as of August 31, 2026, has been instrumental in our Company being able to maintain its position in India and improve our presence abroad. For further details, see '*Our Management - Brief Profile of our Directors'* on page 91.

Set out below are some of our operational and financial metrics on a consolidated basis:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| ***GAAP Measures*** | | | |
| Revenue from operations (₹ in million) [1] | 2,061.21 | 1,748.42 | 1,320.36 |
| Profit before Tax (₹ in million) [2] | 242.86 | 153.33 | 86.63 |
| Profit After Tax (₹ in million) [3] | 176.53 | 103.55 | 69.02 |
| Net Worth (₹ in million) [4] | 710.85 | 189.61 | 152.52 |
| ***Non-GAAP Measures*** | | | |

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Growth in Revenue from Operations (%) [5] | 17.89% | 32.42% | NA |
| Profit After Tax Margin (%) [6] | 8.56% | 5.92% | 5.23% |
| EBITDA (₹ in million) [7] | 330.89 | 235.19 | 122.64 |
| EBITDA Margin (%) [8] | 16.05% | 13.45% | 9.29% |
| EBIT (₹ in million) [9] | 274.82 | 196.18 | 108.45 |
| EBIT Margin (%) [10] | 13.33% | 11.22% | 8.21% |
| RoE (%) [11] | 39.21% | 60.53% | 58.65% |
| RoCE (%) [12] | 22.17% | 30.37% | 30.86% |
| Debt to Equity Ratio [13] | 1.39 | 3.27 | 2.22 |
| Operating Cash Flows (₹ in million) [14] | 154.12 | 17.77 | 32.05 |
| ***Operational Metrics*** | | | |
| Installed Capacity (in MTPA) [15] | 15,500.00 | 11,433.00 | 7,650.00 |
| Utilized Capacity (in MTPA) [16] | 12,563.66 | 8,324.24 | 6,815.00 |
| Utilized Capacity (in %) [17] | 81.06% | 72.81% | 89.08% |
| Number of Employees [18] | 101.00 | 64.00 | 61.00 |
| Sales Volume (MTPA) [19] | 12,636.00 | 8,338.00 | 6,748.00 |
| Number of Customer [20] | 102.00 | 51.00 | 56.00 |
| Number of Manufacturing Units [21] | 4.00 | 5.00 | 3.00 |
| Total Manufacturing Area [22] | 29,807.99 | 29,807.99 | 11,908.70 |

***Notes:***

*(1) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.*

*(2) Profit Before Tax means profit/(loss) before tax as appearing in the Restated Financial Information including profit / (loss) from discontinued operation and exceptional items.*

*(3) Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information*

*(4) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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.*

*(5) Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant year minus Revenue from Operations of the preceding year, divided by revenue from operations of the preceding year.*

*(6) Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by Revenue from Operations.*

*(7) EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.*

*(8) EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.*

*(9) EBIT is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability).*

*(10) EBIT Margin (%) is computed as EBIT divided by revenue from operations.*

*(11) Return on Equity (RoE) refers to the profit for the year/period attributable to equity shareholders of our Company divided by Average Equity attributable to owners of the parent company as at beginning and end of the relevant year/period.*

*(12) Return on Capital Employed (ROCE): Calculated as Earnings before Interest and Tax (EBIT) divided by Average of opening and closing Capital Employed where Capital Employed equals Total Equity + Current/Non-Current Term Borrowings including lease liability + Deferred Tax (Asset)/ Liability - Intangible Assets (including Intangible Assets under Development).*

*(13) Debt-equity ratio calculated as total debt (current and non-current borrowings) divided by total Equity excluding NCI.*

*(14) Net Cash Generated from Operating Activities refers to the net amount of cash inflows and outflows arising from the principal revenue-generating activities of a company during a specified period.*

*(15) Installed Capacity indicates the aggregate production capacity of the Company's manufacturing facilities and provides an indication of the scale of the Company's manufacturing operations.*

*(16) Utilised Capacity indicates the actual quantity of products manufactured by the Company during the relevant Fiscal.*

*(17) Utilised Capacity (%) indicates the proportion of the Company's installed production capacity that was utilised during the relevant Fiscal.*

*(18) Number of Employees indicates the size of the Company's permanent workforce as at the end of the relevant Fiscal.*

*(19) Sales Volume indicates the aggregate quantity of products sold by the Company during the relevant Fiscal, expressed in MTPA.*

*(20) Number of Customers indicates the number of unique customers to whom the Company has made sales during the relevant Fiscal.*

*(21) Number of Manufacturing Units indicates the total number of manufacturing facilities operated by the Company as at the relevant date.*

*(22) Total Manufacturing Area indicates the aggregate area utilised for manufacturing operations at the Company's manufacturing facilities.*

## OUR STRENGTHS

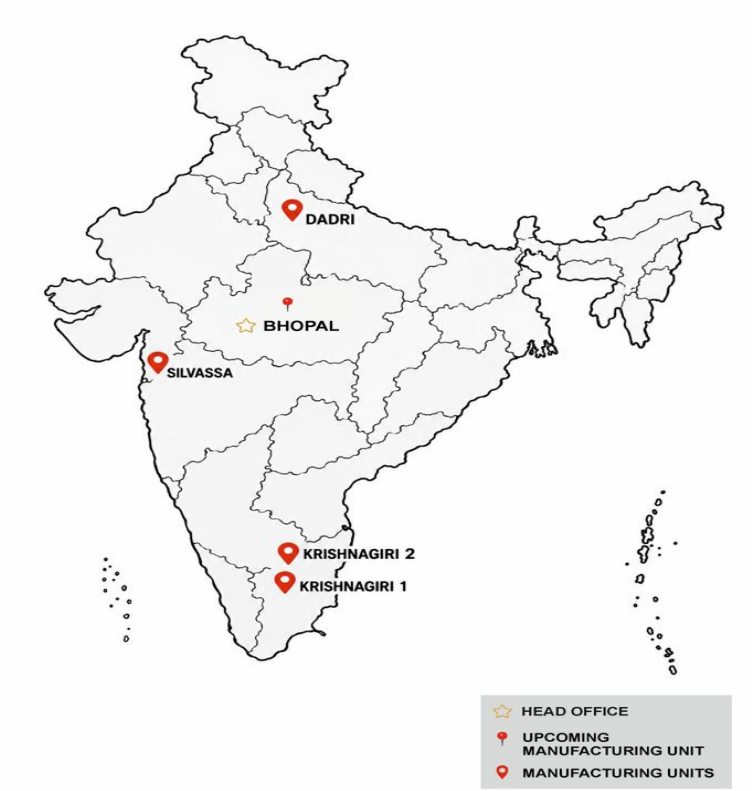
### *Dominant rebonded polyurethane foam manufacturer in India with strategically located Manufacturing Facilities*

We are the largest rebonded Polyurethane (PU) Foam player in India (with an estimated market share of around 33% (FY 2026) and also the largest exporter of rebonded PU foam products in India *(Source: D&B Report)*. We are supported by our four (4) strategically located Manufacturing Facilities, with one manufacturing unit situated

at Dadri, Uttar Pradesh, which helps us cater to our customers situated in Northern and Eastern India; one manufacturing unit situated at Silvassa, Dadra and Nagar Haveli, which helps us cater to our customers situated in Western India; and two manufacturing units situated at Krishnagiri, Tamil Nadu which helps us cater to our customers situated in Southern India. Further, we plan to further expand our manufacturing capacities through the proceeds of the Fresh Issue, by financing the capital expenditure requirements of our Company to set up the Proposed Project at Bhopal, Madhya Pradesh.

Furthermore, the facility's proximity to key transportation infrastructure, including ports. Our Manufacturing Facilities at Silvassa, Dadra and Nagar Haveli and at Krishnagiri, Tamil Nadu are in close proximity of ports, ensuring seamless logistics supplies and helps us for smooth operations and reduced lead times.

The locations of our Manufacturing Facilities and the Proposed Project are set forth below:




Our Manufacturing Facilities are located at proximity to some of our large customers such as Duroflex Limited and Sheela Foam Limited. We believe, this helps us serve our customers in a timely and cost-efficient manner as our products are bulky and incur significant transportation costs. Our locational advantage is furthered by our ability to source our raw material directly from domestic manufacturers and international suppliers. This direct procurement eliminates middlemen, ensuring cost efficiency and quality control. Thus, the strategic location of our Manufacturing Facilities, strengthen our competitive edge, ensuring timely and efficient delivery of high-quality products.

Rebonded PU Foam manufactured by us is dense and durable. We use PU foam trims, off-cuts and upcycle them into finished products for our customers. We primarily use various grades of binders for this process. All our Manufacturing Units have obtained ISO 9001:2015 (Quality Management System) for manufacturing of rebonded foam and carpet underlay and our Silvassa Unit has also obtained ISO 14001:2015 (Environmental Management System) for manufacturing of rebonded foam and carpet underlay.

As of March 31, 2026, we have a combined manufacturing capacity of 15,500 MTPA across our four (4) existing Manufacturing Facilities, for further details, regarding our manufacturing capacities, including production capacity and capacity utilization for the Fiscals 2026, 2025 and 2024, please see "***Our Business - Capacity and capacity utilisation***" on page 238. We believe our scale of operations helps us procure our raw materials such as PU foam trims, off-cuts and various grades of binders from our suppliers at more favourable terms and costs

compared to our competitors, further, this scale of operations helps us achieve economies of scale which leads to lower overhead costs.

***Longstanding relationships with our customers along with a growing customer base***

Our products such as Rebonded Foam Blocks and Rebonded Foam Sheets are supplied directly to our customers in India. During the Fiscal 2026, we started supply of our products to countries such as United Kingdom, Australia, Qatar and Ireland. Outside India, we supply our products in United Kingdom predominantly through sales agents, whereas in other, countries such as Qatar, Australia, and Ireland, our products are supplied directly to our customers. Our products are sold to a diverse range of end customers, including companies, in end-use industries such as mattresses, furniture, flooring and automotive and industrial sectors. We have built longstanding relationships with many of these customers, reflecting our ability to meet the diverse needs across various sectors. As of March 31, 2026, we have sold our products to 102 customers, from 51 customers as of March 31, 2025, and 56 customers as of March 31, 2024.

Our company is a preferred supplier partner to one of the leading mattress brands in India and is also a strategic supply partner to other major mattress manufacturers in India *(Source: D&B Report)*. We have also entered into certain supply arrangements with some of the leading mattress manufacturers of the country for the supply of our rebonded foam products. This positioning helps us with demand visibility and strengthening customer relationships.

We believe that our ability to ensure quality control, along with our capability to provide customized solutions, enables us to supply our products to customers in line with their requirements, thereby fostering long standing customer relationships. Our long-standing customer relationships portray our commitment to quality, as well as our manufacturing capabilities. We believe that these long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

Over the years we have also increased our customer base which has helped us reduce our customer concentration. These additions in our customer base helps us mitigate the risks related to a high customer concentration. For instance, our customer concentration of our top 10 customers as a percentage of our revenue from operations has reduced from 95.06% in Fiscal 2024 to 81.00% in Fiscal 2026. Further, our customer concertation from our top 3 customers as a percentage of our revenue from operations has reduced from 63.83 % in Fiscal 2024 to 45.61 % in Fiscal 2026. The details of our new customer additions are set forth below:

| Particulars | Financial year ended March 31, 2026 | Financial year ended March 31, 2025 | Financial year ended March 31, 2024 |
|---|---|---|---|
| New customers added* | 73 | 24 | 14 |
| Revenue from new customers (in ₹ million) | 876.30 | 328.51 | 5.90 |
| As a % of revenue from operations | 42.51% | 18.79% | 0.45% |

**new customers refers to customers who have transacted with our company during the current fiscal year but had no transactions with the company during the immediately preceding fiscal year*.

***Well established distribution network with presence across various geographies***

Our sales are predominantly generated on a business-to-business sales model. We have established an expansive sales network in India and in the last three Fiscals we have sold our products in 19 states and union territories across India and 5 countries outside India. This domestic presence across regional geographies helps us mitigate the risk of being dependent on limited regional markets in India.

We are also expanding our reach to customers outside India. During the Fiscal 2026, we started supplying our products to countries such as United Kingdom, Australia, Qatar and Ireland. Outside India, we supply our products in United Kingdom predominantly through sales agents, whereas in other, countries such as Qatar, Australia, and Ireland, our products are supplied directly to our customers. As of August 31, 2026, we also employ 4 employees in our sales and marketing team.

Set forth below are our geography wise revenue bifurcation:

*(₹ in million)*

| Particulars | Fiscal 2026 | % of Total Revenue | Fiscal 2025 | % of Total Revenue | Fiscal 2024 | % of Total Revenue |
|---|---|---|---|---|---|---|
| Madhya Pradesh | 507.39 | 24.62% | 681.42 | 38.97% | 351.73 | 26.64% |
| Tamil Nadu | 329.05 | 15.96% | 279.45 | 15.98% | 240.52 | 18.22% |
| Uttar Pradesh | 186.77 | 9.06% | 268.99 | 15.38% | 145.45 | 11.02% |
| Gujarat | 120.31 | 5.84% | 156.00 | 8.92% | 141.35 | 10.71% |
| Odisha | 33.43 | 1.62% | 78.62 | 4.50% | 78.24 | 5.93% |
| Maharashtra | 32.96 | 1.60% | 15.56 | 0.89% | 52.90 | 4.01% |
| Telangana | 32.11 | 1.56% | 101.56 | 5.81% | 118.33 | 8.96% |
| Karnataka | 25.46 | 1.24% | 79.75 | 4.56% | 90.16 | 6.83% |
| Himachal Pradesh | 23.64 | 1.15% | 69.18 | 3.96% | 76.81 | 5.82% |
| Other States* | 45.44 | 2.20% | 16.77 | 0.96% | 24.87 | 1.88% |
| **Total Revenue from India (A)** | **1,336.56** | **64.84%** | **1,747.30** | **99.94%** | **1,320.36** | **100.00%** |
| Australia | 109.82 | 5.33% | - | - | - | - |
| United Kingdom | 604.15 | 29.31% | - | - | - | - |
| Other Countries** | 1.38 | 0.07% | 1.09 | 0.06% | - | - |
| **Total Revenue from Outside India (B)** | **715.35** | **34.71%** | **1.09** | **0.06%** | **-** | **-** |
| Export Incentive (C) | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total Revenue from Operations (A+B+C)** | **2,061.21** | **100.00%** | **1,748.42** | **100.00%** | **1,320.36** | **100.00%** |

**Other states include Andhra Pradesh, Assam, Chhattisgarh, Dadra & Nagar Haveli, Delhi, Haryana, Kerala, Punjab, Rajasthan and West Bengal.*
***Other countries include Ireland, Kenya and Qatar.*

We also operate one foreign subsidiary, Sarva Global Ventures Ltd and one foreign step-down subsidiary, Sarva Foam UK Ltd which are both incorporated under the Companies Act, 2006 (England and Wales). Through Sarva Foam UK Limited we undertake trading of Rebonded Carpet Underlay accessories.

Our current presence in international markets is supported by our sales, marketing, and business development activities and helps us provide insights into the economic, product requirements, and regulatory environments in these markets. Diversification of our customer base across the domestic and global markets has limited our exposure to a risk of concentration, enabling us to further diversify and expand our business relationships. We believe that our ability to diversify into new markets, with limited exposure to the risk of dependence on any specific market is a key strength in our business operations. These factors help us mitigate risks resulting from customer or geographic concentration.

***Experienced promoter and management team with domain expertise***

We are led by an experienced board of directors and management team. Our team is led by our promoter and founder, Managing Director, Kunal Giani who has over 15 years of experience in the foam industry. He is responsible for Company's overall business strategy, growth and expansion plans while overseeing the performance and smooth functioning of all business units along with the reviewing financial and business performance, including profitability, budgets, investments and major financial decisions, and providing strategic direction to senior management with clear accountability across departments. Vijay Pal Singh Parmar, who is our Whole-time Director, He has over 4 years of experience in the customer service and software sector and over 6 years of experience in the foam industry. Vishrut Joshi, who is our Executive Director, has over 8 years of experience in the finance industry. He is responsible for overall business and growth strategy for the biomass gasification and biochar production vertical, including identification of new project opportunities, business models, commercial structures and long-term expansion initiatives. Further, Chirag Sidana, who is our Executive Director has over 10 years of experience in the public healthcare and business sectors. He is responsible for overall business and growth strategy for the biomass gasification and biochar production vertical, including identification of new project opportunities, business models, commercial structures and long-term expansion initiatives.

Our senior management team includes (i) Deepak Vasvani who is our Chief Executive Officer has over 8 years of experience in the foam industry, he is responsible for the overall management and business operations of our Company; (ii) Payal Mishra who is our Chief Financial Officer has over 9 years of experience in the field of finance, she is responsible for managing financial planning and budgeting through preparation and monitoring of budgets, forecasts and financial plans, while ensuring accurate accounting, and ensuring timely statutory compliances and audits in our Company

Further, as of August 31, 2026, we had a workforce of 101 employees on a consolidated basis including 41 employees involved in production & manufacturing, 4 employees involved in sales and marketing and 5 employees in quality control. Also, we had 368 contract labourers as on March 31, 2026.

***Track record of growth in financial performance***

We believe that our record of growth, profitability, operational efficiency and customer retention are the inherent strengths of our Company. Our revenue from operations has grown at a CAGR of 24.94% from ₹1,320.36 million in Fiscal 2024 to ₹2,061.21 million in Fiscal 2026. Our EBITDA has grown at a CAGR of 64.25% from ₹122.64 million in Fiscal 2024 to ₹330.89 million in Fiscal 2026 with EBITDA Margin improved from 9.29% in Fiscal 2024 to 16.05% in Fiscal 2026 showcasing strong operating performance. Our Profit After Tax has grown at a CAGR of 59.92% from ₹69.02 million in Fiscal 2024 to ₹176.53 million in Fiscal 2026.

Summary of our financial performance is as follows:

| Particulars | Units | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|---|
| Revenue from operations[(1)] | (₹ in million) | 2,061.21 | 1,748.42 | 1,320.36 |
| EBITDA[(2)] | (₹ in million) | 330.89 | 235.19 | 122.64 |
| EBITDA margin [(3)] | (%) | 16.05% | 13.45% | 9.29% |
| PAT margin[(4)] | (%) | 8.56% | 5.92% | 5.23% |
| Profit After Tax[(5)] | (₹ in million) | 176.53 | 103.55 | 69.02 |
| Return on capital employed[(6)] | (%) | 22.17% | 30.37% | 30.86% |
| Return on equity[(7)] | (%) | 39.21% | 60.53% | 58.65% |
| Debt-equity ratio[(8)] | (Times) | 1.39 | 3.27 | 2.22 |

***Notes:***

*(1) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.*

*(2) EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.*

*(3) EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.*

*(4) Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by Revenue from Operations.*

*(5) Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information.*

*(6) Return on Capital Employed (ROCE): Calculated as Earnings before Interest and Tax (EBIT) divided by Average of opening and closing Capital Employed where Capital Employed equals Total Equity + Current/Non-Current Term Borrowings including lease liability + Deferred Tax (Asset)/ Liability - Intangible Assets (including Intangible Assets under Development).*

*(7) Return on Equity (RoE) refers to the profit for the year/period attributable to equity shareholders of our Company divided by Average Equity attributable to owners of the parent company as at beginning and end of the relevant year/period.*

*(8) Debt-equity ratio calculated as total debt (current and non-current borrowings) divided by total Equity excluding NCI.*

For further details on our financial performance, please see *"**Management's Discussion and Analysis of Financial Conditions and Results of Operations**"* on page 368.

**OUR STRATEGIES**

***Expanding our manufacturing capacity and domestic presence***

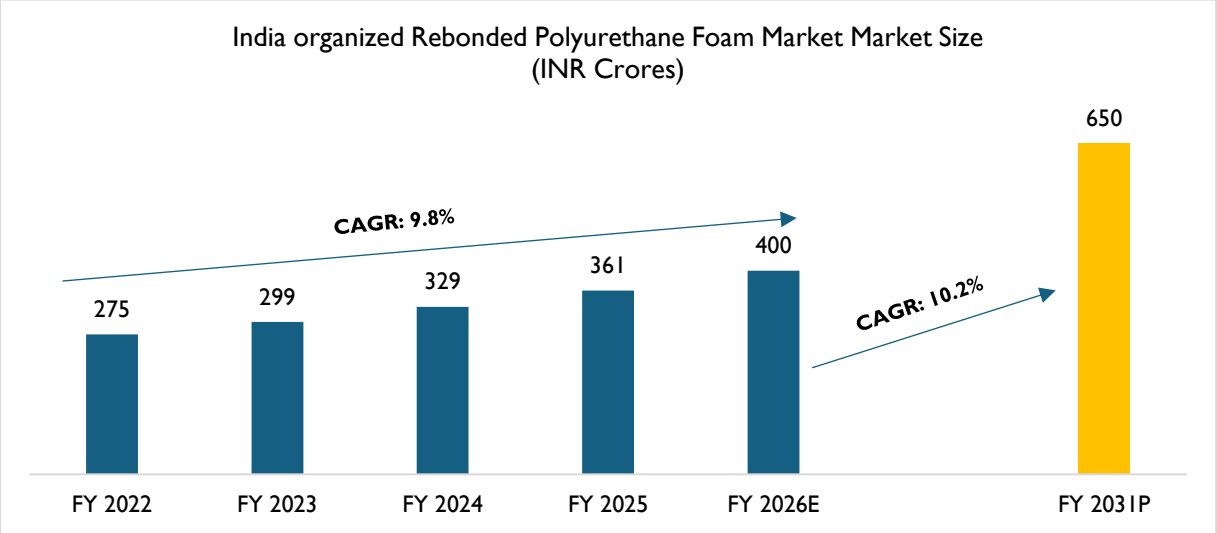
We offer a wide range of products in the product segments of (i) Rebonded Foam Sheets; (ii) Rebonded Foam Blocks and (iii) Rebonded Carpet Underlays. We intend to expand our domestic presence by widening our manufacturing footprint beyond our current base, targeting high-growth regions in India especially where demand for our products is rising. We intend to do so by expanding our business in regions such as Madhya Pradesh, Chhattisgarh, Rajasthan, Odissa, Gujarat, Maharashtra and Uttar Pradesh.

We operate out of our four (4) existing manufacturing units. As of March 31, 2026, we have a combined manufacturing capacity of 15,500 MTPA across our four (4) existing manufacturing units, for further details, regarding our manufacturing capacities, including production capacity and capacity utilization for the Fiscals 2026, 2025 and 2024, please see "***Our Business - Capacity and capacity utilisation***" on page 238. We propose to set up a new manufacturing unit in Bhopal, Madhya Pradesh. This Proposed Project will have a approximate manufacturing capacity of 9,000 MTPA, for further details, please see ***"Objects of the Offer"*** on page 117.

The Indian rebonded Polyurethane foam market is witnessing steady growth, with the organized market estimated to have expanded from approximately INR 275 crores in FY2022 to around INR 400 crores in FY2026E, reflecting a CAGR of around 9.8%. This strong growth trajectory is driven by growing foam trips and offcuts generation

base, a sustained real estate completion pipeline and an organised mattress sector that simultaneously drives trim supply and end-use demand. *(Source: D&B Report)*

Going forward, the rebonded Polyurethane market in India is projected to increase to around INR 650 crores registering a CAGR of around 10.2% between FY 2026 and FY 2031. *(Source: D&B Report)*




*Source: Primary Research, D&B Estimates *E= Estimated, P= Projected*

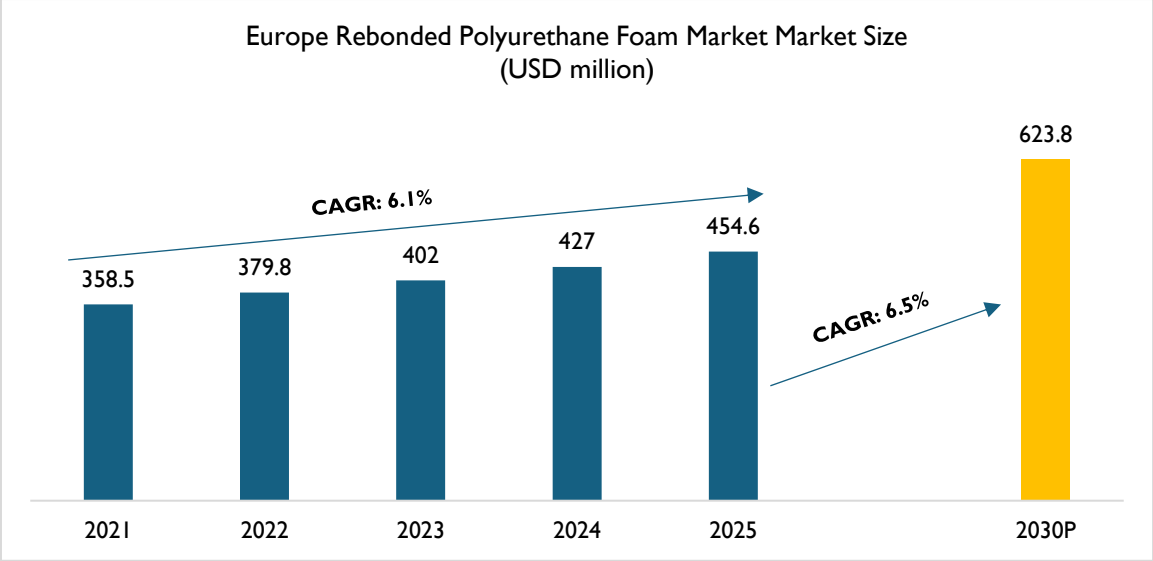
We intend to capitalise on this growth in the rebonded polyurethane market by expanding manufacturing capacity and our domestic presence.

***Expand our geographical reach***

Over the past years we have developed a sales network in India and we have also started our sales outside India. Our sales are predominantly generated on a business-to-business sales model. We have established a strong distribution network in India and in the last three Fiscals we have sold our products in 19 states and union territories across India. Further, we have started our sales outside India from the month of April, 2025, with 34.39% of our revenue from operations in Fiscal 2026 has been derived from outside India. We have supplied our products to countries such as United Kingdom, Australia, Qatar and Ireland. We aim to increase our presence across geographies such as Europe, Australia and the Middle East.

Europe is the world's most mature rebonded polyurethane (PU) foam market, driven by well-established collection and recycling systems, stringent landfill regulations, circular economy policies, and large downstream demand from carpet underlays, bedding, furniture, sports surfaces and automotive applications. The UK is one of the largest individual rebonded foam markets in Europe, particularly due to its developed carpet underlay industry apart from other end-user industries, where rebonded PU foam underlay has been a prominent product for decades *(Source: D&B Report).*

Going forward, the rebonded Polyurethane market in Europe is projected to increase to around USD 624 million registering a CAGR of around 6.5% between CY 2025 and CY 2030 portraying a sustained growth *(Source: D&B Report).*

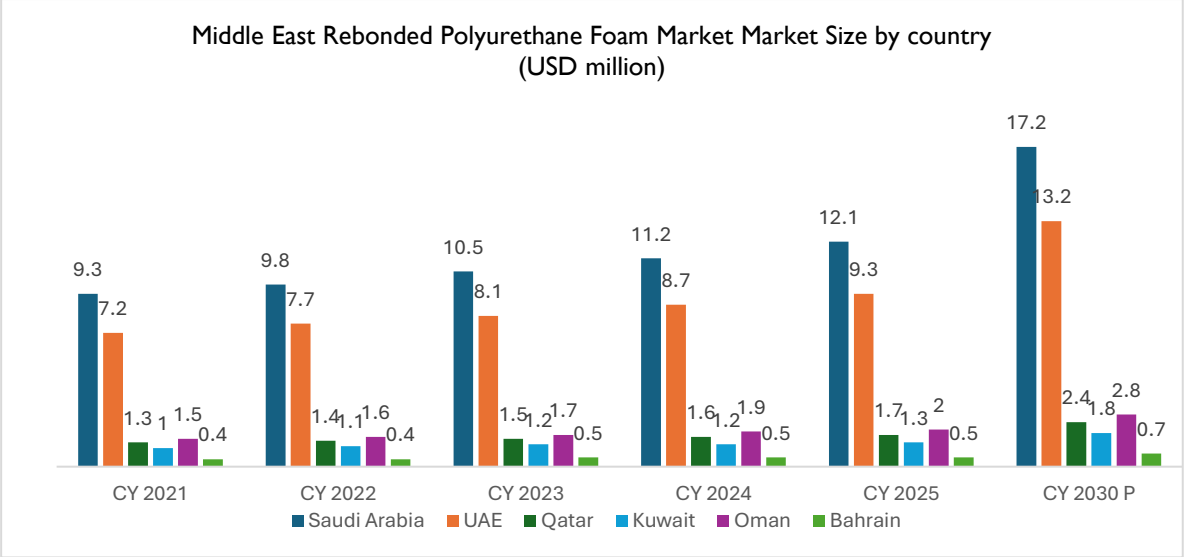



*Source: Primary Research, D&B Estimates * P= Projected*

To capture on this growth and in line with our approach to improve our geographical reach, especially in regions such as Europe we plan to setup a new manufacturing facility in Scotland. We, through our wholly owned subsidiary Sarva Global Ventures Ltd have entered a memorandum of understanding with J&D Wilkie Limited ("**Wilkie**") dated September 17, 2026 ("**MoU**") for a proposed joint venture for setting up a PU carpet underlay factory in Dundee, Scotland. Under this MoU, Wilkie responsibilities include; make available the site for the factory along with local support for compliance with Scottish and UK laws. Whereas our Company's responsibilities include; provide technical assistance, manufacturing process know-how and technical expertise relevant to the business, arrange and/or supply the machinery and equipment required for the factory, provide support in relation to raw material sourcing and supply chain arrangements for the business. We believe this will help us build a local manufacturing presence and supply chain in the Europe and help us mitigate risks such as geopolitical uncertainties, supply chain bottlenecks and high transportation costs thereby driving greater operational efficiency and cost optimization in markets outside India.

The Australian market is estimated to have a prominent share in the Asia-Pacific rebonded Polyurethane foam industry. The market is estimated to have grown from around USD 84 million in CY 2021 to around USD 110 million in CY 2025, reflecting a CAGR of around 7%. This stable growth trajectory is driven by demand from end-user sectors, especially increasing usage of rebonded PU foam in carpet underlays. Going forward, the rebonded Polyurethane market in Australia is projected to increase to around USD 158 million registering a CAGR of around 7.4% between CY 2025 and CY 2030 portraying a sustained growth. *(Source: D&B Report).*

The Middle East market is estimated to have grown from around USD 21 million in CY 2021 to around USD 27 million in CY 2025, reflecting a CAGR of around 6.8%. Going forward, the rebonded Polyurethane market in the GCC region is projected to increase to around USD 38 million registering a CAGR of around 7.2% between CY 2025 and CY 2030.




*Source: Primary Research, D&B Estimates * P= Projected*

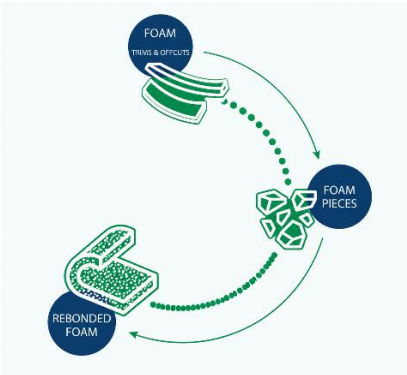
We intend to capitalise on this growth in the European, Australian and Middle East markets and expand our geographical reach. We also propose to set up a new manufacturing unit in Bhopal, Madhya Pradesh, for further details, please see ***"Objects of the Offer"*** on page 117. This manufacturing unit shall also have a capacity for production of Rebonded Carpet Underlays which will further help us improve our presence in the international markets.

***Capture growth opportunities in sustainability and the circular economy***

As environmental regulations tighten, we believe that the demand for recycled products, such as ours will increase. We believe we are well equipped to and intend to further capitalize on this growth owing to our continued contribution to the circular economy, where in many of our customers are also our suppliers. Our manufacturing process involves upcycling of foam trims, off-cuts, which helps promote resource efficiency by keeping materials in productive use for longer and maximizes material recovery from manufacturing processes.

From a sustainability perspective, rebonded PU foam represents one of the most practical examples of a circular economy in the polymer industry. Instead of sending foam trims to landfills or incineration, the material is recovered and reintroduced into the manufacturing cycle as a value-added product. This trims-to-resource approach reduces the consumption of virgin polyurethane raw materials and extends the useful life of polymer resources. *(Source: D&B Report)*.

The key sustainability attributes include (i) supports circular economy; (ii) reduces carbon emission and (iii) conserves resources. Overall, rebonded polyurethane foam is best understood as a material that performs a dual economic function: it is a foam trims-management mechanism for the PU foam industry and a cost-efficient, performance-adequate input for the mattress, furnishing, acoustic, and industrial end-use market *(Source: D&B Report)*.



We are also in the process of setting up a commercial biomass gasification and biochar production facility that will convert biomass feedstock, primarily corn ribs and cotton stalks into renewable producer gas for industrial thermal energy applications and biochar for further utilisation and long term carbon storage. Our Company has entered into a biomass supply agreement with a strategic supplier for the procurement of biomass for this facility. Our Company has entered into a collaboration agreement with a strategic partner for the issuance, delivery and sale of carbon credits of all carbon credits generated from this facility. Lastly, our Company has also entered into a memorandum of understanding with a strategic partner for biomass aggregation, sourcing, logistics, and supply chain management in connection with this facility.

The plant is designed to produce approximately 12.0 to 12.5 tonnes of biochar per day, based on an expected biochar yield of approximately 25% of biomass input. This translates to an output of approximately 0.5 tonne of biochar per hour and an illustrative annual production capacity of approximately 3,750 tonnes of biochar. In addition, the producer gas generated by the plant has a design calorific value of at least approximately 1,200 kcal/$Nm^3$, corresponding to approximately 4.2 million kcal per hour of gross chemical energy, prior to accounting for downstream processing and transfer losses.

***Diversify our product portfolio to capture higher wallet share***

Currently, we operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring.

Our Company proposes to develop a range of new, value-added finished products manufactured from Rebonded PU Foam and other engineered foam structures. These include acoustic and sound-absorption products such as acoustic wall, ceiling and industrial noise-control panels and acoustic flooring underlay. Products for sports, fitness and recreation such as gymnasium sub-floors and exercise mats. We believe that these value added products shall help us diversify our product portfolio and improve value realisation from our foam manufacturing operations.

***Continue to focus on improving operational efficiencies***

Our operational efficiencies have been established and refined over the years through an emphasis on economies of scale, leveraging our operating experience, cost rationalisation and our sales network. We intend to further leverage technology to effectively utilise our machinery and equipment through implementing several transformational initiatives. For instance, we have installed a new compression machine at our Silvassa Unit which helps us optimise the compression of our Rebonded Carpet Underlays. We believe this leads to lower transportation costs and improves our margin profile. Further, we have also recently set up an automatic packaging machine at our Silvassa Unit to achieve better operational efficiency.

We have also implemented a digital system for covering order management, pricing, production costing, inventory management, and financial reporting across its manufacturing units. These systems have enabled the Company to (i) maintain a unified, real-time view of orders across channels, with orders placed and tracked on a single platform accessible to sales, production and logistics teams, enabling real-time visibility and coordination across functions (ii) apply automated, effective-dated pricing and cost data, (iii) generate daily production cost and efficiency data across its manufacturing units.

We aim to continue to invest on such initiatives which will enable us to further improve our operational efficiencies.

**Business operations**

We operate under three product segments: (i) Rebonded Foam Sheets which are precision-cut sheets for mattresses, furniture and flooring; (ii) Rebonded Foam Blocks which are high-density engineered blocks for industrial conversion and (iii) Rebonded Carpet Underlays which are continuous rolls for carpet, sports & acoustic flooring. Further, we also derive certain revenue from trading activities.

***Rebonded Foam Sheets***

We manufacture various grades of commercial Rebonded Foam Sheets. These products are available in varying thickness, density and grade to suit different end-use requirements. We offer a wide range of products such as memory foam, high resilience ("HR") rebonded foam and fire-retardant foam. The details of their products in the Rebonded Foam Sheets segment are set forth below:

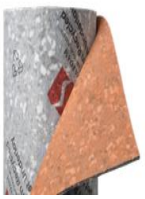
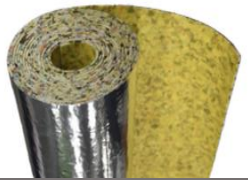
| Product type | Features | Image |
|---|---|---|
| **Rebonded foam – High resilience (HR)** | High resilience Rebonded Foam Sheets offering support, durability and recovery under repeated use |  |
| **Rebonded foam – Memory** | Rebonded Foam Sheets that conform to body contours, providing pressure-relieving comfort and support |  |
| **Rebonded foam – Fire-retardant** | Rebonded Foam Sheets providing enhanced flame resistance |  |
| **Rebonded foam – Regular** | Standard Rebonded Foam Sheets |  |

***Rebonded Foam Blocks***

We manufacture various grades of commercial Rebonded Foam Blocks. These products are available in varying thickness, density and grade to suit different end-use requirements.

***Rebonded Carpet Underlays***

We manufacture various grades of Rebonded Carpet Underlays with varying thickness, density and backings. The details of our products in the Rebonded Carpet Underlays segment are set forth below:

| Product type | Features | Image |
|---|---|---|
| **Footlove 8 (LO08) and Footlove 10 (LO10)** | • Thickness: 8 mm and 10 mm<br>• Density: medium<br>• Backing: double-sided non-woven<br>• Application: carpet flooring |  |
| **Footbliss 9 (BL09) and Footbliss 11 (BL11)** | • Thickness: 9 mm and 11 mm<br>• Density: high<br>• Backing: stitch crepe paper & non-woven<br>• Application: carpet flooring |  |
| **Footluxe 9 and Footluxe 11** | • Thickness: 9 mm and 11 mm<br>• Density: ultra-high<br>• Backing: stitch crepe paper & non-woven<br>• Application: carpet flooring |  |
| **Footboard 3.5** | • Thickness: 3.5 mm<br>• Density: ultra-high<br>• Backing: non-woven & silver foil<br>• Application: acoustic underlay for wood & laminate floors; suitable for underfloor heating (not electric mats) |  |
| **Opus 10 (Footopus 10)** | • Thickness: 10 mm<br>• Density: ultra-high<br>• Backing: stitched paper & non-woven<br>• Application: carpet flooring |  |
| **Footmate 8 and Footmate 10** | • Thickness: 8 mm and 10 mm<br>• Density: high<br>• Backing: non-woven both sides<br>• Application: carpet flooring |  |
| **Footwork 5.5 and Footwork 6.5** | • Thickness: 5.5 mm and 6.5 mm<br>• Density: extra-high<br>• Backing: PE film both sides<br>• Application: carpet flooring |  |

**Trading activities**

In addition to our in-house manufacturing operations, we are also involved in trading of (i) raw materials used in our manufacturing process such as different grades of foam binders, foam trims, Rebonded Carpet Underlay accessories; and (ii) finished products such as Rebonded Foam Blocks and Rebonded Foam Sheets to our customers.

The details of our revenue generated from our trading activities for the last three Fiscals are set forth below:

| Company's operation | Fiscal 2026 | % of Total Revenue | Fiscal 2025 | % of Total Revenue | Fiscal 2024 | % of Total Revenue |
|---|---|---|---|---|---|---|
| ***Revenue generated from Trading:*** | | | | | | |
| Rebonded Foam Sheets | 152.77 | 7.41% | 505.23 | 28.90% | 319.87 | 24.23% |
| Rebonded Carpet underlays Accessories | 218.31 | 10.59% | - | - | - | - |
| Foam Trims | 241.09 | 11.70% | 268.67 | 15.37% | 241.05 | 18.26% |
| Foam Binders | 56.37 | 2.73% | 183.99 | 10.52% | 96.46 | 7.31% |
| Rebonded foam Blocks | 3.89 | 0.19% | 24.27 | 1.39% | - | - |
| Others | - | - | - | - | 0.75 | 0.06% |
| **Total of Trading Revenue** | **672.43** | **32.62%** | **982.16** | **56.17%** | **658.13** | **49.84%** |

**Manufacturing process**

Our manufacturing process involves upcycling of PU foam trims and off-cuts into rebonded PU foam products using various grades of binders. These products are of the sizes and specifications required by our customers.

The manufacturing process described below is broadly common across all manufacturing units and is undertaken through two production lines i.e. a round line for the manufacturing of rebonded PU foam carpet underlay and a square line for the manufacture of rebonded PU foam blocks and sheets.

A pictorial representation of the key steps involved in our manufacturing process is set out below:

***[Remainder of the page has been intentionally left blank]***

# Manufacturing Process



**01 Procurement and receipt of raw materials**

Incoming materials are weighed, inspected and stored prior to use.



**02 Sorting and grading**

The foam trims/off cuts are sorted and graded according to grade, density density and colour so as to ensure consistency in the quality and characteristics of the finished product.



**03 Shredding / crumbing**

The sorted ttrims/off cuts are fed into shredding (crumbing) machines, which reduce them into small foam chips of uniform size suitable for the bonding process.



**04 Blending with binder**

The foam chips are conveyed to a mixing unit, where a metered quantity of polyurethane binder is applied and blended uniformly so that each chip is evenly coated. Colouring agents and additives are introduced at this stage where required.

## Round line

rebonded carpet underlay



On the round line, the chips are moulded into cylindrical logs for the manufacture of carpet underlays

**05 Moulding and steam bonding**

Steam is introduced under controlled pressure to activate and cure the binder, thereby bonding the foam chips together into a solid mass.

## Square line

rebonded blocks and sheets



On the square line, the chips are moulded into rectangular blocks for the manufacture of foam blocks and sheets



**06 Curing and demoulding**

The moulded logs and blocks are cured so as to allow the binder to set fully and to achieve desired physical properties, following which they are removed from the moulds.





Peeled into continuous sheets of the specified thickness



Laminated with a film / backing layer



Wound into rolls of rebonded PU foam carpet underlay

**07 Cutting and conversion**

The cured logs and blocks are converted into finished products.

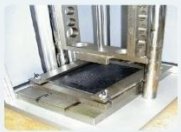


Cut on horizontal and vertical cutting machines



Sheets and blocks of the required dimensions





**08 Quality inspection and testing**

The finished products are inspected and tested for key parameters such as density, thickness, dimensions and durability, so as to ensure conformity with the applicable specifications and customer requirements.





**09 Packing and labelling**

Products conforming to the required specifications are packed and labelled in accordance with customer and order requirements.





**10 Storage and dispatch**

The packed finished goods are stored in the manufacturing unit and thereafter dispatched to our customers in the domestic and international markets.

A brief description of the key steps of our manufacturing process is set forth below:

1. **Procurement and receipt of raw materials:** The principal raw material used in our manufacturing process is polyurethane foam trims, being the offcuts and trimmings generated during the conversion of flexible polyurethane foam by the foam-converting, mattress, furniture and allied industries. Our Company also procures chemical binders (polyurethane-based adhesives) and, where required, colouring agents and additives. Incoming materials are weighed, inspected and stored prior to use.

2. **Sorting and grading:** The foam trims are sorted and graded according to grade, density and colour so as to ensure consistency in the quality and characteristics of the finished product. Any contaminants or non-conforming material are segregated and removed at this stage.

3. **Shredding / crumbing:** The sorted trims are fed into shredding (crumbing) machines, which reduce them into small foam chips of uniform size suitable for the bonding process.

4. **Blending with binder:** The foam chips are conveyed to a mixing unit, where a metered quantity of polyurethane binder is applied and blended uniformly so that each chip is evenly coated. Colouring agents and additives are introduced at this stage where required.

5. **Moulding and steam bonding:** The binder-coated foam chips are charged into moulds and compressed to the required density. Steam is introduced under controlled pressure to activate and cure the binder, thereby bonding the foam chips together into a solid mass. On the round line, the chips are moulded into cylindrical logs for the manufacture of rebonded carpet underlay, while on the square line, the chips are moulded into rectangular blocks for the manufacture of foam blocks and sheets.

6. **Curing and demoulding:** The moulded logs and blocks are cured so as to allow the binder to set fully and to achieve dimensional stability and the desired physical properties, following which they are removed from the moulds.

7. **Cutting and conversion:** The cured logs and blocks are converted into finished products as follows:

    - On the round line, the cylindrical logs are peeled / skived into continuous sheets of the specified thickness. The sheets are then laminated with a film / backing layer and wound into rolls of rebonded PU foam carpet underlay.
    - On the square line, the rectangular blocks are cut on horizontal and vertical cutting machines into sheets and blocks of the required dimensions.

8. **Quality inspection and testing:** The finished products are inspected and tested for key parameters such as density, thickness, dimensions and mechanical strength, so as to ensure conformity with the applicable specifications and customer requirements.

9. **Packing and labelling:** Products conforming to the required specifications are packed and labelled in accordance with customer and market requirements.

10. **Storage and dispatch:** The packed finished goods are stored in the warehouse and thereafter dispatched to our customers in the domestic and export markets.

***[Remainder of the page has been intentionally left blank]***

**Manufacturing Units**

We operate out of our four (4) existing strategically located manufacturing units with one unit in Northern India at Dadri, Uttar Pradesh, one unit in Western India at Silvassa, Dadra & Nagar Haveli and two units in Southern India at Krishnagiri, Tamil Nadu.

***Dadri Unit***

Our Dadri Unit is situated at Khasra No. 303, Nagla Kirani, Bishara Road, Dadri, Gautam Budh Nagar, Uttar Pradesh, PIN - 203207, and is spread across plots of land measuring an aggregate area of 5,030.00 square meters. This unit produces Rebonded Foam Blocks and Rebonded Foam Sheets.




***Silvassa Unit***

Our *Silvassa* Unit is situated at Survey No. 257, Umerkui Road, Saily, Silvassa, Dadra & Nagar Haveli and Daman & Diu, PIN - 396230 and is spread across plots of land measuring an aggregate area of 14,728.00 square meters. This unit produces Rebonded Foam Blocks, Rebonded Foam Sheets and Rebonded Carpet Underlays.



***Krishnagiri Unit - I***

Our Krishnagiri Unit - I is situated at Sy. No. 367/5. Thally Road, Belagondalpalli, Denkanikottai Tk - 635114, Tamil Nadu, India, and is spread across plots of land measuring an aggregate area of 6,373.81 square meters. This unit produces Rebonded Foam Blocks and Rebonded Foam Sheets.



***Krishnagiri Unit - II***

Our Krishnagiri Unit - II is situated at Shed A4, Survey No. 51, Anekollu Village, Denkanikottai Taluk, Krishnagiri District - 635113, Tamil Nadu, India, and is spread across plots of land measuring an aggregate area of 4,505.80 square meters This unit produces Rebonded Foam Blocks, Rebonded Foam Sheets and Rebonded Carpet Underlays.



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**Capacity and capacity utilisation**

The following table sets forth our segment-wise production capacity and the capacity utilization for the Fiscals 2026, 2025 and 2024:

The following tables sets forth the average capacity utilisation of the company's products for the specified periods based on the Manufacturing Unit:

| Manufacturing Unit | Unit of Measurement | As of, and for the period ended March 31, 2026 | | | As of, and for the period ended March 31, 2025 | | | As of, and for the period ended March 31, 2024 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Installed capacity[1] | Actual Production[1] | Utilisation (%)[2] | Installed capacity[1] | Actual Production[1] | Utilisation (%)[2] | Installed capacity[1] | Actual Production[1] | Utilisation (%)[2] |
| Silvassa Unit | MTPA | 5,000.00 | 4,175.86 | 83.52% | 500.00 | 129.33 | 25.87% | 750.00 | 593.00 | 79.07% |
| Krishnagiri Unit – I | MTPA | 3,100.00 | 3,059.55 | 98.70% | 3,100.00 | 2,845.78 | 91.80% | 3,100.00 | 2,808.00 | 90.58% |
| Krishnagiri Unit – II[3] | MTPA | 2,400.00 | 2,157.87 | 89.91% | 2,400.00 | 2,302.44 | 95.93% | 200.00 | 181.00 | 90.50% |
| Dadri Unit | MTPA | 5,000.00 | 3,170.38 | 63.41% | 3,333.33 | 1,721.72 | 51.65% | - | - | - |
| Hyderabad Unit[4] | MTPA | - | - | - | 2,100.00 | 1,325.14 | 63.10 | 3600.00 | 3233.00 | 90.00% |
| **Total** | | **15,500.00** | **12,563.66** | **81.06%** | **11,433.33** | **8324.24** | **72.81%** | **7650.00** | **6,815.00** | **89.08%** |

*MTPA- Metric tonne per annum*

*Note:*

*(1) The installed capacity and actual production of each Manufacturing Unit as of and for the Fiscals ended March 31, 2026, March 31, 2025 and March 31, 2024 have been computed on the basis of certain assumptions and estimates. The key assumptions and estimates considered are set out below:*

*(i) Working days: The installed capacity has been computed separately for each Manufacturing Unit, on the basis of the number of working days available at that unit in each Fiscal. A month has been considered as 30 calendar days, of which 24 days have been taken as working days after declared holidays and planned maintenance shutdowns. The working days for each Manufacturing Unit in a Fiscal have accordingly been computed as the number of months for which the unit was in operation in that Fiscal multiplied by 24 working days. In the case of a Manufacturing Unit that commenced or ceased commercial operations during a Fiscal, only the months for which the unit was operational have been considered. The number of working days considered for each Manufacturing Unit is as follows:*

- *Silvassa Unit – Fiscal 2026: 288 days (12 months); Fiscal 2025: 48 days (2 months); Fiscal 2024: 72 days (3 months)*
- *Krishnagiri Unit – I – Fiscal 2026: 288 days (12 months); Fiscal 2025: 288 days (12 months); Fiscal 2024: 288 days (12 months)*
- *Krishnagiri Unit – II – Fiscal 2026: 288 days (12 months); Fiscal 2025: 288 days (12 months); Fiscal 2024: 24 days (1 month)*
- *Dadri Unit – Fiscal 2026: 288 days (12 months); Fiscal 2025: 192 days (8 months); Fiscal 2024: Not applicable (not in operation)*
- *Hyderebad Unit - Fiscal 2026: Unit not operational ; Fiscal 2025: 168 days (7 months); Fiscal 2024: 288 days (12 months)*

*(ii) Machine speeds: The production capacity per shift of each Manufacturing Unit has been derived from the rated operating speeds of the principal production equipment installed at the unit, as identified from the manufacturers' specifications, machine nameplate data and physical verification at site. For each production line, the throughput of the rate-limiting (bottleneck) process has been taken as the effective throughput of the line, and the production capacity per shift has been computed accordingly.*

*(iii) Shift pattern: The installed capacity of each of the Manufacturing Units, namely the Silvassa Unit, Krishnagiri Unit – I, Krishnagiri Unit – II and the Dadri Unit, has been computed on the basis of three shifts per day, each shift being of eight hours, i.e. 24 operating hours per working day.*

*(iv) Basis of computation: Accordingly, the installed capacity of each Manufacturing Unit for a Fiscal has been computed as follows: Installed capacity (MT) = Effective throughput of the line (MT per hour) × Operating hours per shift × Number of shifts per day × Number of working days in the Fiscal*

*(2) Utilisation (%) – This has been calculated as the actual production/installed capacity*100*

*(3) As on the date of the certificate, the company has purchased machineries at the Krishnagiri Unit - II, the production from these machines has not commenced. After commencement of production from these machines, the expected installed capacity at the Krishnagiri Unit - II shall approximately increase from 2,400.00 MTPA to 6500.00 MTPA.*

*(4) The Company had wound up its operations at the Hyderabad facility since October 2024 onwards.*

***[Remainder of the page has been intentionally left blank]***

## Our Customers

We have a consistent track record of customer retention, with several long-standing relationships where we have consistently delivered our products to key clients over many years. As of March 31, 2026, we have sold our products to over 102 customers, from over 51 customers as of March 31, 2025, and over 56 customers as of March 31, 2024.

Our revenue from operations from our top 3 customers, top 5 customers and top 10 customers during the Fiscal 2026, Fiscal 2025 and Fiscal 2024 are set out below:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Revenue contribution (in ₹ million) | As a % of revenue from sale of products and service | Revenue contribution (in ₹ million) | As a % of revenue from sale of products and service | Revenue contribution (in ₹ million) | As a % of revenue from sale of products and service |
| Top 3 customers | 940.15 | 45.61% | 1,058.22 | 60.52% | 842.76 | 63.83% |
| Top 5 customers | 1,283.14 | 62.25% | 1,419.63 | 81.20% | 1,165.66 | 88.28% |
| Top 10 customers | 1,669.45 | 81.00% | 1,684.38 | 96.34% | 1,255.16 | 95.06% |

*Note: Our Top 10 customers for Fiscal 2026 include Sheela Foam Limited, Duroflex Limited, Infinity Flooring, Shrivaarna Technofoams Private Limited and Repose Mattress Private Limited. Names of our other top 10 customers for Fiscal 2026 have not been included in this Draft Red Herring Prospectus due to non-receipt of their consents.*

We have also catered to customers in countries such as United Kingdom, Australia, Qatar and Ireland.

## Key Equipment

| List of Machineries | No of units |
|---|---|
| Blower | 12 |
| Boiler | 6 |
| Burner | 1 |
| Chimney | 4 |
| Circular cutting machine | 6 |
| Air Compressor | 13 |
| Edge Trimming machine | 1 |
| Forklift ( Rental) | 5 |
| Lamination Machine | 7 |
| Log Moulding ( Foaming ) Machine | 4 |
| Log Peeling machine | 6 |
| Packing machine | 2 |
| RO System | 4 |
| Roll compression Machine | 2 |
| Scissor Lift | 1 |
| Shredder | 15 |
| Vertical Cutting Machine | 6 |
| **Grand Total** | **95** |

*As certified by Independent Chartered Engineer in relation to our Company's Manufacturing Units*

## Raw materials and suppliers

We primarily use PU foam trims, off-cuts and upcycle them into finished products for our customers. We procure our raw materials from multiple within India and outside India.

The table set forth below the expenses towards raw material for the Fiscals indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Expenses towards purchase of raw materials (₹ millions) | 745.64 | 569.71 | 428.78 |
| Revenue from manufacturing operations (₹ millions) | 1,379.48 | 766.23 | 662.24 |
| Expense towards Purchase of Raw Material as % of revenue from manufacturing operations | 54.05% | 74.35% | 64.75% |
| Total expenses (₹ millions) | 1,844.93 | 1,598.04 | 1,239.48 |

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Expenses towards purchase of raw materials as a % of total expenses | 40.42% | 35.65% | 34.59% |

The details of our raw material consumed for the Fiscals 2026, 2025 and 2024 are set forth below:

*(₹ in million)*

| Material Name | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Consumption Amount | % of total consumption | Consumption Amount | % of total consumption | Consumption Amount | % of total consumption |
| PU Foam Trims and off cuts | 456.14 | 63.99% | 289.46 | 67.42% | 269.16 | 70.84% |
| Foam Binders | 180.25 | 25.28% | 103.86 | 24.19% | 100.82 | 26.54% |
| Double sided non-woven | 22.87 | 3.21% | - | - | - | - |
| Stitch Crepe Paper | 14.33 | 2.01% | - | - | - | - |
| Packing Material | 30.17 | 4.23% | 20.76 | 4.83% | 8.87 | 2.33% |
| Other Material | 9.12 | 1.28% | 15.28 | 3.56% | 1.09 | 0.29% |
| **Total Consumption** | **712.88** | **100.00%** | **429.36** | **100.00%** | **379.94** | **100.00%** |

We usually do not enter into long-term supply contracts with our suppliers and typically source materials on a purchase order basis. The terms and conditions of these purchase orders generally contain provisions related to the supplier's product quantity, pricing, payment and delivery terms. We typically purchase materials based on the projected levels of sales, actual sales orders on hand, and the anticipated production requirements, taking into consideration any expected fluctuation in material prices and lead time.

**Utilities**

*Power and fuel*

The power requirements for our business are sourced from respective state power utility providers.

*Water*

The water requirements for our business are primarily met through bore wells present at our Manufacturing Units and external sources.

Set out below are the power, fuel and water charges incurred by us for years indicated:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Amount *(in ₹ million)* | % of total expenses | Amount *(in ₹ million)* | % of total expenses | Amount *(in ₹ million)* | % of total expenses |
| Power & Fuel charges | 32.81 | 1.78% | 24.73 | 1.55% | 14.22 | 1.15% |
| Water charges | 0.40 | 0.02% | 0.22 | 0.01% | 0.15 | 0.01% |

**Logistics, storage and transportation**

We procure raw materials from domestic and international suppliers, which are brought to our manufacturing units through third party logistics providers. Further we also supply our products to both our customer within India and outside India through third party logistics providers. We use primarily road and sea transport for our logistical requirements. We have over the years engaged the services of various logistics service providers for our business.

Set out in the table below are the transportation expense and freight and forwarding charges we incurred for the Fiscals indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Freight and forwarding charges *(₹ in million)* | 121.79 | 66.56 | 97.02 |
| As a % of our total expenses | 6.60% | 4.16% | 7.83% |

**Quality control and assurance**

Our commitment to quality is reinforced through a comprehensive quality control and assurance framework. All our Manufacturing Units have obtained ISO 9001:2015 (Quality Management System) for manufacturing of rebonded foam and carpet underlay and our Silvassa Unit has also obtained ISO 14001:2015 (Environmental Management System) for manufacturing of rebonded foam and carpet underlay.

As of August 31, 2026, 4 employees are part of our quality control team, each of our Manufacturing Units has a dedicated quality control personnel. Our Manufacturing units, namely, Dadri Unit, Silvassa Unit and Krishnagiri – I and also include a product testing equipments which analyze raw materials and finished products using tests such as hardness testing and moisture testing.

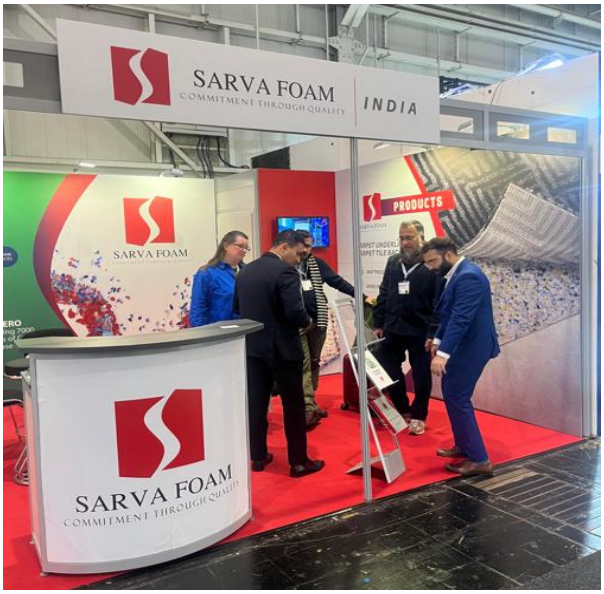
**Sales and marketing**

Over the last 3 Fiscals, we have supplied our products to over 145 customers across 19 states and union territories in India and 5 countries outside India. Below map indicates our geographical presence in India in terms of the states in which we supplied our products during the Fiscal 2026, Fiscal 2025 and Fiscal 2024:




*(This map is only for the purpose of representation and is not to be considered an accurate geopolitical representation.)*

We have also catered to customers in countries such as United Kingdom, Australia, Qatar and Ireland. In India, we supply our products directly to our customers. We also have sales representatives present in key international market enabling localized sales. As of August 31, 2026, we had a team of 4 employees focused on sales and marketing. Further, we also participate in trade shows and expositions to market our products in the international markets.







***Human resources***

We place importance on developing our human resources. As of August 31, 2026, our workforce comprised of 101 employees. Combinations of full-time employees and contract personnel gives us flexibility to run our business efficiently. We typically use contract labourers for our production activities.

The table below sets forth the number of our employees as of August 31, 2026:

| Department | Number of Employees |
|---|---|
| Management & Leadership | 5 |
| Production & Manufacturing | 38 |
| Maintenance & Engineering | 10 |
| Finance & Accounts | 20 |
| Supply Chain, Stores & Logistics | 9 |
| Housekeeping & Canteen | 2 |
| Human Resources & Administration | 2 |
| Legal & Compliance | 2 |
| Sales & Marketing | 5 |
| Secretarial & Corporate Compliance | 2 |
| Quality Control | 4 |
| Information Technology | 2 |
| **Total employees** | **101** |

Our work force is a critical factor in maintaining quality, productivity and safety, which strengthens our competitive position. We are committed to provide safe and healthy working conditions. We currently do not have any registered trade unions.

The table below set forth the attrition rate for our employees (other than Key Managerial Personnel and Senior Management) for the periods indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Attrition Rate (%) | 28.47% | 25.84% | 49.59% |

**Attrition rate is calculated by dividing the number of employees who left by the total of opening headcount and new employees who joined.*

We offer training, fire safety drill and health checkups to our employees.

**Environment, health and safety**

We are subject to national, regional and state laws and government regulations in India relating to safety, health and environmental protection. These laws and regulations impose controls on air and water discharge, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health.

*Health and employee safety*

We are committed to maintaining high standards of workplace health and safety, we aim to become a zero-accident organisation. We have a comprehensive human resource policy for newly hired employees to ensure that they acquire the requisite skills. We conduct programs on health and safety training. In addition, we conduct emergency mock drills in our manufacturing facilities. We have an employee health and safety guidelines to promote workplace health and safety and minimise the risk of accidents at our facilities. We carry out our activities while following appropriate standards of work safety and we strive to ensure that our working conditions remain a healthy and safe work environment for our employees.

*Environment*

In addition to creating initiatives to improve workplace employee safety, we also aim to implement initiatives to reduce the environmental impact of our operations. We are also in the process of setting up an industrial biochar and syngas facility that convert agricultural residues into valuable climate-positive outputs. For further details, please see, *"**Our Strategies**"* on page 225 of this Draft Red Herring Prospectus.

**Information Technology**

Our Company has implemented a digital system for covering order management, pricing, production costing, inventory management, and financial reporting across its manufacturing units. These systems have enabled the Company to (i) maintain a unified, real-time view of orders across channels, with orders placed and tracked on a single platform accessible to sales, production and logistics teams, enabling real-time visibility and coordination across functions (ii) apply automated, effective-dated pricing and cost data, (iii) generate daily production cost and efficiency data across its manufacturing units. Our Company has separately engaged to implement a formal enterprise resource planning (ERP) system, which is currently under implementation and is expected to integrate these existing digital workflows upon completion. Our IT systems are managed by an in-house IT team, comprising of 2 employees as of August 31, 2026. For information on the risk to our IT systems, please see *"**Risk Factors - Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, cash flows, results of operations and prospects**"* on page 64

**Insurance**

We maintain insurance policies that we believe are essential in the industry in which we operate. We face various inherent risks, including equipment failure, workplace accidents, natural disasters such as earthquakes and floods, fire, explosions, acts of terrorism, and other *force majeure* events. These risks can result in personal injury, property damage, environmental harm, and financial loss. To mitigate such exposures, we maintain a burglary policy and an umbrella policy for our registered office and manufacturing units. These policies provides cover against all risks such as fire, natural disasters, theft, accidental physical damage to buildings, explosions, etc.

The table below sets forth particulars of our insurance coverage as at the dates indicated.

*(₹ in million, unless otherwise stated)*

| Particulars | Ref | As of | | |
|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| Net value of all tangible assets [(1)] (₹ in millions) | A | 981.88 | 674.68 | 375.81 |
| Net value of insured tangible assets (₹ in millions) | B | 783.34 | 662.65 | 375.81 |
| Amount of insurance coverage (₹ in millions) | C | 1,618.51 | 1,204.55 | 471.01 |
| Percentage of insured tangible assets (%) | B/A*100 | 79.78 | 98.22 | 100 |

| Particulars | Ref | As of | | |
|---|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| Insurance coverage as a percentage of insured tangible assets (%) | C/B*100 | 206.62 | 181.78 | 125.33 |

*(1) Tangible assets include inventories and fixed assets, where fixed assets consist of property, plant and equipment, capital work-in-progress, investment property, excluding right-of-use assets and freehold land.*

While we believe that the level of insurance we maintain would be adequate to cover the normal risks associated with the operation of our business, we do not have insurance policies to cover all possible events. For further details, see "***Risk Factors – Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company***" on page 46.

**Intellectual property**

As of the date of this Draft Red Herring Prospectus, the details of the trademark is set out below:

| Sr. No. | Application Number | Trademark | Class | Date of registration / application / renewal application | Status |
|---|---|---|---|---|---|
| 1 | 2873625 | SARVA FOAM COMMITMENT THROUGH QUALITY Manufacturers Of PU Foam Cushions & Mattress | 20 | December 31, 2024 | Registered |
| 2 | 7052100 | SARVA FOAM COMMITMENT THROUGH QUALITY | 27 | June 09, 2025 | Objected |
| 3 | 7052298 | SLEEPMAKER TECHNOLOGIES | 27 | June 09, 2025 | Under examination |
| 4 | 7052273 | Footlove8 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 5 | 7052121 | Footluxe9 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Under examination |
| 6 | 7052154 | Footbliss9 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 7 | 7052177 | Footlove10 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 8 | 7052523 | Footluxe11 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Under examination |

| Sr. No. | Application Number | Trademark | Class | Date of registration / application / renewal application | Status |
|---|---|---|---|---|---|
| 9 | 7052249 |   | 27 | June 09, 2025 | Under examination |

For further details, see *"**Risk Factors – Inability to obtain or protect our intellectual property rights may adversely affect our reputation and our business**"* on page 59.

**Property**

Our Company's Registered and Corporate Office is located at 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India is on a leasehold basis. The table below sets forth the details of property of our Registered and Corporate Office:

| Description of property | Current lease start | Lease term (in years) | Lease rent | Name of the Lessor(s) | Area *(in square meters)* | Whether lessor is a Related Party (member of the Promoter/ Promoter Group) |
|---|---|---|---|---|---|---|
| Registered and Corporate Office | July 1, 2025 | 5 | ₹ 236,250/- per month (plus applicable GST) | VG Infraventures Private Limited | 603.86 | No |

Additionally, we operate out of our four (4) existing strategically located manufacturing units with one unit in Northern India at Dadri, Uttar Pradesh, one unit in Western India at Silvassa, Dadra & Nagar Haveli and two units in Southern India at Krishnagiri, Tamil Nadu.

The details of the owned and leased properties of our Company are set forth in the table below:

| Sr No. | Location | Purpose | Description of Property | Owned / Leased | Lease term (in years) | Lease rent | Name of Lessor(s) | Area *(in square meters)* | Whether lessor is a Related Party (member of the Promoter/ Promoter Group) |
|---|---|---|---|---|---|---|---|---|---|
| 1. | Khasra No. 303, Nagla Kirani, Bishara Road, Dadri, Gautam Budh Nagar, Uttar Pradesh, PIN - 203207 | Manufacturing Unit | Dadri Unit | Leased | 5 | ₹4,00,000/- per month | Pervin Kumar Goyal | 5,030.00 | No |
| 2. | Survey No. 257, Umerkui Road, Saily, Silvassa, Dadra & Nagar Haveli | Manufacturing Unit | Silvassa Unit | Owned | Not applicable | Not applicable | Not applicable | 14,728.00 | Not applicable |

| Sr No. | Location | Purpose | Description of Property | Owned / Leased | Lease term (in years) | Lease rent | Name of Lessor(s) | Area *(in square meters)* | Whether lessor is a Related Party (member of the Promoter/ Promoter Group) |
|---|---|---|---|---|---|---|---|---|---|
| | and Daman & Diu, PIN - 396230 | | | | | | | | |
| 3. | Sy. No. 367/5. Thally Road, Belagondalpalli, Denkanikottai Tk - 635114, Tamil Nadu, India | Manufacturing Unit | Krishnagiri Unit - I | Leased | 8 | ₹4,00,000/- per month | J.S. Enterprises owned by Mr C Subramanian | 5,544.19 | No |
| | | | | | 4.3 | ₹1,45,000/- per month | | 829.62* | |
| 4. | Shed A4, Survey No. 51, Anekollu Village, Denkanikottai Taluk, Krishnagiri District - 635113, Tamil Nadu, India | Manufacturing Unit | Krishnagiri Unit - II | Leased | 5 | ₹6,50,000/- per month | M/s NDR Unique Space Private. Limited | 4,505.80 | No |

**This lease deed was entered into on July 01, 2026*

For further details, please see *"**Risk Factors – The land and premises for our Registered and Corporate Office and certain of our manufacturing facilities are taken on lease by us. If we are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition, result of operations and cash flows. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, cash flows, results of operations and financial condition**"* on page 42.

**Competition**

The Indian rebonded polyurethane foam market is characterized by a mix of specialized rebonded foam manufacturers, vertically integrated foam producers, mattress companies with captive recycling capabilities, and numerous regional unorganized players. Competition is driven not only by price and manufacturing capabilities but also by control over foam trims, customer relationships, geographic presence, and degree of vertical integration. *(Source: D&B Report).* We face competition from players such as Brahma Foam Industries Private Limited, Sleeploop India Private Limited, Saloni Coir Private Limited, AR Foam Industries.

For further detail regarding the competition we face please see, please see *"Industry Overview - Competitive Landscape"* on page 202 above and "***Risk Factors – We face significant competitive pressures in our industry. Our inability to compete effectively would be detrimental to our business and prospects for future growth***" on page 48.

**Corporate social responsibility**

We have instituted a corporate social responsibility ("**CSR**") policy in compliance with applicable law, which focuses on creating a positive impact on society and the environment. Our CSR initiatives are overseen by our CSR committee. Our CSR activities includes promoting education and women empowerment. The details of our expenditure towards CSR activities In the Fiscal 2026, Fiscal 2025 and Fiscal 2024 are set forth below:

*(₹ in million)*

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Amount required to be spent by the Company during the year | 1.69 | 0.54 | Nil |
| Amount of expenditure incurred | 1.69 | 0.54 | Nil |
| Shortfall at the end of the year | Nil | Nil | Nil |
| Total of previous years shortfall | Nil | Nil | Nil |
| Reason for shortfall | Nil | Nil | Nil |
| Details of related party transactions | Nil | Nil | Nil |

## KEY REGULATIONS AND POLICIES IN INDIA

*The following is an overview of certain sector-specific and relevant laws, regulations, and policies in India which are applicable to the business and operations of our Company. The information in this section has been obtained from legislations, including rules, regulations, guidelines and circulars promulgated and issued by regulatory bodies which are available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.*

*For details of government approvals obtained by our Company under applicable rules and regulations, please see "**Government and Other Approvals**" beginning on page 399.*

### General Laws

***Consumer Protection Act, 2019 and the rules made thereunder ("Consumer Protection Act" or "CPA")***

The Consumer Protection Act, which repeals and supersedes the Consumer Protection Act, 1986, has been enacted with the objective of providing more efficient and expedited mechanisms for the redressal of consumer grievances. The Consumer Protection Act is intended, inter alia, to promote and safeguard the interests of consumers in respect of deficiencies or defects associated with goods or services, and to secure the rights of consumers against unfair trade practices that may be adopted by manufacturers, service providers, or traders. Furthermore, the definition of "consumer" under the Consumer Protection Act has been significantly broadened to include individuals engaging in offline as well as online transactions, whether such transactions are conducted through electronic means, tele-shopping, direct selling, or multi-level marketing channels. The definition of e-commerce was included in the CPA and the definitions of consumers and advertisements were broadened (when compared to the erstwhile Consumer Protection Act, 1986) to ensure that consumers engaging in online shopping are afforded the same rights and protections as those purchasing goods or services through traditional channels. The CPA established the Central Consumer Protection Authority to investigate violations of consumer rights, unfair trade practices, and penalize misleading advertisements, strengthening enforcement mechanisms. Further, the legislation and its companion rules (which undergo regular administrative updates) provide for the constitution of consumer dispute redressal forums and commissions for the effective resolution of consumer grievances. In addition to granting compensation and issuing remedial orders, these forums and commissions, in cases involving misleading or false advertisements, possess the authority to impose imprisonment for a term that may extend to two years, and to levy fines which may extend up to ₹1 million.

***The Sale of Goods Act, 1930 ("Sale of Goods Act")***

The Sale of Goods Act governs contracts pertaining to the sale of goods. Such contracts are also subject to the overarching principles of contract law as set out in the Indian Contract Act, 1872. However, contracts for the sale of goods exhibit certain distinct features, such as, including the transfer of ownership, delivery of goods, the rights and obligations of the buyer and seller, remedies available for breach of contract, and the conditions and warranties implied in a contract for the sale of goods, etc., which are specifically addressed under the provisions of the Sale of Goods Act.

***Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("LM Rules")***

The LM 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. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

***The Boilers Act, 2025 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boilers Regulations")***

The Boilers Act inter alia provides that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of the Boilers Act and unless the owner is in possession of the certificate or the provisional order authorising the use of such boiler. Under the Boilers Act, "boiler" means a pressure vessel in which steam is generated for use external to itself by application of heat which is wholly or partly under pressure when steam is shut off. The Boilers Act also provides for penalties for illegal use of boilers, penalty for breach of rules and other penalties. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

**Environmental legislations**

***Environment Protection Act, 1986 (the "EP Act") and the Environment Protection Rules, 1986 (the "EP Rules") read with the Environmental Impact Assessment Notification, 2006 ("EIA Notification")***

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes through prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

***Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")***

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

***The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")***

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards ("**State PCB**"), to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")***

The Hazardous Waste Rules regulate the management, treatment, storage, and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" *inter alia* means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damage caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty.

**Labour related laws**

***Shops and establishments legislations***

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist; such establishments are required to be registered. Such legislations regulate the working and employment conditions of the employees employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In order to rationalize and reform labour laws in India, the Central Government has enacted four labour codes ("**Labour Codes**"), which have been brought into force, through a notification, from November 21, 2025, and notified in a phased manner up until May 9, 2026. These Labour Codes are namely:

***The Code on Wages, 2019 read with the Code on Wages (Central) Rules, 2026***

The Code on Wages, 2019, subsumes four legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It introduces a uniform definition of 'wages', applicable across all Labour Codes, provides for fixation of floor wages by the Central Government, and enables the appropriate Government to notify minimum wages, based on skill categories or geographical locations or both and other conditions of service, which shall be equal to or above the floor wage set by the Central Government. It further mandates fixation of the wage period and timely payment of wages. It also requires that there be no discrimination on the grounds of gender in matters of wages, and provides for payment of annual bonus, subject to eligibility and thresholds as may be prescribed, and prescribes hours for normal working day (with the requirement to pay overtime at twice the normal rate of wages in the event an employee works on any day in excess of the number of hours constituting a normal working day).

The Central Government has notified the Code on Wages (Central) Rules, 2026 on May 8, 2026, which, *inter alia*, provide for an eight-hour work day for an employee whose wage period is on a daily basis, along with a forty-eight-hour work week for those employees whose wage period is other than on a daily basis.

***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020, subsumes three legislations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947. The objective of the Industrial Relations Code, 2020, is, *inter alia*, to promote industrial harmony whilst balancing worker protection with business flexibility. The key provisions include (i) recognition of a negotiating union and a negotiation council, (ii) specific recognition of fixed-term employment with equal benefits, including statutory benefits, at par with permanent workers, subject to the terms of employment and applicable provisions, (iii) revised definitions of key terms including 'employee' and 'worker', (iv) conditions for lay-offs, retrenchment and closure, including enhancement of the threshold for prior governmental approval for retrenchment, lay-off and closure in certain establishments (including factories, mines and plantations) from 100 to 300 workers, or such higher number as may be notified by the appropriate Government, (v) constitution of a grievance redressal committee with equal employer and employee representatives, subject to prescribed thresholds, (vi) mandatory notice requirements for strikes and lock-outs as prescribed for industrial establishments, (vii) provision of notice to workers prior to change in certain conditions of service; (viii) prohibition of identified unfair labour practices, (ix) adoption and certification of standing orders, and (x) dispute resolution through conciliation, labour courts, industrial tribunals and other authorities as may be prescribed.

***The Occupational Safety, Health and Working Conditions Code, 2020 ("Occupational Safety Code")***

The Occupational Safety Code subsumes 13 legislations, *inter alia*, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

The Occupational Safety Code provides for definitions of key terms including 'contract labour', 'contractor', 'principal employer' and 'establishment', provisions relating to working conditions, including annual leave with wages, prescription of working hours and rest intervals, special provisions on employment of women, including for engagement in night shifts, subject to prescribed conditions, and prescription of health and safety obligations and provision of welfare facilities. The Occupational Safety Code provides for the requirement of common registration for establishments (including factories and commercial establishments), licensing requirements for contractors supplying contractor labour, and scope for prescription of requirements for factories to obtain specific licences. The Occupational Safety Code also regulates the employment of contract labour, including inter-state migrant workers, subject to applicability thresholds including restrictions on engagement of contract labour in core activities, subject to statutory exceptions, and provisions for welfare and health of such workers.

***The Code on Social Security, 2020 and the schemes thereunder***

The Code on Social Security, 2020 subsumes nine social security related legislations, *inter alia* the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972. The Code on Social Security, 2020 provides for a common registration to be obtained, social security provisions including on provident fund, pension, and employees' deposit-linked insurance, employees' state insurance coverage and benefits including sickness benefit, disablement benefit, compensation to be paid to employees for workplace injuries/occupational diseases, maternity benefits, gratuity payments including to fixed-term employees, and prescription of social security benefits including for building and other construction workers, unorganised workers, gig workers and platform workers. Employers are required to obtain necessary registrations and make necessary contributions/payments as prescribed.

The Central Government has also notified the Employees' Provident Fund Scheme, 2026 under the Code on Social Security, 2020. Most contribution related aspects remain the same, except the linkage of computations within the definition of 'wages' under the Labour Codes.

***Industries (Development and Regulation) Act, 1951 (the "IDRA Act")***

The IDRA Act is a central legislation aimed at regulating and promoting the development of key industries in India through licensing, registration, and advisory mechanisms. The IDRA Act applies to industries listed in the First Schedule, which includes sectors deemed crucial for public interest and economic planning. The IDRA Act empowers the government to take over management or control of industrial undertakings in certain circumstances, including liquidation or failure to comply with licensing and registration requirements.

In addition to Labour Codes and shops and establishments legislations, certain other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights, reporting and other compliances, and the requirements that may apply to us as an employer, such as:

- The Apprentices Act, 1961;
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Right of Persons with Disabilities Act, 2016; and
- Labour welfare fund legislations.

The above-mentioned Labour Codes are not intended to subsume the state specific laws. Further, notwithstanding the introduction of the new Labour Codes, anything done or any action taken under the enactments repealed shall be in force to the extent they are not contrary to the provisions of the abovementioned Labour Codes.

**Tax laws**

***The Income Tax Act, 2025 ("IT Act") and the Income Tax Rules, 2026 ("IT Rules")***

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or IT Rules made thereunder depending upon its "Residential Status" and "Type of

Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, and minimum alternative tax, as applicable. Every such company is also required to file its returns by the thirtieth of September of each assessment year.

The Income Tax Act, 2025 has repealed the Income Tax Act, 1961 and has come into effect from April 1, 2026. It aims to simplify language and remove redundancies. The Act empowers the Central Government to frame schemes for efficiency, including faceless processes. It expands "undisclosed income" to include virtual digital assets. Authorities are allowed to access virtual digital space during searches. The dispute resolution panel must now provide reasons for decisions, and undefined treaty terms may be interpreted as per any other central law.

***Goods and Services Tax Act, 2017 ("GST Act")***

Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act, 2017, and is governed by the GST Council. The GST Act provides for the imposition of tax on the supply of goods or services and will be levied by the Central Government on intra-state supply of goods or services and by the states including union territories with legislature/ union territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST Act is enforced by various acts viz. Central Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

***Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975***

The provisions of the Customs Act and rules made there under are applicable to imported goods i.e. goods brought into India from a place outside India (except goods cleared for home consumption) and export goods i.e. goods which are to be taken out of India to a place outside India. Imported goods and export goods are subject to duties of customs as specified under the Customs Tariff Act, 1975.

**Intellectual Property Laws**

***The Trade Marks Act, 1999 ("Trade Marks Act") and the rules thereunder, each as amended***

A trademark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. The Trade Marks Act permits the registration of trade marks for goods and services. Certification trademarks and collective marks can also be registered under the Trade Marks Act. The registrar of trademarks is the authority responsible for, among other things, registration of trademarks, settling opposition proceedings and rectification of the register of trademarks.

Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 ("**Trademark Amendment Act**") simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice. In March 2017, the Trade Mark Rules, 2017 ("**Trade Mark Rules**") were notified. The Trade Mark Rules provide that renewal of a trademark may be made at any time not more than one year before the expiration of the last registration of the trademark. The Trade Mark Rules provide that hearing for any proceeding under the Trade Marks Act may also be held through video-conferencing or through any other audio-visual communication devices.

**Securities Laws**

***Security and Exchange Board of India Act, 1992 ("SEBI Act")***

The main legislation governing the activities in relation to the securities markets in India is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate,

the securities market. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (i) monetary penalty under the SEBI Act and the regulations made thereunder, and (ii) penalties prescribed under various regulations, including initiating prosecution under the SEBI Act.

***Securities Contracts (Regulation) Act, 1956 ("SCRA")***

The SCRA was enacted to prevent undesirable transactions in securities by regulating the business of dealing in securities and providing for certain matters connected therewith. The SCRA provides, amongst other things, the definition of 'securities', the manner and procedure for recognition of stock exchanges, and provides recognized stock exchanges the powers to make bye laws for regulation and control of contracts for, or relating to, the purchase or sale of securities.

***Securities Contract (Regulation) Rules, 1957 ("SCRR")***

The SCRR provides, among other things, the requirements with respect to listing of securities on a recognized stock exchange, the manner of submitting applications for recognition of stock exchanges, and the qualifications for membership of a recognized stock exchange. It also empowers SEBI to appoint people to inspect the books of accounts and other documents to be maintained and preserved by every member of a recognized stock exchange, in terms of these rules.

***SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")***

SEBI Listing Regulations sets out the listing obligations and disclosure requirements for listed entities across various types of securities, for transparency, investor protection, and corporate governance. The SEBI Listing Regulations also require listed entities to file audited annual and unaudited quarterly reports along with other reporting obligations.

***SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations")***

The SEBI Insider Trading Regulations prohibits an insider from trading in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed. 'Insider' includes a connected person or a person in possession of unpublished price sensitive information. An insider can trade in the securities of the Company by formulating a trading plan and presenting it to the compliance officer, designated by the Board of Directors for ensuring compliance with the Insider Trading Regulations, for his approval and public disclosure pursuant to which trades may be carried out by the insider in accordance with the trading plan.

***SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("Unfair Trade Practices Regulations")***

The Unfair Trade Practices Regulations aim to regulate, investigate and penalize fraudulent activities and unfair trade practices by SEBI's registered intermediaries, with a view to ensure investor protection in the market. The Unfair Trade Practices Regulations provide the classification and criteria for dealings or activities that would be considered as manipulative, fraudulent or unfair to the investors and also confers powers to investigating authorities to investigate and penalize the registered intermediaries in case of defaults".

***SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations")***

SEBI Takeover Regulations aim to protect interest of the investors in securities of a listed company providing amongst others, an opportunity for the public shareholders to exit where there is a substantial acquisition of shares or voting rights or control over a listed company, consolidation of holdings by existing shareholders and related disclosures and penalties for non- compliance. SEBI Takeover Regulations requires an acquirer to make an offer to shareholders of the target company on acquiring shares exceeding stipulated thresholds. It also contains provisions relating to open offer size and price, time bound process for making an open offer, exemption from making an open offer.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as *"Sarva Foam Industries Private Limited"* at Bhopal, Madhya Pradesh as a private limited company on October 8, 2018 under the Companies Act, 2013, pursuant to a certificate of incorporation dated October 9, 2018, issued by the Registrar of Companies, Central Registration Centre. Thereafter, our Company was converted to a public limited company, approved by our Shareholders' *vide* special resolution dated February 05, 2025, pursuant to which the name of our Company was changed to *"Sarva Foam Industries Limited"* and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Central Processing Centre, Manesar, Haryana dated February 22, 2025.

The Corporate Identification Number of our Company is U22209MP2018PLC046815.

### Changes in the Registered Office of our Company

Except as disclosed below, there has been no change in the registered office of our Company, since the date of its incorporation:

| Effective date of change | Details of change in the registered office | Reason for change |
|---|---|---|
| November 14, 2024 | The registered office of our Company was changed:<br><br>**From:** 3P BB 03, Premium Campus, Aakriti Eco City, Bhopal- 462046, Madhya Pradesh, India<br><br>**To:** 2nd Floor Commercial Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur- 462026, Madhya Pradesh, India | To improve the overall operational efficiency, streamline document management system and achieve overall effectiveness |

### Main objects of our Company

The main objects contained in our MoA are set forth below:

1. *To manufacture flexible, semi-flexible, and rigid poly-urethane and rebonded foam Blocks, sheets and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture; packing material, carpet underlays and insulation material, moulding of rigid poly-urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of polyurethane foam/ rebonded foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.*

2. *To manufacture with flexible, semi-flexible and rigid poly urethane foam slabs such items and products which cater to the needs of industrial users such as linings used in carpet underlays, air conditioners, cars, refrigerators, washing machines, calculators, computers, laptops, clocks, watches and other industries.*

3. *To manufacture with flexible, semi-flexible and rigid poly urethane foam slabs, items which cater to the needs of consumers such as mattresses, pillows, cushions, bolsters, wonder couch, sofa, sofa cum bed, chairs, seats, berths, bed covers, mattress covers, quilted panels and quilted sheets, floor mats, mats, dusters.*

4. *To Trade Chemicals used in the manufacture of flexible, semi flexible and rigid polyurethane foam and Binders used in the manufacturing of rebonded foam. To trade Polyurethane Foam trims used in the manufacturing of flexible, semi flexible Re-bonded Foam and allied products such as pillows, toys.*

5. *The Company shall engage in sustainable and environmentally responsible business activities including, but not limited to, the development, establishment, acquisition, construction, ownership, operation, management, maintenance and promotion of projects relating to renewable energy, clean energy, biomass processing, bioenergy, gasification, biochar production, waste-to-energy systems, carbon sequestration, carbon removal, industrial decarbonization, circular economy solutions, climate mitigation technologies and environmental sustainability initiatives. The Company may collect, aggregate, procure, process, transport, store and utilize agricultural residues, crop waste, biomass, organic waste and other sustainable feedstocks, including but not limited to corn cobs, cotton stalks and similar agricultural by-products, for the generation, manufacture,*

*processing, storage, distribution, supply and sale of syngas, biochar, thermal energy, electricity, green fuels and other sustainable products and by-products for industrial, agricultural, commercial, environmental and energy applications. The Company may supply such products to industries, commercial establishments, institutions, utilities and other consumers as cleaner and sustainable alternatives to conventional fossil fuels and traditional biomass combustion, thereby supporting greenhouse gas emission reduction and environmentally responsible operations.*

6. *The Company shall also undertake activities relating to greenhouse gas emission reduction, carbon capture, carbon sequestration, carbon removal and climate change mitigation, including the generation, development, acquisition, validation, verification, certification, registration, trading, purchase, sale, transfer, brokerage, marketing and monetization of carbon credits, carbon removal credits, carbon offsets, renewable energy certificates, environmental attributes and other sustainability linked instruments under domestic and international frameworks, registries, standards and mechanisms, including voluntary and compliance carbon markets. The Company may utilize biochar and other carbon removal technologies for long-term carbon sequestration, soil enhancement and environmental sustainability purposes and may generate, own, market and sell high-integrity carbon removal credits and related environmental instruments to domestic and international buyers. The Company may further undertake activities aimed at reduction of stubble burning and agricultural waste pollution, promotion of sustainable agricultural practices, enhancement of farmer income through biomass aggregation and supply-chain development and may provide consultancy, advisory, technical, operational, monitoring, reporting, verification, sustainability assessment, climate finance, ESG, environmental and carbon management services. The Company may collaborate, partner, invest, or enter into arrangements with governmental authorities, financial institutions, corporates, registries, technology providers, farmers, aggregators, cooperatives and other stakeholders in connection with sustainability, renewable energy, climate-tech, carbon market and environmental projects".*

The main objects and objects incidental and ancillary to the main objects as set out in the MoA enable our Company to carry on the business presently being undertaken by us.

**Amendments to our Memorandum of Association in the last 10 years**

The following table sets forth details of the amendments to our Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus:

| Date of Shareholders' resolution | Particulars |
|---|---|
| October 20, 2018 | Clause III(A) of the MoA (main objects clause) was amended to reflect addition of the following new main object clause (clause III(A)(5), as under:<br><br>*"To take over the running business of a proprietary firm M/s. SARVA FOAM having its office at Plot No. 115, New Industrial Area-II, Mandideep- 462046, Madhya Pradesh, India engaged in the business of manufacturing of foam and related products together with all or any its rights, including intellectual property rights, privileges, goodwill, licenses, assets & liabilities".* |
| March 07, 2022 | Clause V of the MoA was amended to reflect an increase in the authorised share capital of our Company from ₹1,000,000 divided into 100,000 Equity Shares of face value of ₹10 each to ₹20,000,000 divided into 2,000,000 Equity Shares of face value of ₹10 each |
| October 26, 2024 | Clause V of the MoA was amended to reflect an increase in the authorised share capital of our Company from ₹20,000,000 divided into 2,000,000 Equity Shares of face value of ₹10 each to ₹120,000,000 divided into 12,000,000 Equity Shares of face value of ₹10 each |
| December 11, 2024 | Clause V of the MoA was amended to reflect sub-division in the authorised share capital of our Company from ₹120,000,000 divided into 12,000,000 Equity Shares of ₹10 each to ₹120,000,000 divided into 24,000,000 Equity Shares of ₹5 each |
| February 05, 2025 | Clause I of the MoA was amended to reflect the change in the name of our Company from "*Sarva Foam Industries Private Limited" to "Sarva Foam Industries Limited'*, pursuant to the conversion of our Company from a private limited company to a public limited company |
| July 15, 2026 | Clause III(A) of the MoA (main objects clause) was amended to reflect insertion of new sub-clauses 6 and 7, after the existing sub-clause 5, as under:<br><br>*"6. The Company shall engage in sustainable and environmentally responsible business activities including, but not limited to, the development, establishment, acquisition, construction, ownership, operation, management, maintenance and promotion of projects relating to renewable energy, clean energy, biomass processing, bioenergy, gasification, biochar production, waste-to-energy systems, carbon sequestration, carbon removal, industrial decarbonization, circular economy solutions,* |

| Date of Shareholders' resolution | Particulars |
|---|---|
| | *climate mitigation technologies and environmental sustainability initiatives. The Company may collect, aggregate, procure, process, transport, store and utilize agricultural residues, crop waste, biomass, organic waste and other sustainable feedstocks, including but not limited to corn cobs, cotton stalks and similar agricultural by-products, for the generation, manufacture, processing, storage, distribution, supply and sale of syngas, biochar, thermal energy, electricity, green fuels and other sustainable products and by-products for industrial, agricultural, commercial, environmental and energy applications. The Company may supply such products to industries, commercial establishments, institutions, utilities and other consumers as cleaner and sustainable alternatives to conventional fossil fuels and traditional biomass combustion, thereby supporting greenhouse gas emission reduction and environmentally responsible operations.*<br><br>*7. The Company shall also undertake activities relating to greenhouse gas emission reduction, carbon capture, carbon sequestration, carbon removal and climate change mitigation, including the generation, development, acquisition, validation, verification, certification, registration, trading, purchase, sale, transfer, brokerage, marketing and monetization of carbon credits, carbon removal credits, carbon offsets, renewable energy certificates, environmental attributes and other sustainability linked instruments under domestic and international frameworks, registries, standards and mechanisms, including voluntary and compliance carbon markets. The Company may utilize biochar and other carbon removal technologies for long-term carbon sequestration, soil enhancement and environmental sustainability purposes and may generate, own, market and sell high-integrity carbon removal credits and related environmental instruments to domestic and international buyers. The Company may further undertake activities aimed at reduction of stubble burning and agricultural waste pollution, promotion of sustainable agricultural practices, enhancement of farmer income through biomass aggregation and supply-chain development and may provide consultancy, advisory, technical, operational, monitoring, reporting, verification, sustainability assessment, climate finance, ESG, environmental and carbon management services. The Company may collaborate, partner, invest, or enter into arrangements with governmental authorities, financial institutions, corporates, registries, technology providers, farmers, aggregators, cooperatives and other stakeholders in connection with sustainability, renewable energy, climate-tech, carbon market and environmental projects".* |
| September 1, 2026 | Clause III(A) of the MoA was altered by deletion of the existing sub-clause (5) and consequent renumbering of the existing sub-clauses (6) and (7) as sub-clauses (5) and (6), as under:<br><br>1. *To manufacture flexible, semi-flexible, and rigid poly-urethane and rebonded foam Blocks, sheets and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture; packing material, carpet underlays and insulation material, moulding of rigid poly-urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of polyurethane foam/ rebonded foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.*<br><br>2. *To manufacture with flexible, semi-flexible and rigid poly urethane foam slabs such items and products which cater to the needs of industrial users such as linings used in carpet underlays, air conditioners, cars, refrigerators, washing machines, calculators, computers, laptops, clocks, watches and other industries.*<br><br>3. *To manufacture with flexible, semi-flexible and rigid poly urethane foam slabs, items which cater to the needs of consumers such as mattresses, pillows, cushions, bolsters, wonder couch, sofa, sofa cum bed, chairs, seats, berths, bed covers, mattress covers, quilted panels and quilted sheets, floor mats, mats, dusters.*<br><br>4. *To Trade Chemicals used in the manufacture of flexible, semi flexible and rigid polyurethane foam and Binders used in the manufacturing of rebonded foam. To trade Polyurethane Foam trims used in the manufacturing of flexible, semi flexible Re-bonded Foam and allied products such as pillows, toys.*<br><br>5. *The Company shall engage in sustainable and environmentally responsible business activities including, but not limited to, the development, establishment, acquisition, construction, ownership, operation, management, maintenance and promotion of projects relating to renewable energy, clean energy, biomass processing, bioenergy, gasification, biochar production, waste-to-energy systems, carbon sequestration, carbon removal, industrial decarbonization, circular economy solutions, climate mitigation technologies and environmental sustainability initiatives. The Company may collect, aggregate, procure, process, transport, store and utilize agricultural residues, crop waste, biomass, organic waste* |

| Date of Shareholders' resolution | Particulars |
|---|---|
| | *and other sustainable feedstocks, including but not limited to corn cobs, cotton stalks and similar agricultural by-products, for the generation, manufacture, processing, storage, distribution, supply and sale of syngas, biochar, thermal energy, electricity, green fuels and other sustainable products and by-products for industrial, agricultural, commercial, environmental and energy applications. The Company may supply such products to industries, commercial establishments, institutions, utilities and other consumers as cleaner and sustainable alternatives to conventional fossil fuels and traditional biomass combustion, thereby supporting greenhouse gas emission reduction and environmentally responsible operations.*<br><br>6. *The Company shall also undertake activities relating to greenhouse gas emission reduction, carbon capture, carbon sequestration, carbon removal and climate change mitigation, including the generation, development, acquisition, validation, verification, certification, registration, trading, purchase, sale, transfer, brokerage, marketing and monetization of carbon credits, carbon removal credits, carbon offsets, renewable energy certificates, environmental attributes and other sustainability linked instruments under domestic and international frameworks, registries, standards and mechanisms, including voluntary and compliance carbon markets. The Company may utilize biochar and other carbon removal technologies for long-term carbon sequestration, soil enhancement and environmental sustainability purposes and may generate, own, market and sell high-integrity carbon removal credits and related environmental instruments to domestic and international buyers. The Company may further undertake activities aimed at reduction of stubble burning and agricultural waste pollution, promotion of sustainable agricultural practices, enhancement of farmer income through biomass aggregation and supply-chain development and may provide consultancy, advisory, technical, operational, monitoring, reporting, verification, sustainability assessment, climate finance, ESG, environmental and carbon management services. The Company may collaborate, partner, invest, or enter into arrangements with governmental authorities, financial institutions, corporates, registries, technology providers, farmers, aggregators, cooperatives and other stakeholders in connection with sustainability, renewable energy, climate-tech, carbon market and environmental projects".* |

**Major events and milestones in the history of our Company**

The table below sets forth the major events and milestones in the history of our Company:

| Calendar year | Particulars |
|---|---|
| 2019 | Commenced supply of products to reputed mattress manufacturers across India |
| 2020 | Setting up of Silvassa Unit |
| 2022 | Setting up of Krishnagiri Unit - I |
| 2024 | Setting up of Krishnagiri Unit – II |
| | Setting up of Dadri Unit |
| | Entered into a memorandum of understanding for supply of rebonded foam with reputed mattress manufacturers |
| 2025 | Commenced exports to United Kingdom and Qatar |
| | Our Company was assigned a long-term rating- Crisil BBB-/Stable to its long-term bank facilities |
| 2026 | Commenced exports to Australia |
| | Our credit rating on the long-term bank facilities was upgraded to Crisil BBB/ Stable |
| | Earned revenue from operations outside India of ₹715.35 million |

**Key awards, accreditations or recognition**

As on the date of this Draft Red Herring Prospectus, our Company has received the following awards, accreditations and recognitions:

| Calendar year | Particulars |
|---|---|
| 2024 | Obtained ISO 9001:2015 from Universal Certification Services Private Limited, with respect to implementation of Quality Management System for our Dadri Unit |
| | Obtained ISO 9001:2015 from Universal Certification Services Private Limited, with respect to implementation of Quality Management System for our Silvassa Unit |

| | |
|---|---|
| | Obtained ISO 9001:2015 from Universal Certification Services Private Limited, with respect to implementation of Quality Management System for our Krishnagiri Unit - I |
| | Obtained ISO 9001:2015 from Universal Certification Services Private Limited, with respect to implementation of Quality Management System for our Krishnagiri Unit - II |
| 2025 | Obtained ISO 14001:2015 from Universal Certification Services Private Limited, with respect to implementation of Environmental Management System for our Silvassa Unit |
| 2026 | Received the status of 'One Star Export House' from Directorate General of Foreign Trade, Ministry of Commerce and Industry, GoI |

**Significant financial or strategic partnerships**

Our Company does not have any significant financial or strategic partners, as on the date of this Draft Red Herring Prospectus.

**Time/ cost overruns in setting up projects**

We have not experienced any time or cost overruns in setting up our projects, as on the date of this Draft Red Herring Prospectus.

**Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks**

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling/ restructuring of borrowings availed by our Company from any financial institutions/ banks.

**Launch of key products or services, entry in new geographies or exit from existing markets**

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, please see *"**Our Business**"* on page 218.

**Capacity/ facility creation, location of plants**

For details of capacity/ facility creation, location of plants, please see *"**Our Business**"* on page 218.

**Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets etc., in the last ten years**

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/ undertakings, and has not undertaken any mergers, amalgamation, any revaluation of assets in the last ten years preceding the date of this Draft Red Herring Prospectus:

***(i) 2nd Supplementary Partnership Deed of Maxtar Industries dated October 1, 2024, entered into between Kunal Giani, Vijay Pal Singh Parmar and our Company***

*Name of the Acquirer/ Acquiree, Transferor/ Transferee, brief description and effective date of the transaction*

Our Company was admitted as a partner to Maxtar Industries (partnership firm) *vide* 2nd Supplementary Deed dated October 1, 2024 ("**2nd Supplementary Deed**"). Our Company agreed to contribute and acquire/ purchase 90% of the total share of profit, share of capital, right, title, interest in the said partnership firm from the existing partners. Accordingly, our Promoter- Kunal Giani, transferred 92.78% of his share (share of profit, share of capital, right, title and interest), equivalent to 90% of the total share of the firm to our Company, for an aggregate consideration of ₹62.67 million. The profit/ loss sharing ratio in Maxtar Industries (partnership firm), after the transaction, stood revised in the following manner:

| Sr. No. | Name of Partner | Profit/ loss sharing ratio |
|---|---|---|
| 1 | Our Company | 90.00% |
| 2 | Kunal Giani | 7.00% |
| 3 | Vijay Pal Singh Parmar | 3.00% |
| **Total** | | **100.00%** |

*Relationship of our Promoter or Directors with Maxtar Industries*

| Sr. No. | Name | Promoter/ Director | Relationship with Maxtar Industries |
|---|---|---|---|
| 1 | Kunal Giani | Promoter, Chairman and Managing Director | Partner |
| 2 | Vijay Pal Singh Parmar | Whole-time Director | Partner |

*Summarized information about valuation*

The transfer was effected as per the financials of Maxtar Industries (partnership firm) as on September 30, 2024.

*Effective date of transaction*

The effective date of the transaction is April 1, 2024.

**(ii) *Amendment to the 2nd Supplementary Partnership Deed dated March 22, 2025, between Kunal Giani, our Company and Vijay Pal Singh Parmar***

*Name of the Acquirer/ Acquiree, Transferor/ Transferee, brief description and effective date of the transaction*

Pursuant to the transfer of 90% of the total share in Maxtar Industries (partnership firm) by our Promoter to our Company *vide* 2nd Supplementary Deed, our Promoter held 7% share in the partnership firm. Our Promoter further agreed to transfer 5% of his share in the partnership firm to our Company for an aggregate consideration of ₹4.81 million, *vide* Amendment to the 2nd Supplementary Deed dated March 22, 2025. The profit/ loss sharing ratio in Maxtar Industries (partnership firm), after the transaction, stood revised in the following manner:

| Sr. No. | Name of Partner | Profit/ loss sharing ratio |
|---|---|---|
| 1 | Our Company | 95.00% |
| 2 | Vijay Pal Singh Parmar | 3.00% |
| 3 | Kunal Giani | 2.00% |
| **Total** | | **100.00%** |

*Relationship of our Promoter or Directors with Maxtar Industries*

| Sr. No. | Name | Promoter/ Director | Relationship with Maxtar Industries |
|---|---|---|---|
| 1 | Kunal Giani | Promoter, Chairman and Managing Director | Partner |
| 2 | Vijay Pal Singh Parmar | Whole-time Director | Partner |

*Summarized information about valuation*

N/A

*Effective date of transaction*

The effective date of the transaction is April 1, 2024.

**Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

**Our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company has 2 Subsidiaries. For further details, please see *"**Our Subsidiaries**"* on page 284.

*Please note that, the financial information of Maxtar Industries (partnership firm) is consolidated with the financial information of our Company to prepare the Restated Consolidated Financial Information. Therefore, it has been considered as a Subsidiary (partnership firm) of our Company.*

**Our Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

**Shareholders' agreements**

As on the date of this Draft Red Herring Prospectus, except as disclosed below, there are no other Shareholders' agreements:

***Share Subscription and Shareholders' Agreement dated March 21, 2026 ("SSHA") between our Company, Kunal Giani, Vijay Pal Singh Parmar, Existing Shareholders and Investors***

*(Kunal Giani and Vijay Pal Singh Parmar are collectively known as "**Existing Shareholders**"),*
*(Navbharat Investment Opportunities Fund is known as the "**Lead Investor**")*
*(Navbharat Investment Opportunities Fund, Vikram Pati Singhania, Pratiksha Kothari, Saurav Raidani, Venturex Fund I, SB Opportunities Fund I, Shah Hitesh Indulal, Shah Sweta Hiteshkumar, KIFS Dealers, Shah Amee D, Shah Deven M, Narmada Agrobase Limited, Vamika Mercantile LLP, Bhaskar Srinivasan, Platinus Technologies Private Limited, Jitendrakumar Maganlal Patel, Maniyar Bhaveshkumar Motilal, Shah Nirupamaben Mukeshkumar, Avinya Ventures, Evergrow Capital Opportunities Fund, Varma Punit Shravankumar HUF, Ketan Kalyanchand Kotecha are collectively referred to as "Investors" and individually as "**Investor**")*

Under the SSHA, the Lead Investor has been granted certain rights in our Company, including: (i) the right to appoint 1 observer on the Board of our Company and on the board of directors of any subsidiary company of our Company; (ii) inspection and information rights; (iii) affirmative voting rights in respect of decisions to be taken by our Company (through Board or Shareholders' or committee meetings) ("**Reserved Matters**") on a range of matters including amendment to the charter documents, any change in the constitution, number or structure of the Board, any change of control or initial public offering of our Company or any transfer of substantially all of Company's assets or property or any transfer (including proprietary rights), any change in the authorised, issued, subscribed or paid-up share capital (including any shares), etc. The provisions relating to Reserved Matters would apply, mutatis mutandis, to all existing and future subsidiaries of our Company.

Further, the Investors have been granted certain rights in our Company, including: (i) pre-emptive rights; (ii) anti-dilution adjustment; (iii) Promoter's right of first offer; (iv) exit right; (v) third-party sale; (vi) buy-back; (vii) drag along rights; (viii) liquidation preference.

***Waiver cum Amendment Agreement dated September 30, 2026 between our Company, Kunal Giani, Vijay Pal Singh Parmar, Existing Shareholders and Investors***

In order to facilitate the Offer in accordance with applicable laws, the Parties to the SSHA have entered into a Waiver cum Amendment Agreement dated September 30, 2026 ("**Waiver cum Amendment Agreement**") to record certain amendments, waivers in relation to their rights under the SSHA, which would come into effect from the date of filing of the Red Herring Prospectus. These include, *inter-alia,* waiver of rights with respect to (i) transfer of shares; (ii) third-party sale; (iii) Promoter's right of first offer; (iv) buy-back; (v) drag along rights; (vi) Information and inspection rights; (vii) reserved matters.

The SSHA, as amended by the Waiver cum Amendment Agreement, and the Waiver cum Amendment Agreement, shall terminate in its entirety without any further act or deed required by any Party, except for certain clauses such as consequences of termination, warranties, confidentiality, governing law and arbitration, which will continue to survive the termination of the SSHA, as amended by the Waiver cum Amendment Agreement.

The Parties agree that this Amendment Agreement shall stand automatically terminated and the SSHA shall continue to be legally binding without any further action or deed required on the part of any Party, upon the earlier of the following dates:

1. the IPO Long Stop Date, if the Consummation of the Offer has not happened by such date; or

2. the date on which the Board decides not to undertake the Offer

**Key terms of other subsisting material agreements**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business. Further, except as disclosed in this Draft Red Herring Prospectus, there are no other agreements, arrangements, deeds of assignment, shareholders' agreements, acquisition agreements, inter-se agreements or arrangements, entered into by and amongst the Promoter or Shareholders to which the Company is a party, or agreements of like nature, or agreements comprising material clauses/ covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses/ covenants that are adverse/ prejudicial to the interest of minority/ public shareholders.

There are no other agreements/ arrangements and clauses/ covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the Draft Red Herring Prospectus.

There are no agreements entered into by our Shareholders, Promoter, Promoter Group entities, related parties, Directors, Key Managerial Personnel, employees of the Company or Subsidiaries or associate company, among themselves or with us or with a third party, solely or jointly, other than in the normal course of business, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not our Company is a party to such agreements.

**Agreements entered into by Key Managerial Personnel, Senior Management, Directors, Promoter or any other employee**

As on the date of this Draft Red Herring Prospectus, none of our Directors, Promoter, Key Managerial Personnel, Senior Management or employees have entered into an agreement, 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.

**Details of guarantees given to third parties by our Promoter Selling Shareholder**

Except as provided below, as on the date of this Draft Red Herring Prospectus, no outstanding guarantee has been issued by our Promoter Selling Shareholder offering his Equity Shares in the Offer for Sale to third parties:

| Sr. No. | Date of guarantee | Guarantee issued in favour of | Borrower | Security available in relation to borrowings for which guarantee has been issued | Guarantee amount (₹ in million) | Type of facility |
|---|---|---|---|---|---|---|
| 1 | August 7, 2026 | Kotak Mahindra Bank Limited | Sarva Foam Industries Limited | Plot No 29, Aakriti Exotica, Village Phanda Kalan, Tehsil Huzur, Bhopal, Madhya Pradesh, 462010<br><br>Plot No. 2, Khasra No 87-89/2, 87-89/3, 87-89/8 Chunabhatti, Bhopal, Madhya Pradesh, 462010 | 559.80 | Machinery term loan, LCBD sale, EPC/ PCFC, Cash credit, WCTL GECL |
| 2 | August 19, 2025 | Export Import Bank of India | Sarva Foam Industries | - | 50.00 | Machinery term loan |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Limited | | | |
| 3 | August 23, 2023 and May 11, 2026 | Union Bank of India | Sarva Foam Industries Limited | - | 128.90 | Machinery term loan |
| 4 | February 26, 2026 | Jana Small Finance Bank | Sarva Foam Industries Limited | - | 30.00 | Purchase bill discounting |
| 5 | May 19, 2026 | Bajaj Finance Limited | Sarva Foam Industries Limited | - | 140.00 | Purchase bill discounting |
| 6 | June 8, 2026 | Yes Bank Limited | Sarva Foam Industries Limited | - | 293.00 | Export Packing Credit (EPC) |
| 7 | September 10, 2026 | Union Bank of India | Maxtar Industries | Residential Flat-Rudraksh Park Flat No 604<br><br>Bunglow No B3 Bb Premium Campus Aakriti Eco City | 3.20 | Working capital limit |
| 8 | June 3, 2026 | Union Bank of India | Maxtar Industries | Flat No. 604, VIth Floor, Block SR06, admeasuring 111.52 Sq. Mtr., Rudraksh Park, situated at Village Bawadiya Kalan, Ward No. 52, Patwari Halka No. 42/50, Tehsil Huzur, District Bhopal<br><br>Residential House No. B-03, Blue Bird, Aakriti Eco City, part of Khasra No. 151/3/1/18, 15/1/3/1/10, 151/3/1/17, 151/3/1/8, 151/3/1/14, 151/3/1/6, 151/2/2/kha, 151/2/ka, 151/2/ga, situated at Village Bawadiya Kalan, Ward No. 52, Patwari Halka No. 42, Bhopal | 0.57 | Term loan |
| 9 | July 9, 2026 | Central Bank of India | Sarvapratham Hospitality Private Limited | - | 150.00 | Working capital limit |
| | **Total** | | | | **1,355.47** | |

The guarantees set out above have been issued as security in connection with the facilities availed by our Company. Pursuant to the terms of the guarantees, the obligations of our Promoter Selling Shareholder include

repayment of the guaranteed sum in case of default by our Company. The financial implications in case of default by the Company are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is repaid in full by the Company. Any default or failure by our Company to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of our Promoter Selling Shareholder. No consideration has been paid or is payable to our Promoter Selling Shareholder for providing these guarantees. The borrowings of our Company are typically secured by immovable property, movable fixed assets and current assets. For further details, please see *"**Financial Indebtedness**"* and *"**Risk Factors**"* on pages 391 and 25, respectively.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of this Draft Red Herring Prospectus, our Board comprises eight (8) Directors, of whom four (4) are Executive Directors and four (4) are Independent Directors including, one (1) Independent woman Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name, designation, date of birth, address, occupation, period of directorship, current term and DIN | Age (years) | Directorships in other companies |
|---|---|---|---|
| 1 | **Kunal Giani**<br><br>***Designation:*** Chairman and Managing Director<br><br>***Date of birth:*** June 25, 1985<br><br>***Address:*** Blue Bird – 03, Premium Bunglow, Aakriti Eco City, Bhopal - 462039, Madhya Pradesh, India<br><br>***Occupation:*** Business<br><br>***Current term:*** For a period of five years w.e.f. January 03, 2025, liable to retire by rotation<br><br>***Period of directorship:*** Since October 08, 2018<br><br>***DIN:*** 08215931 | 41 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>1. Sarva Greenearth Private Limited<br>2. Sarvapratham Hospitality Private Limited<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>Sarva Australia Pty. Limited |
| 2 | **Vijay Pal Singh Parmar**<br><br>***Designation:*** Executive Director<br><br>***Date of birth:*** September 26, 1988<br><br>***Address:*** D-5/1, Siddhi Vinayak, Neelbad, Barkheda Nathu, Bhopal – 462044, Madhya Pradesh, India<br><br>***Occupation:*** Business<br><br>***Current term:*** For a period of five years with effect from September 21, 2026, liable to retire by rotation.<br><br>***Period of directorship:*** Since March 11, 2024<br><br>***DIN:*** 10540388 | 38 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>NIL<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>NIL |
| 3 | **Vishrut Joshi**<br><br>***Designation:*** Executive Director<br><br>***Date of birth:*** October 14, 1990<br><br>***Address:*** E-601, Keelandev Apts, Opposite Board Office, Shivaji Nagar, Huzur, Bhopal – 462016, Madhya Pradesh, India | 35 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>Sarva Greenearth Private Limited<br><br>*Listed Companies:*<br><br>NIL |

| Sr. No. | Name, designation, date of birth, address, occupation, period of directorship, current term and DIN | Age (years) | Directorships in other companies |
|---|---|---|---|
| | ***Occupation:*** Business<br><br>***Current term:*** For a period of five years with effect from August 27, 2026, liable to retire by rotation.<br><br>***Period of directorship:*** Since August 27, 2026<br><br>***DIN:*** 11056144 | | ***Foreign Companies:***<br><br>NIL |
| 4 | **Chirag Sidana**<br><br>***Designation:*** Executive Director<br><br>***Date of birth:*** April 02, 1990<br><br>***Address:*** E-6/24, Arera Colony, PO – R.S. Nagar, Bhopal – 462016, Madhya Pradesh, India<br><br>***Occupation:*** Business<br><br>***Current term:*** For a period of five years with effect from August 27, 2026, liable to retire by rotation<br><br>***Period of directorship:*** Since August 27, 2026<br><br>***DIN:*** 11056139 | 36 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>Sarva Greenearth Private Limited<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>NIL |
| 5 | **Milind Sharma**<br><br>***Designation:*** Independent Director<br><br>***Date of birth:*** November 12, 1991<br><br>***Address:*** Near Chetak Bridge, H. No. – 53/2, Shanti Niketan, Huzur, Bhopal – 462023, Madhya Pradesh, India<br><br>***Occupation:*** Business<br><br>***Current term:*** For a period of five years with effect from June 02, 2025<br><br>***Period of directorship:*** Since June 02, 2025<br><br>***DIN:*** 11106931 | 34 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>NIL<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>NIL |
| 6 | **Sumit Shastri**<br><br>***Designation:*** Independent Director<br><br>***Date of birth:*** July 31, 1983<br><br>***Address:*** House number 18, South City Enclave Extension Phase 2, Near Gujarati Colony, Bawadiya Kalan, Bhopal – 462026, Madhya Pradesh, India<br><br>***Occupation:*** Professional<br><br>***Current term:*** For a period of five years with effect from February 27, 2025<br><br>***Period of directorship:*** Since February 27, 2025<br><br>***DIN:*** 09742112 | 43 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>1. Noslar International Limited<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>NIL |
| 7 | **Smrati Mehta** | 58 | ***Indian Companies:*** |

| Sr. No. | Name, designation, date of birth, address, occupation, period of directorship, current term and DIN | Age (years) | Directorships in other companies |
|---|---|---|---|
| | ***Designation:*** Independent Director<br><br>***Date of birth:*** January 31, 1968<br><br>***Address:*** B-301, Glen Gate, Cliff Avenue, Hiranandani Gardens, Powai, Mumbai - 400076, Maharashtra, India<br><br>***Occupation:*** Self employed<br><br>***Current term:*** For a period of five years with effect from February 04, 2025<br><br>***Period of directorship:*** Since February 04, 2025<br><br>***DIN:*** 07543470 | | *Unlisted Companies:*<br><br>NIL<br><br>*Listed Companies:*<br><br>NIL<br><br>***Foreign Companies:***<br><br>NIL |
| 8 | **Ravi Vaswani**<br><br>***Designation:*** Independent Director<br><br>***Date of birth:*** November 13, 1988<br><br>***Address:*** E-8/56, Bharat Nagar, Shahpura, Bhopal- 462016, Madhya Pradesh, India<br><br>***Occupation:*** Business<br><br>***Current term:*** For a period of five years with effect from August 27, 2026<br><br>***Period of directorship:*** Since August 27, 2026<br><br>***DIN:*** 11878275 | 37 | ***Indian Companies:***<br><br>*Unlisted Companies:*<br><br>Nil<br><br>*Listed Companies:*<br><br>Nil<br><br>***Foreign Companies:***<br><br>Nil |

**Brief biographies of our Directors**

**Kunal Giani** is the Promoter and the Chairman and Managing Director of our Company. He has completed his education up to intermediate level and has been associated with our Company since its incorporation. He is also associated with the Federation of Indian Chambers of Commerce and Industry, Madhya Pradesh as its co-chair. He has over fifteen (15) years of experience in the foam industry. He is responsible for Company's overall business strategy, growth and expansion plans while overseeing the performance and smooth functioning of all business units along with the reviewing financial and business performance, including profitability, budgets, investments and major financial decisions, and providing strategic direction to senior management with clear accountability across departments. He is also responsible for overseeing the UK operations of the Company.

**Vijay Pal Singh Parmar** is an Executive Director of our Company. He holds a bachelor's degree of engineering in information technology from Bansal Institute of Science & Technology, Rajiv Gandhi Proudyogiki Vishwavidyalaya, Bhopal. He is associated with our Company since March 11, 2024. He was previously associated with London Institute of Corporate Training as a Sr. corporate trainer, with Wipro Limited as an associate, with ANR Software Private Limited as a junior solutions engineer and with Maxtar Industries as its Chief Operation Officer. He has over four (4) years of experience in the customer service and software sector and over six (6) years of experience in the foam industry. He is responsible for overseeing the operations of the manufacturing facilities and the establishment of new plants. He also oversees the procurement and development of plant and machinery.

**Vishrut Joshi** is an Executive Director of our Company. He holds a provisional bachelor's of engineering degree in civil engineering from Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur. He also holds a post - graduate diploma in management (finance) from Institute of Management Technology, Ghaziabad. He is associated with the Company since August 27, 2026. He was previously associated with Nomura Structural Finance Services Private Limited as an analyst in the global markets – structuring division, and with ICICI Bank

Limited as a deputy manager-II. He was also associated with D.E. Shaw India Private Limited as a lead analyst and with Credit Suisse Business Analytics (India) Private Limited as an exempt non officer. He has over eight (8) years of experience in the finance industry. He is responsible for overall business and growth strategy for the biomass gasification and biochar production vertical, including identification of new project opportunities, business models, commercial structures and long-term expansion initiatives.

**Chirag Sidana** is an Executive Director of our Company. He holds a bachelor's degree of technology in materials and metallurgical engineering from Indian Institute of Technology, Kanpur. He is associated with the Company since August 27, 2026. He was previously associated with the Willima J. Clinton Foundation as a Manager – Covid 19 Project, with Public Service Consultants Limited, London as a Manager, and with Sharechat as a Director - Business Solutions. He has over ten (10) years of experience in the public healthcare and business sectors. He is responsible for overall business and growth strategy for the biomass gasification and biochar production vertical, including identification of new project opportunities, business models, commercial structures and long-term expansion initiatives.

**Milind Sharma** is an Independent Director of our Company. He holds a bachelor's degree in commerce with major in accountancy and finance from Indra Gandhi National Open University, New Delhi. He is a qualified chartered accountant and holds a membership certificate issued by Institute of Chartered Accountants of India. He also holds a certificate of practice from the Bar Council of India. He has been associated with our Company since June 02, 2025. He was previously associated with P.K Sharma & Co., a chartered accountancy firm. He is currently practicing as an advocate and is associated with Pinaki Legal, Advocates and Solicitors as a partner. He has over eleven (11) years of experience in the accountancy and legal industry.

**Sumit Shastri** is an Independent Director of our Company. He has completed his bachelor's of commerce from Barkatullah Vishwavidyalaya, Bhopal. He is a qualified chartered accountant from the Institute of Chartered Accountants of India. He has also passed the professional programme examination held by Institute of Company Secretaries of India. He has been associated as an Independent Director with our Company since February 27, 2025. He was previously associated with S.R. Batli boi & Co. LLP as an executive in assurance practice and with Publicis Life Brands India as a finance controller. He has over eleven (11) years of experience in the finance sector.

**Smrati Mehta** is an Independent Director of our Company. She holds a bachelor's degree in electrical engineering from Madhav Institute of Technology and Science, Jiwaji University, Gwalior. Further, she is an associate certified coach, credentialed by ICF Credentials and Standards. She has also enrolled in a masters of arts (psychology) course at Indira Gandhi National Open University, New Delhi. She has been associated as an Independent Director with our Company since February 04, 2025. She was previously associated with NSE Infotech Services Limited as Assistant Vice President. She has over twelve (12) years of experience in the information technology industry.

**Ravi Vaswani** is an Independent Director of our Company. He holds a bachelor's degree in arts and law from National Law Institute University, Bhopal. He holds certificate of practice from Bar Council of India. He is an associate member at the Institute of Company Secretaries of India. He has been associated with our Company as an Independent Director since August 27, 2026. He was also previously associated with Ulink AgriTech Pvt. Ltd (AgroStar) as a General Counsel and Company Secretary and with UPL Limited as a senior manager – legal. He was also associated with the Puma Sports India Private Limited, India as an assistant manager – legal, with Cognizant Technology Solutions India Private Limited as a senior associate – legal and with IBM India Private Limited. He has over thirteen (13) years of experience in the legal sector.

**Arrangement or understanding with major shareholders, customers, suppliers or others**

None of our Directors have been selected or appointed to our Board pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

**Service contract with Directors**

None of our Directors have entered a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

**Details of directorships in companies suspended or delisted**

None of our Directors is or was, during the last five years preceding the date of this Draft Red Herring Prospectus, a director of any listed company whose shares have been or were suspended from being traded on any of the stock exchanges during their tenure as a director in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during their tenure as a director in such company.

**Confirmations**

None of our Directors have given any guarantees to any third party, with respect to the Equity Shares, as of the date of this Draft Red Herring Prospectus.

None of our Directors have been identified as a Wilful Defaulter or Fraudulent Borrower, as defined under the SEBI ICDR Regulations.

None of our Directors have been declared a fugitive economic offender, in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/ court.

None of our Directors are debarred from accessing the capital market by SEBI.

None of our Directors are promoters or directors of any other company which is debarred from accessing the capital market by SEBI.

Except as disclosed below and in the section titled *"**Summary of Related Party Transactions**"* on page 82, there is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Directors:

One of our Promoter Group entities, Maxtar Industries, a partnership firm, is a supplier of raw materials to our Company. Our Directors, Mr. Kunal Giani and Mr. Vijay Pal Singh Parmar, hold profit-sharing interests of 2% and 3%, respectively, in the said partnership firm as on the date of this Draft Red Herring Prospectus. The financial information of Maxtar Industries (partnership firm) is consolidated with the financial information of our Company to prepare the Restated Consolidated Financial Information. For further details, please see *"**Summary of Related Party Transactions**"* and *"**Restated Consolidated Financial Information**"* on page 265 and 292.

Except as disclosed in the section *"**History and Certain Corporate Matters- Other confirmations**"* on page 285, there is no conflict of interest between the lessor of the immovable properties (which are crucial for operations of our Company) and our Directors.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Company.

**Relationships between our Directors, Key Managerial Personnel and Senior Management**

None of our Directors are related to each other or to any of our Key Managerial Personnel or the Senior Management.

**Payment or benefit to Directors of our Company**

**Remuneration to Executive Directors**

**Kunal Giani**

Kunal Giani was initially appointed as the Chairman and Director of our Company on October 08, 2018. Subsequently he was appointed as the Chairman and Managing Director vide a shareholders' resolution dated January 03, 2025, for a period of five (5) years, w.e.f. January 03, 2025.

Pursuant to the Board resolution dated January 01, 2025, and Shareholders' resolution dated January 03, 2025, he is entitled to receive a monthly remuneration of ₹0.50 million excluding perquisites.

In Fiscal 2026, he received an aggregate compensation of ₹6.00 million.

**Vijay Pal Singh Parmar**

Vijay Pal Singh Parmar was initially appointed as an additional director of our Company on March 11, 2024 and was regularised pursuant to a shareholder's resolution dated December 19, 2024. Subsequently, he was appointment as a Whole-time Director of our Company pursuant to the Board resolution dated January 11, 2025, and Shareholders' resolution dated February 04, 2025, for a period of five (5) years, w.e.f. February 04, 2025. Further, *vide* the Board resolution dated September 17, 2026, and Shareholders' resolution dated September 21, 2026, he was redesignated as an Executive Director and is entitled to receive a monthly remuneration of ₹0.30 million excluding perquisites.

In Fiscal 2026, he received an aggregate compensation of ₹3.60 million.

**Vishrut Joshi**

Vishrut Joshi was initially appointed as an additional director of our Company pursuant to a board resolution dated August 27, 2026, for a period of five (5) years, w.e.f. August 27, 2026. He was subsequently regularised pursuant to a shareholders' resolution dated September 01, 2026.

Pursuant to the Board resolution dated August 27, 2026, and Shareholders' resolution dated September 01, 2026, he is entitled to receive annual remuneration of ₹1.80 million (excluding perquisites) and other perquisites and benefits as per Company policy for a period of three (3) years commencing from September 01, 2026 till August 31, 2029.

In Fiscal 2026, he received Nil compensation since he was appointed on the Board w.e.f. August 27, 2026.

**Chirag Sidana**

Chirag Sidana was initially appointed as an additional director of our Company pursuant to a board resolution dated August 27, 2026, for a period of five (5) years, w.e.f. August 27, 2026. He was subsequently regularised pursuant to a shareholder's resolution dated September 01, 2026.

Pursuant to the Board resolution dated August 27, 2026, and Shareholders' resolution dated September 01, 2026, he is entitled to receive annual remuneration of ₹1.80 million (excluding perquisites) and other perquisites and benefits as per Company policy for a period of three (3) years commencing from September 01, 2026 till August 31, 2029.

In Fiscal 2026, he received Nil compensation since he was appointed on the Board w.e.f. August 27, 2026.

**Sitting fees of Independent Directors**

Pursuant to a resolution of our Board dated September 17, 2026, our Independent Directors are entitled to receive sitting fees of ₹5,000/- for attending each meeting of our Board and ₹2,500/- for attending the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee constituted of the Board respectively.

**Details of the remuneration paid to Executive Directors of our Company for the Fiscal 2026 are as follows:**

*Executive Directors*

*(₹ in million)*

| Name of the Executive Director | Amount |
|---|---|
| Kunal Giani | 6.00 |
| Vijay Pal Singh Parmar | 3.60 |
| Vishrut Joshi | Nil* |
| Chirag Sidana | Nil* |

**Nil since they were appointed in Fiscal 2027*

**Details of sitting fees paid to Independent Directors of our Company for the Fiscal 2026 are as follows:**

*Independent Directors*

*(₹ in million)*

| Name of the Independent Director | Amount |
|---|---|
| Milind Sharma | 0.10 |
| Sumit Shastri | 0.10 |
| Smrati Mehta | 0.10 |
| Ravi Vaswani | Nil* |

**Nil since he was appointed in Fiscal 2027*

**Remuneration paid or payable to our Directors by our Subsidiaries**

None of our Directors are paid compensation by our Subsidiaries.

**Contingent and deferred compensation payable to our Directors**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

**Shareholding of Directors in our Company**

Our Articles of Association do not require our Directors to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

| Name of Director | Number of Equity Shares held of face value of ₹5 each |
|---|---|
| Kunal Giani | 14,025,715 |
| Vijay Pal Singh Parmar | 433,785 |
| **Total** | **14,459,500** |

**Interest of Directors**

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. For further details, please see *"**Payment or benefit to Directors of our Company**"* on page 269.

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof, and reimbursement of expenses available to them. For further details, please see *"**Payment or benefit to Directors of our Company**"* on page 269.

Our Executive Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. For details regarding the shareholding of our Directors in our Company, please see *"**Capital Structure**"* and *"**Our Management - Shareholding of Directors in our Company**"* on page 100 and 113, respectively.

*(i) Interest in the promotion or formation of our Company:*

Except Kunal Giani who is the Promoter of our Company, none of our Directors have any interests in the promotion or formation of our Company.

*(ii) Interest in property acquired or proposed to be acquired by our Company:*

Our Directors do not have any interest in any property acquired by our Company in the three (3) preceding years as on the date of this Draft Red Herring Prospectus or proposed to be acquired by it.

*(iii) Interest in any transaction for acquisition of land, construction of building, supply of machinery:*

Except as disclosed below, our Directors do not have any interest in any transaction for acquisition of land, construction of building, supply of machinery:

Our Company had taken certain machinery on rent from Kunal Giani, our Promoter and Chairman and Managing Director, at a monthly rental of ₹1,11,500 pursuant to a rent agreement dated April 14, 2025, for a period of two years. The said agreement was terminated with effect from September 28, 2026. For further details, please see *"**Summary of Related Party Transactions**"* on page 82.

*(iv) Interest of our Directors in being a member of a firm or company:*

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested, by any person, either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

**Loans to Directors**

No loans have been availed by our Directors from our Company.

**Bonus or profit-sharing plan of the Directors**

Our Company does not have any bonus or profit-sharing plan for its Directors.

**Changes in the Board in the last three years**

Except as stated below, there has been no change in the Board in the three preceding years:

| Name | Date of change | Reason for change* |
|---|---|---|
| Geetika Giani | March 13, 2024 | Cessation as a Whole – time Director |
| Vijay Pal Singh Parmar | March 11, 2024 | Appointment as an Additional Director |
| Smrati Mehta | February 04, 2025 | Appointment as Independent Director |
| Sumit Shastri | February 27, 2025 | Appointment as Independent Director |
| Milind Sharma | June 02, 2025 | Appointment as Independent Director |
| Chirag Sidana | August 27, 2026 | Appointment as Additional Executive Director |
| Vishrut Joshi | August 27, 2026 | Appointment as Additional Executive Director |
| Ravi Vaswani | August 27, 2026 | Appointment as Additional Independent Director |

**Does not include regularisation or change in designation.*

**Borrowing powers of Board**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to the special resolution dated September 01, 2026 passed by our Shareholders, our Board may borrow any sums of money from time to time, at its discretion, from financial and other institutions, banks, non-banking financial companies, foreign institutions, mutual funds, asset management companies, firms, bodies corporate or any other persons or combination thereof whether by way of fund based (cash credit)/ non fund based (inland or foreign letter of credit/ bank guarantee),working capital limits, term loans, overdrafts, advances or deposits, issuance of debentures by way of private placement or public issue or otherwise, bonds, commercial paper or other instruments or bills discounting or otherwise and whether unsecured or secured by way of mortgage, charge, hypothecation, lien or pledge over the Company's assets and properties and whether in full or in part being movable or immovable, current assets and all or any of the undertakings of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained by the Company from its bankers in the ordinary course of business), will or may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, i.e. reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any point in time exceed the limit of ₹ 5,000.00 million.

**Corporate Governance**

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the

applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof, as applicable. The corporate governance framework is based on an effective independent Board and constitution of the Board committees, as required under law.

**Board Committees**

Our Board has constituted the following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

(a) Audit Committee;
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee;

Details of each of these committees are as follows:

***Audit Committee***

The Audit Committee was constituted by a resolution of our Board dated March 11, 2025 and further reconstituted on July 11, 2025 and was further reconstituted by a resolution of our Board dated September 17, 2026.

The current constitution of the Audit Committee is as follows:

| Name of the Director | Position in the Committee | Designation |
|---|---|---|
| Milind Sharma | Chairman | Independent Director |
| Smrati Mehta | Member | Independent Director |
| Ravi Vaswani | Member | Independent Director |
| Kunal Giani | Member | Chairman and Managing Director |

The Company Secretary and Compliance Officer of the Company will act as the Secretary of the Committee.

The constitution, scope and functions of the Audit Committee are in compliance with section 177 of the Companies Act and regulation 18 of the SEBI Listing Regulations.

The Audit Committee shall have the following terms of reference:

**A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

**B. Role of Audit Committee:**

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation and modification of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions; and

g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(8) 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 Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

(9) reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

***Explanation:*** *The term "related party transactions" shall have the same meaning as provided in Regulation 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) scrutiny of inter-corporate loans and investments;

(12) valuation of undertakings or assets of the Company, wherever it is necessary;

(13) evaluation of internal financial controls and risk management systems;

(14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(15) 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;

(16) discussion with internal auditors of any significant findings and follow up there on;

(17) 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;

(18) 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;

(19) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(20) reviewing the functioning of the whistle blower mechanism;

(21) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(22) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(23) approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(24) approve the disclosure of the key performance indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company;

(25) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

(26) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(27) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

(28) To carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or the SEBI Listing Regulations or by any other regulatory authority; and

(29) Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Management letters / letters of internal control weaknesses issued by the statutory auditors;

c) Internal audit reports relating to internal control weaknesses;

d) The appointment, removal and terms of remuneration of the chief internal auditor;

e) Statement of deviations in terms of the SEBI Listing Regulations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated June 27, 2025. The Nomination and Remuneration Committee was reconstituted by a resolution of our Board dated September 17, 2026.

The current constitution of the Nomination and Remuneration Committee is as follows:

| Name of the Director | Position in the Committee | Designation |
|---|---|---|
| Milind Sharma | Chairman | Independent Director |
| Smrati Mehta | Member | Independent Director |
| Ravi Vaswani | Member | Independent Director |

The constitution, scope and functions of the Nomination and Remuneration Committee are in compliance with section 178 of the Companies Act and regulation 19 of the SEBI Listing Regulations.

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company ("**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) For every appointment of an independent director, it 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 Nomination and Remuneration 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.

(ii) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(iii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iv) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board;

(3) Devising a policy on diversity of the Board;

(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 their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(5) Analysing, monitoring and reviewing various human resource and compensation matters;

(6) Deciding 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;

(7) Review and recommend to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

(8) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(9) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

*Explanation: The expression senior management means the officers and personnel of the Company who are members of its core management team excluding Board of Directors and also comprising all members of management one level below the chief executive officer or managing director or whole time director or manager (including chief executive officer and manager, in case they are not part of the Board of Directors), and specifically including the functional heads, by whatever name called and the company secretary and the chief financial officer.*

(10) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(11) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(13) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended, including rules or regulations formulated thereunder, or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including rules or regulations formulated thereunder, or by any other applicable law or regulatory authority;

(14) Authorize to obtain advice, reports or opinions from internal or external counsel and expert advisors;

(15) Ensure proper induction program for new directors, key managerial personnel and senior management and review its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;

(16) Develop a succession plan for our Board and senior management and regularly reviewing the plan;

(17) Ensure that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company; and

(18) Consider and determine the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate.

***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 17, 2026. The current constitution of the Stakeholders Relationship Committee is as follows:

| Name of the Director | Position in the Committee | Designation |
|---|---|---|
| Ravi Vaswani | Chairman | Independent Director |
| Vishrut Joshi | Member | Executive Director |
| Chirag Sidana | Member | Executive Director |

The constitution, scope and functions of the Stakeholders' Relationship Committee are in compliance with section 178 of the Companies Act and regulation 20 of the SEBI Listing Regulations.

***Terms of Reference for the Stakeholders' Relationship Committee:***

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

(1) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;

(2) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(3) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(4) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(5) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(6) Reviewing of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(7) Reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(8) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants; and

(9) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

***Corporate Social Responsibility Committee***

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated March 24, 2025. The Corporate Social Responsibility Committee was reconstituted by a resolution of our Board dated September 17, 2026.

The current constitution of the Corporate Social Responsibility Committee is as follows:

| Name of the Director | Position in the Committee | Designation |
|---|---|---|
| Vishrut Joshi | Chairman | Executive Director |
| Chirag Sidana | Member | Executive Director |
| Sumit Shastri | Member | Independent Director |

The constitution, scope and functions of the Corporate Social Responsibility Committee is in compliance with section 135 of the Companies Act.

The terms of reference of the Corporate Social Responsibility Committee include the following:

(1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(2) review and recommend the amount of expenditure to be incurred on the activities referred to in (i) above;

(3) review and monitor the implementation of the Corporate Social Responsibility Policy from time to time, and make any revisions therein as and when decided by the Board and issue necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(4) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(5) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(6) provide explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

(7) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

a) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
b) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
d) monitoring and reporting mechanism for the projects or programmes; and
e) details of need and impact assessment, if any, for the projects undertaken by the Company;

(8) Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect;

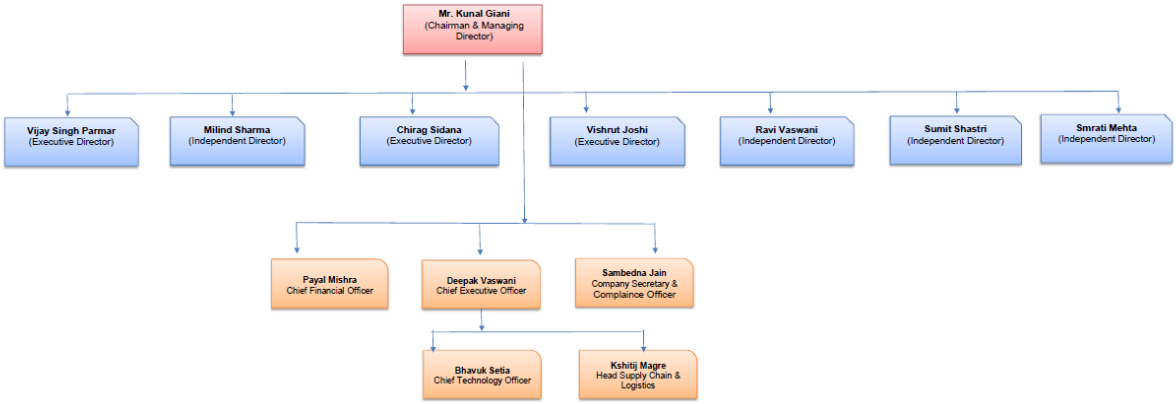
(9) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(10) 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;

(11) provide updates to our Board at regular intervals of six months on the corporate social responsibility activities; and

(12) 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 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable laws.

## Management Organisation Chart



**Key Managerial Personnel**

In addition to Kunal Giani, Chairman and Managing Director, whose details are provided in *"**Brief biographies of our Directors**"* on page 267, the details of the Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus are as follows:

**Sambedna Jain**, aged 43 years, is the Company Secretary and Compliance Officer of our Company. She is a qualified company secretary and a fellow member of the Institute of Company Secretaries of India. She has also completed bachelor's of commerce and master's of commerce in accounts from S S L Jain P G College, Vidisha. She has been associated with our Company since June 20, 2026, as the Company Secretary and Compliance Officer. Prior to joining our Company, she was associated with Dilip Buildcon Limited as an assistant general manager – secretarial, and with Atishay Limited as a company secretary and compliance officer. She was also associated with Sandhya Prakash Limited as a company secretary. She has over fifteen (15) years of post-qualification experience in secretarial compliances. She is responsible for managing corporate governance and other secretarial related activities of our Company. In Fiscal 2026, she received Nil remuneration, as she joined our Company in Fiscal 2027.

**Deepak Vaswani**, aged 30 years, is the Chief Executive Officer of our Company. He holds a bachelor's degree in commerce (hons.) from Jagran Lake City University, Bhopal. He also holds a post graduate diploma in management from Indian Institute of Management Kozhikode. He has been associated with our Company since February 04, 2025, as the Chief Executive Officer. Prior to joining our Company, he was associated with Maxtar Industries as Business Development manager, Asian Paints Limited as an area manager. He has over eight (8) years of experience in the field of sales and business strategy. He is responsible for the overall management and business operations of our Company. In Fiscal 2026, he received a remuneration of ₹1.80 million.

**Payal Mishra**, aged 33 years, is the Chief Financial Officer of our Company. She has completed her bachelor's of commerce from Government Hamidia Arts & Commerce College, Barkatullah Vishwavidyalaya, Bhopal. She has been associated with our Company since February 04, 2025, as the Chief Financial Officer. She is a qualified chartered accountant and holds a membership certificate issued by Institute of Chartered Accountants of India. Prior to joining our Company, she was associated with Avgol India Private Limited as a controller finance India region, with Dilip Buildcon Limited as a Manager – Finance & Accounts and with Pramod K. Sharma & Co., Chartered Accountants as a Partner. She is responsible for managing financial planning and budgeting through preparation and monitoring of budgets, forecasts and financial plans, while ensuring accurate accounting, and ensuring timely statutory compliances and audits in our Company. She has over nine (9) years of experience in the field of finance. In Fiscal 2026, she received a remuneration of ₹1.71 million.

**Senior Management**

In addition to Chief Executive Officer, Chief Financial Officer and Company Secretary and Compliance Officer of our Company, whose details are provided in *"**Key Managerial Personnel**"* above on page 281, the details of our other Senior Management are set forth below:

**Kshitij Magre**, aged 32 years, is the Head - Supply Chain of our Company. He holds a bachelor of engineering (mechanical engineering) degree from Rajiv Gandhi Proudyogiki Vishwavidyalaya, Bhopal. He also holds a master of business administration from Indian Institute of Management Bodh Gaya. He has been associated with our Company since July 20, 2026. He was previously associated with Prozo Integrated Logistics Private Limited as an assistant vice president and with Dtwelve Spaces Private Limited as a business associate – service excellence. He was also associated with Dharampal Satyapal Limited as a deputy manager. He has over five (5) years of experience in the field of supply chain management and information technology. He is responsible for managing sourcing and procurement activities, including vendor management, negotiations, and raw material as well as import/export sourcing in our Company. In Fiscal 2026, he received Nil remuneration.

**Bhavuk Setia**, aged 31 years, is the Chief Technical Officer of our Company. He holds master's degree of technology in geological technology from India Institute of Technology Roorkee. He has been associated with our Company since August 27, 2023. Prior to joining our Company, he was associated with RKSV Securities India Private Limited as a Product Strategist. He has over seven (7) years of experience in the field of product strategy. He is responsible for managing technology strategy and planning, including technology roadmaps, adoption, capex/opex planning and technical standards in our Company. In Fiscal 2026, he received a remuneration of ₹ 2.40 million, as he joined our Company in Fiscal 2027.

**Status of our Key Managerial Personnel and Senior Management**

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

**Relationship between our Key Managerial Personnel and Senior Management**

Except as disclosed in *"**Relationships between our Directors, Key Managerial Personnel and Senior Management**"* on page 269, none of our Key Managerial Personnel and Senior Management are related to each other.

**Arrangements or understanding with major Shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with our major Shareholders, customers or suppliers, or others.

**Shareholding of our Key Managerial Personnel and Senior Management**

Other than as disclosed under *"**Capital Structure - Details of shareholding of our Directors, Key Managerial Personnel and Senior Management**"* on page 113, none of our Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

**Service contracts with our Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective employment letters/ resolutions of our Board on their terms of appointment. Other than statutory benefits upon termination of their employment in our Company on retirement, none of our Key Managerial Personnel or Senior Management have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

**Contingent and deferred compensation paid or payable to our Key Managerial Personnel and Senior Management**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and Senior Management for Fiscal 2026, which does not form part of their remuneration for such period.

**Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management**

None of the Key Managerial Personnel or Senior Management is party to any bonus or profit-sharing plan of our Company. The management may from time to time decide to give performance bonus to its employees.

**Interest of our Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Except as disclosed in the " – *Interest of Directors*" on page 271, there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and the Key Managerial Personnel and Senior Management of our Company.

Except as disclosed above in *"**Our Management - Confirmations**"* on page 269. There is no conflict of interest between the lessor of the immovable properties, (crucial for operations of our Company) and the Key Managerial Personnel and Senior Management of our Company.

For further details please see *"**Our Management - Interest of Directors**"* on page 271.

**Changes in Key Managerial Personnel and Senior Management in the past three years**

Other than as disclosed under *"**Changes in the Board in the last three years**"* on page 272, the details of the changes in the Key Managerial Personnel and Senior Management of our Company in the last three years are as follows:

| Name | Designation | Date of change | Reason of change |
|---|---|---|---|
| Payal Mishra | Chief Financial Officer | February 04, 2025 | Appointment as Chief Financial Officer |
| Sakshi Singh Chauhan | Company Secretary | February 04, 2025 | Appointment as Company Secretary |
| Deepak Vaswani | Chief Executive Officer | February 04, 2025 | Appointment as Chief Executive Officer |
| Sakshi Singh Chauhan | Company Secretary | October 23, 2025 | Resignation as Company Secretary |
| Sambedna Jain | Company Secretary and Compliance Officer | June 20, 2026 | Appointment as Company Secretary and Compliance Officer |
| Kshitij Magre | Head - Supply Chain | July 20, 2026 | Appointed as Head - Supply Chain |

*Note: This table does not include changes pursuant to changes in designations on account of promotion of the respective Key Management Personnel and Senior Management*

The attrition rate of our Key Managerial Personnel and Senior Management of our Company is comparable to the industry standard.

**Payment or benefits to our Key Managerial Personnel and Senior Management (non-salary related) in the preceding two years**

No amount or benefit (non-salary related) has been paid or given to any of our Company's officers, Key Managerial Personnel and Senior Management within the two preceding years from the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to our Company's officers, Key Managerial Personnel and Senior Management, other than in the ordinary course of their employment.

**Employee stock option plan**

Our Company does not have any employee stock option scheme, as on the date of this Draft Red Herring Prospectus.

## OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has 2 Subsidiaries, details of which are below:

1. Sarva Global Ventures Ltd; and
2. Sarva Foam UK Ltd.

### A. Our Subsidiaries

The details of our Subsidiaries are disclosed hereunder:

### 1. Sarva Global Ventures Ltd (Wholly owned subsidiary)

*Corporate Information*

Sarva Global Ventures Ltd was incorporated on October 16, 2024 as a private limited company under the Companies Act, 2006 (England and Wales).

Its registered office is situated at 111 Drake Road, Harrow, England, HA2, 9DZ.

*Nature of business*

The main objects of Sarva Global Ventures Ltd, *inter alia*, include developing, financing and managing expansion and distribution of products of our Company in the United Kingdom, among others.

*Capital structure*

The details of the share capital of Sarva Global Ventures Ltd as on the date of this Draft Red Herring Prospectus are as follows:

| **Authorised share capital** | **Aggregate nominal value** |
|---|---|
| £1, divided into 1 ordinary share of £1 each | £1 |
| **Issued, subscribed and paid-up share capital** | |
| £1, divided into 1 ordinary share of £1 each | £1 |

*Shareholding pattern*

As on the date of this Draft Red Herring Prospectus, the shareholding pattern of Sarva Global Ventures Ltd is as follows:

| **Name of the shareholder** | **Number of ordinary shares held** | **Percentage of total shareholding (%)** |
|---|---|---|
| Our Company | 1 | 100 |
| **Total** | **1** | **100** |

### 2. Sarva Foam UK Ltd

*Corporate Information*

Sarva Foam UK Ltd was incorporated on August 20, 2024 as a private limited company, under the Companies Act, 2006 (England and Wales). Its registered office is situated at First Floor, The Urban building, Albert Street Slough, England, SL 1 2BE.

*Nature of business*

The main objects of Sarva Foam UK Ltd, *inter alia*, include, manufacturing, distribution and sale of rebonded foam products, among others.

*Capital structure*

The details of the share capital of Sarva Foam UK Ltd as on the date of this Draft Red Herring Prospectus are as follows:

| Authorised share capital | Aggregate nominal value |
|---|---|
| £1,000, divided into 1,000 ordinary shares of £1 each | £1,000 |
| **Issued, subscribed and paid-up share capital** | |
| £1,000, divided into 1,000 ordinary shares of £1 each (300 ordinary shares and 700 B ordinary shares) | £1,000 |

*Shareholding pattern*

As on the date of this Draft Red Herring Prospectus, the shareholding pattern of Sarva Foam UK Ltd is as follows:

| Name of the shareholder | Number of ordinary shares held | Percentage of total equity shareholding (%) |
|---|---|---|
| Sarva Global Ventures Ltd (200 ordinary shares and 600 B ordinary shares) | 800 | 80.00 |
| Asset Global Ltd (100 ordinary shares and 100 B ordinary shares) | 200 | 20.00 |
| **Total** | **1,000** | **100.00** |

## B. Confirmations

**Accumulated profits or losses**

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company.

**Business interest in our Company**

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries hold Equity Shares in our Company. Further, except as disclosed in the section *"**Restated Consolidated Financial Information - Notes to the Restated Consolidated Financial Information- Note 39 - Related party disclosures**"* on page 292, our Subsidiaries do not have any: (i) business interest in our Company; or (ii) related business transactions with our Company.

**Common pursuits**

As on the date of this Draft Red Herring Prospectus, our Subsidiaries have common pursuits with our Company and are authorized to engage in similar business to that of our Company. Our Company would adopt the necessary measures and practices as permitted by law to address any conflict situation, if and when they arise.

**Other confirmations**

As on the date of this Draft Red Herring Prospectus, none of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

There is no conflict of interest between our Subsidiaries and their directors and lessors of immovable properties (crucial for operations of our Company).

There is no conflict of interest between our Subsidiaries and their directors and suppliers of raw materials and third-party service providers (crucial for operations of our Company).

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

The Promoter of our Company is Kunal Giani. As on the date of this Draft Red Herring Prospectus, our Promoter holds 14,025,715 Equity Shares of face value of ₹5 each, constituting 82.65% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, please see *"**Capital Structure - History of build-up of Promoter's shareholding and lock-in of Promoter's shareholding (including Promoter's contribution)- Build-up of our Promoter's equity shareholding in our Company**"* on page 109.

### Details of our Promoter

| | |
|---|---|
|  | **KUNAL GIANI**<br><br>Kunal Giani, aged 41 years, is our Promoter and the Chairman and Managing Director of our Company.<br><br>**Permanent Account Number:** AMVPG5053G<br><br>For the complete profile of Kunal Giani along with the details of his date of birth, personal address, educational qualifications, experience in the business or employment, positions/ posts held in the past, directorships held, special achievements, business and financial activities, please see *"**Our Management**"* on page 265. |

Our Company confirms that the PAN, bank account number, passport number, Aadhaar card number and driving license number of our Promoter- Kunal Giani will be submitted to the Stock Exchanges, at the time of filing of this Draft Red Herring Prospectus.

### Change in control of our Company

There has been no change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Kunal Giani and Geetika Giani were the original promoters of our Company. Further, Kunal Giani has been identified as the only Promoter of our Company pursuant to a resolution passed by our Board dated August 27, 2026.

### Other ventures of our Promoter

Other than as disclosed below in *"**Interest of our Promoter**"*, *"**Our Management- Board of Directors - Other Directorships**"* on pages 286 and 265, respectively, our Promoter is not involved in any other venture which is in the same line of activity or business as that of our Company.

### Interest of our Promoter

(i) Our Promoter is interested in our Company (a) to the extent that he has promoted our Company; (b) to the extent of his shareholding in and control over our Company and the shareholding of his relatives in our Company; (c) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or of his relatives in our Company; (d) his directorship (of being Chairman and Managing Director) in our Company. Additionally, our Promoter may be interested in transactions entered into or to be entered into by our Company with him, his relatives or other entities (a) in which our Promoter is a member or holds shares; or (b) which are controlled by our Promoter. For further details, please see *"**Financial Information- Restated Consolidated Financial Information - Note 39– Related party disclosures**"* on page 292 and "***Our Management***" on page 265.

(ii) Our Promoter may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to him. For further details, please see *"**Our Management - Payment or benefit to Directors of our Company - Remuneration to Executive Directors**"* on page 269.

(iii) Our Promoter is also interested to the extent of unsecured loans provided by him to our Company. For further information, please see *"**Financial Indebtedness**" and "**Restated Consolidated Financial Information**"* on pages 391 and 292, respectively.

(iv) Our Promoter holds 14,025,715 Equity Shares, constituting 82.65% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, as of the date of this Draft Red Herring Prospectus.

(v) Our Promoter may be considered interested to the extent of personal guarantees given, against loans availed by our Company. For details, please see *"**Financial Indebtedness**"* on page 391.

(vi) No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which he is interested in as member, in cash or shares or otherwise, by any person, either to induce him to become, or to qualify him as Director, or otherwise for services rendered by him or by such firms or companies in which he is interested, in connection with the promotion or formation of our Company.

(vii) Our Promoter has no interest in any property acquired by our Company during the three years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired by it, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

(viii) There is no conflict of interest between the lessors of immovable properties (crucial for operations of our Company) and our Promoter and members of our Promoter Group:

(ix) Except as disclosed in the section *"**Our Management- Interest of Directors**"* on page 271, there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Promoter and members of our Promoter Group.

**Payment or benefits to Promoter or our Promoter Group**

Except in ordinary course of business, there has been no payment or benefit given by our Company to our Promoter or any of the members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or members of our Promoter Group, other than in ordinary course of business, as on the date of this Draft Red Herring Prospectus. For further details, please see *"**Our Management**"* on page 265 and *"**Financial Information- Restated Consolidated Financial Information- Note 39 - Related party disclosures**"* on page 292.

**Disassociation by our Promoter in the last three years**

Except as disclosed below, our Promoter has not disassociated himself from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus:

| Name of the Promoter | Name of the company or firm from which the Promoter was disassociated | Reasons for and circumstances leading to disassociation | Date of disassociation |
|---|---|---|---|
| Kunal Giani | Maxtar Industries | Disassociation on account of transfer of 90.30% of total share in the partnership firm by our Promoter to our Company | October 1, 2024 |
| | | Disassociation on account of transfer of 5% of total share in the partnership firm by our Promoter to our Company | March 22, 2025 |

**Other confirmations**

As on the date of this Draft Red Herring Prospectus, our Promoter and members of our Promoter Group are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any jurisdiction or any other authority/ court.

Our Promoter and members of our Promoter Group are not debarred from accessing the capital markets by SEBI.

Our Promoter is not a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

Our Promoter has not been identified as a Wilful Defaulter or Fraudulent Borrower as defined under the SEBI ICDR Regulations.

Our Promoter has not been declared as Fugitive Economic Offenders in accordance with section 12 of the Fugitive Economic Offenders Act, 2018, as amended.

Except as disclosed in *"**Outstanding Litigation and Material Developments**"* on page 393, there are no legal, regulatory proceedings involving our Promoter, as on the date of this Draft Red Herring Prospectus.

**Material guarantees given by our Promoter to third parties with respect to Equity Shares**

Our Promoter has not given any material guarantees to any third party with respect to the Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

## OUR PROMOTER GROUP

In addition to our Promoter, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

### *a) Natural persons forming part of the Promoter Group (Other than our Promoter)*

The natural persons who are members of our Promoter Group, other than our Promoter are as follows:

| Sr. No. | Name of the Promoter | Name of the member of Promoter Group | Relationship with the Promoter |
|---|---|---|---|
| 1 | Kunal Giani | Megha Singh | Mother |
| | | Geetika Giani | Wife |
| | | Myra Giani | Daughter |
| | | Ayana Giani | Daughter |
| | | Anvi Giani | Daughter |
| | | Hardayal Verma | Spouse's father |
| | | Archana Verma | Spouse's mother |
| | | Aditya Verma | Spouse's brother |

### *b) Entities forming part of the Promoter Group*

The entities forming part of our Promoter Group are as follows:

(i) Anvi Trust;
(ii) Ayana Trust;
(iii) Bondpro Foam Industries Private Limited;
(iv) Myra Trust;
(v) Sarva Foam (proprietorship firm);
(vi) Sarvapratham Hospitality Private Limited;
(vii) Sarva Greenearth Private Limited;
(viii) Maxtar Industries (partnership firm)
(ix) Universal Foam (proprietorship firm)*
**GSTIN cancelled suo-moto*

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term 'group companies' for the purpose of disclosure in this Draft Red Herring Prospectus, includes:

(i) such companies (other than promoters and subsidiary/ subsidiaries) with which there were related party transactions, during the period for which the Restated Consolidated Financial Information has been included in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and
(ii) any other companies considered material by the Board, pursuant to the Materiality Policy.

For the purposes of (ii) above, our Board in its meeting held on September 30, 2026 has adopted the Materiality Policy and has considered 'material' group companies of our Company to be such companies (other than companies covered under (i) above) that are a part of the Promoter Group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations), with which there were transactions with our Company during the most recent Fiscal as per the Restated Consolidated Financial Information of our Company to be included in the Offer Documents ("**Test Period**") which individually or in the aggregate, exceed 10% of the total restated consolidated revenue from operations of our Company from the Test Period.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, the following companies have been identified as our Group Companies ("**Group Companies**"), details of which are set forth below:

| Sr. No. | Name of the Group Company | Registered Office address |
|---|---|---|
| 1 | Bondpro Foam Industries Private Limited | 3P BB 03, Premium Campus, Aakriti Eco City, Bhopal-462026, Madhya Pradesh, India |
| 2 | Sarva Greenearth Private Limited | 3P BB 03, Premium Campus, Aakriti Eco City, Bhopal-462026, Madhya Pradesh, India |

In accordance with the SEBI ICDR Regulations, the following financial information in relation to our Group Companies for the previous three financial years, extracted from the respective audited financial statements is required to be hosted on the website of our Company at https://www.sarvafoam.com/investors/:

(i) reserves (excluding revaluation reserve);
(ii) sales;
(iii) profit after tax;
(iv) earnings per share;
(v) diluted earnings per share; and
(vi) net asset value.

It is clarified that such details provided on our Company's website do not form part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider to purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company nor the BRLM nor any of the Company's or BRLM's respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained on our website.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations.

**Litigation which has a material impact on our Company**

As on the date of this Draft Red Herring Prospectus, there are no pending litigations involving our Group Companies which may have a material impact on our Company.

**Nature and extent of interest of our Group Companies**

*Interest in the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

*Interest in the properties acquired by our Company in the preceding three years before filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.*

As on the date of this Draft Red Herring Prospectus, our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

*Interest in transactions for acquisition of land, construction of building and supply of machinery*

As on the date of this Draft Red Herring Prospectus, our Group Companies do not have an interest, directly or indirectly, in any transaction for acquisition of land, construction of building or supply of machinery, with our Company.

**Common pursuits among our Group Companies and our Company**

As on the date of this Draft Red Herring Prospectus, our Group Companies have common pursuits with our Company and are authorized to engage in similar business to that of our Company. Our Company would adopt the necessary measures and practices as permitted by law to address any conflict situation, if and when they arise.

**Related business transactions within the group and significance on the financial performance of our Company**

Other than the transactions disclosed in the section *"**Restated Consolidated Financial Information - Note 39**"* on page 292, there are no related business transactions between our Company and Group Companies, which are significant to the financial performance of our Company.

**Business interests of our Group Companies**

Except in the ordinary course of business and as disclosed in section *"**Restated Consolidated Financial Information- Note 39– Related party disclosures**"* on page 292, our Group Companies do not have any business interest in our Company.

**Other Confirmations**

(i) Our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

(ii) None of our Group Companies are listed on any Stock Exchange in India or abroad.

(iii) None of the securities of our Group Companies have been refused listing by any stock exchange in India or abroad during the last 10 years, nor have our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

(iv) There are no conflicts of interest between our Group Companies (including their respective directors) and any lessors of immovable properties (which are crucial for operations of the Company).

(v) There are no conflicts of interest between our Group Companies (including their respective directors) and any suppliers of raw materials (which are crucial for operations of the Company).

# 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, the Companies Act, read with the rules notified thereunder, each as amended and other applicable law, and the Dividend Distribution Policy ("**Dividend Policy**") of our Company may be reviewed and amended periodically by our Board, in accordance with the same.

The Dividend Policy was approved and adopted by our Board in its meeting held on August 27, 2026. In terms of the Dividend Policy, the dividend, if any paid, will depend on a number of internal and external factors, which amongst others, include capital requirements, profits, cash flows, contractual obligations and growth and expansion plans.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including but not limited to earning stability, contractual obligations, applicable legal restrictions, overall financial position of our Company, macroeconomic and business conditions and other factors considered relevant by the Board. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents our Company is currently a party to or may enter into from time to time, to finance our fund requirements for our business activities. For further details, please see *"**Financial Indebtedness**"* on page 391. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

**Dividend on Equity Shares**

Our Company has not declared or paid any dividend on the Equity Shares during the period from April 1, 2026 until the date of this Draft Red Herring Prospectus and the Fiscals 2026, 2025, and 2024.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. For further details, please see *"**Risk Factors - Our Company has not paid dividends in the last 3 Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future**"* on page 64.

## SECTION V – FINANCIAL INFORMATION
## RESTATED CONSOLIDATED FINANCIAL INFORMATION

| Sr. No. | Particulars |
|---|---|
| 1. | Independent Auditors Examination Report on Restated Consolidated Financial Information |
| 2. | Restated Consolidated Financial Information |

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**Independent Auditors' Examination Report on the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Cash Flows for the years and Restated Consolidated Statement of Changes in Equity year ended March 31, 2026, March 31, 2025 and March 31, 2024, and Summary of material accounting policies and other explanatory information (collectively, the "Restated Consolidated Financial Information") of Sarva Foam Industries Limited (formerly known as Sarva Foam Industries Private Limited) and its Subsidiaries as mentioned in Annexure A**

To,
The Board of Directors
**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**2nd Floor, Commercial Building, Aakriti Eco-City, Bawadia Kalan,**
**Bhopal, Madhya Pradesh - 462039**

Dear Sirs,

1) We, S.L. Chhajed & Co. LLP, Chartered Accountants (Firm Registration No.: 000709C/ C400277), the Statutory auditors of the Sarva Foam Industries Limited have examined the attached Restated Consolidated Financial Information of Sarva Foam Industries Limited (formerly known as Sarva Foam Industries Private Limited (the "Parent Company" or "Issuer"), and its subsidiaries, as mentioned in Annexure A annexed to this report, (the Parent Company together with its subsidiaries hereinafter referred to as "the Group") and prepared by the Parent Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") in connection with its proposed initial public offer of equity shares of face value of Rs. 5 each of the Parent Company (the "IPO") which involves an offer for sale by certain existing shareholders of the Parent Company. The Restated Consolidated Financial Information, which have been approved by the board of directors of the Company at their meeting held on September 30, 2026, have been prepared in accordance with the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations");
    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

**Management's Responsibility for the Restated Consolidated Financial Information**

2) The Parent Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with SEBI and Stock Exchanges in connection with the proposed IPO.

    The Restated Consolidated Financial Information have been prepared by the management of the Parent Company based on Note 2 "Statement of Compliance" and Note 3(i) "Basis of Preparation" stated in the Restated Consolidated Financial Information.

    The respective Board of Directors of the companies included in the Group are responsible for designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

**Auditors' Responsibilities for the Restated Consolidated Financial Information**

3) We have examined such Restated Consolidated 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 dated 31-08-2026 in connection with the proposed IPO of equity shares of the Issuer;

   b) 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 Consolidated Financial Information; and

   d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO

**Restated Consolidated Financial Information**

4) These Restated Consolidated Financial Information have been compiled by the management of the company from:

   a) The Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2026 prepared in accordance with Indian Accounting Standard as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026 (collectively, the “Consolidated Financial Statements”).

   b) The Audited Special Purpose Consolidated Financial Statements of the Group as at and for the year ended March 31, 2025 prepared in accordance with Indian Accounting Standard as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026 (collectively, the “Consolidated Financial Statements”).

      For the financial year ended March 31, 2025, the Group prepared its statutory financial statements in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021, as amended, specified under Section 133 of the Act (“Indian GAAP”) due to which the Special Purpose Consolidated Ind AS Financial Statements were prepared to comply with the SEBI ICDR Regulations and the Guidance Note. The audit reports on the Indian GAAP statutory financial Statements for the year ended March 31, 2025 was issued by B. B. Shah & Company (the “Previous Auditor”) on November 27, 2025 (the “Indian GAAP Financial Statements").

      The Special Purpose Consolidated Financial Statements have been prepared after making suitable adjustments to the audited Indian GAAP financial statements of the Group as at and for the year ended March 31, 2025 prepared in accordance with the accounting standards notified under the section 133 of the Act (“Indian GAAP”).

   c) The Audited Special Purpose Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024 prepared in accordance with Indian Accounting Standard as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other

accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026 (collectively, the "Consolidated Financial Statements").

For the financial year ended March 31, 2024, the Group prepared its statutory financial statements in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021, as amended, specified under Section 133 of the Act ("Indian GAAP") due to which the Special Purpose Consolidated Financial Statements were prepared to comply with the SEBI ICDR Regulations and the Guidance Note. The audit reports on the Indian GAAP statutory financial Statements for the year ended March 31, 2024 was issued by B. B. Shah & Company (the "Previous Auditor") on September 29, 2024 (the "Indian GAAP Financial Statements").

The Special Purpose Consolidated Financial Statements have been prepared after making suitable adjustments to the audited Indian GAAP financial statements of the Group as at and for the year ended March 31, 2024 prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP").

**Auditor's Report**

5) For the purpose of our examination, we have relied on:

a) Auditors' report issued by us dated September 17, 2026 on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2026 as referred in Paragraph 4(a) above; and

b) Special Purpose Audit report issued by us dated September 17, 2026 on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2025.

c) Special Purpose Audit report issued by us dated September 17, 2026 on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024.

6) As indicated in our audit reports referred in paragraph 5 above:

a) We did not audit the financial statements of Sarva Global Ventures Limited as mentioned in Annexure A, whose share of total assets, total revenues, net cash inflows and share of net profit/(loss) included in the consolidated financial statements, as tabulated below, for the year ended March 31, 2026 were audited by Bayar Hughes & Co Limited and for the year ended March 31, 2025 were audited by Rel Integral Accounting and Auditing Ltd and whose reports has been furnished to us by the Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the report of the Previous Auditor.

b) We did not audit the financial statements of M/s Maxtar Industries as mentioned in Annexure A, whose share of total assets, total revenues, net cash inflows and share of net profit/(loss) included in the consolidated financial statements, for the year(s) ended March 31, 2026, March 31, 2025 and March 31, 2024, as tabulated below, were audited by M/s R.N. Gupta & Associates and whose report has been furnished to us by the Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the report of the Other Auditor.

| Particulars | As at/ for the year ended March 31, 2026 | As at/ for the year ended March 31, 2025 | As at/ for the year ended March 31, 2024 |
|---|---|---|---|
| Number of Subsidiary (refer Annexure A) | 2 | 2 | 1 |
| Total assets (Rs. In Million) | 416.44 | 267.03 | 125.63 |
| Total revenues (Rs. In Million) | 414.83 | 424.39 | 65.27 |

| | | | |
|---|---|---|---|
| Net cash inflows/(outflows) (Rs. In Million) | 40.46 | 3.62 | -9.03 |

Our opinion is not modified in respect of these matters.

7) Based on our examination and according to the information and explanations given to us, we report that the Special Purpose Consolidated Financial Statements:

   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025 and March 31, 2024 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2026;

   b) There are no qualifications in the independent auditor's reports on the Audited Consolidated Financial Statements of Group as at and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 which require any adjustments to the Special Purpose Consolidated Financial Statements; and

   c) have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

8) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Consolidated Financial Statements and audited consolidated 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 the us, Other Auditor and Previous Auditor, 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.

**Restriction on use**

11) Our report is intended solely for use of the Board of Directors of Company for inclusion in the Offer Documents to be filed with SEBI and Stock Exchanges in connection with the proposed 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 S.L. Chhajed & Co. LLP**
*Chartered Accountants*
Firm's Registration Number: 000709C/ C400277

**Vijit Baidmutha**
*Partner*
(Membership No: 406044)
UDIN: 26406044AGAYRY4909

Place: Bhopal
Date: September 30, 2026

**Annexure A**

| Name of Entity | Relationship | Name of Audit Firm | Financial years audited |
|---|---|---|---|
| Maxtar Industries (Partnership Firm)<br>w.e.f 01-04-2024 | Partnership firm in which Parent Company has 95% Control | R.N Gupta & Associates | FY 2025-26, 2024-25, 2023-24 |
| Sarva Global Ventures Ltd (Incorporated on 16-10-2024) | Wholly Owned Subsidiary (Incorporated in United Kingdom | Bayar Hughes & Co Limited | FY 2025-26 |
| | Wholly Owned Subsidiary (Incorporated in United Kingdom | Rel Integral Accounting and Auditing Ltd | FY 2024-25 |
| Sarva Foam UK Ltd | Subsidiary of Sarva Global Ventures Ltd. (w.e.f 1-4-2025) | Bayar Hughes & Co Limited | FY 2025-26 |
| | Associate of Sarva Global Ventures Ltd. | Rel Integral Accounting and Auditing Ltd | FY 2024-25 |

*Note- This Business combination is consolidated as businesses under common control and is accounted for using the pooling of interest method in accordance with Appendix C to Ind AS 103 for the Financial year 2023-24. The actual date of acquisition is 1st April 2024.

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Restated Consolidated Statement of Assets and Liabilities**
**(All amounts in Rs. Millions, unless otherwise stated)**

| Particulars | Notes | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non Current Assets** | | | | |
| (a) Property, Plant and Equipment | 3 | 401.76 | 299.92 | 179.10 |
| (b) Right -Of- Use Assets | 4 | 60.94 | 63.97 | 55.51 |
| (c) Capital work-in-progress | 3 | 198.54 | 12.04 | - |
| (d) Intangible assets | 5 | 10.22 | - | - |
| (e) Goodwill | 5A | 4.68 | - | - |
| (f) Financial Assets | | | | |
| i. Investments | 6 | 5.00 | - | - |
| ii. Loans and Advances | 7 | 56.11 | - | - |
| iii. Other Financial Assets | 8 | 40.05 | 43.14 | 78.28 |
| (g) Deferred Tax Asset | 9 | 5.92 | 8.12 | 2.01 |
| (h) Other non-current assets | 10 | 14.40 | 25.59 | - |
| **Total Non Current Assets** | | **797.62** | **452.78** | **314.90** |
| **Current Assets** | | | | |
| (a) Inventories | 11 | 381.58 | 362.72 | 196.70 |
| (b) Financial Assets | | | | |
| i. Trade Receivable | 12 | 623.66 | 258.21 | 100.59 |
| ii. Cash and cash equivalents | 13 | 48.42 | 6.45 | 2.11 |
| iii. Bank Balances other than (ii) above | 13A | 343.00 | - | - |
| iv. Loans and Advances | 14 | 10.59 | 13.44 | 2.05 |
| (c) Other current assets | 15 | 25.29 | 30.29 | 6.73 |
| **Total Current Assets** | | **1,432.54** | **671.11** | **308.19** |
| **Total Assets** | | **2,230.16** | **1,123.89** | **623.09** |
| **EQUITY & LIABILITIES** | | | | |
| **Equity** | | | | |
| (a) Equity Share Capital | 16 | 73.18 | 73.18 | 0.60 |
| (b) Other Equity | 17 | 637.67 | 116.43 | 151.92 |
| (c) Non Controlling Interest | 18 | 10.75 | 8.41 | 3.18 |
| **Total Equity** | | **721.60** | **198.02** | **155.70** |
| **Liabilities** | | | | |
| **Non Current Liabilities** | | | | |
| (a) Financial Liabilities | | | | |
| i. Borrowings | 19 | 380.88 | 195.41 | 93.88 |
| ii. Lease Liabilities | 20 | 55.99 | 62.59 | 55.49 |
| (b) Provisions | 22 | 5.25 | 3.19 | 1.37 |
| **Total Non Current Liabilities** | | **442.12** | **261.19** | **150.74** |
| **Current Liabilities** | | | | |
| (a) Financial Liabilities | | | | |
| i. Borrowings | 19 | 606.46 | 425.29 | 245.34 |
| ii. Lease Liabilities | 20 | 18.86 | 12.44 | 5.63 |
| ii. Trade Payable | 23 | | | |
| Total outstanding dues of micro enterprises and small enterprises | | 114.42 | 97.38 | 22.69 |
| Total outstanding dues of creditors other than micro enterprises and small enterprise | | 243.64 | 92.90 | 32.42 |
| iii. Other financial liabilities | 21 | 31.35 | 6.88 | 3.73 |
| (b) Other current liabilities | 24 | 12.30 | 3.67 | 2.17 |
| (c) Provisions | 22 | 0.13 | 0.09 | 0.04 |
| (d) Current tax liabilities (net) | 25 | 39.28 | 26.03 | 4.63 |
| **Total Current Liabilities** | | **1,066.44** | **664.68** | **316.65** |
| **Total Liabilities** | | **1,508.56** | **925.87** | **467.39** |
| **Total Equity and Liabilities** | | **2,230.16** | **1,123.89** | **623.09** |

Summary of Material Accounting Policies 2

The Notes referred to herein form an integral part of the restated consolidated financial information
As per our Examination report of even date

**For S.L. Chhajed & Co. LLP**
Chartered Accountants
FRN: 000709C/C400277

**Vijit Baidmutha**
Partner
Membership Number: 406044

Place: Bhopal
Date: 30th September 2026

**For and on behalf of the Board of Directors of**
**Sarva Foam Industries Limited**
(Formerly known as Sarva Foam Industries Private Limited)

**Kunal Giani**
Chairman and Managing Director
DIN :08215931

**Vijay Pal Singh Parmar**
Executive Director
DIN : 10540388

**Payal Mishra**
Chief Financial Officer

**Sambedna Jain**
Company Secretary & Compliance Officer

**Deepak Vaswani**
Chief Executive Officer

Place: Bhopal
Date: 30th September 2026

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Restated Consolidated Statement of Profit and Loss**
**( All amounts in Rs. Millions, unless otherwise stated)**

| Particulars | Note | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|---|
| Revenue from Operations | 26 | 2,061.21 | 1,748.42 | 1,320.36 |
| Other Income | 27 | 26.58 | 3.04 | 5.75 |
| **Total Income** | | **2,087.79** | **1,751.46** | **1,326.11** |
| **Expenditure** | | | | |
| Cost of Materials consumed | 28 | 712.88 | 429.36 | 379.94 |
| Purchase of stock in trade | | 635.71 | 887.99 | 644.92 |
| Change in Inventories of Finished Goods, stock in trade & Work In Progress | 29 | 13.90 | (25.67) | (26.95) |
| Employee Benefits Expenses | 30 | 64.80 | 41.33 | 30.12 |
| Finance Cost | 31 | 58.54 | 45.89 | 27.57 |
| Depreciation and Amortisation Expenses | 3-4 | 56.07 | 39.01 | 14.19 |
| Other Expenses | 32 | 303.03 | 180.13 | 169.69 |
| **Total Expenses** | | **1,844.93** | **1,598.04** | **1,239.48** |
| **Profit before tax before share of loss in Associate** | | **242.86** | **153.42** | **86.63** |
| Less: Share of loss in Associate | | - | 0.09 | - |
| **Profit before tax** | | **242.86** | **153.33** | **86.63** |
| **Tax Expenses** | | | | |
| - Current Tax | 25 | 61.54 | 55.89 | 18.80 |
| - Deferred Tax | 9 | 2.05 | (6.14) | (1.79) |
| **Profit for the year** | | **179.27** | **103.58** | **69.62** |
| **Other Comprehensive Income** | | | | |
| A (i)Items that will not be reclassified to Profit or loss | | 0.60 | 0.13 | 0.04 |
| (ii) Income tax relating to items that will not be reclassified to Profit or loss | | (0.15) | (0.03) | (0.01) |
| B (i)Items that will be reclassified to profit and loss | | 1.26 | 0.03 | - |
| (ii) Income tax relating to items that will be reclassified to Profit or loss | | - | - | - |
| **Total Comprehensive Income for the year** | | **180.98** | **103.71** | **69.65** |
| **Profit for the year attributable to:** | | | | |
| Owners of the Holding Company | | 176.53 | 103.55 | 69.02 |
| Non-controlling interest | | 2.74 | 0.03 | 0.60 |
| **Other comprehensive income attributable to:** | | | | |
| Owners of the Holding Company | | 1.62 | 0.12 | 0.03 |
| Non-controlling interest | | 0.09 | 0.01 | 0.00 |
| **Total comprehensive income attributable to:** | | | | |
| Owners of the Holding Company | | 178.15 | 103.67 | 69.05 |
| Non-controlling interest | | 2.83 | 0.04 | 0.60 |
| **Earnings per share** | 36 | | | |
| (i) Basic | | 12.06 | 7.15 | 4.77 |
| (ii)Diluted | | 12.06 | 7.15 | 4.77 |

**Summary of Material Accounting Policies** 2
The Notes referred to herein form an integral part of the Financial Statements
As per our Examination report of even date

**For S.L. Chhajed & Co. LLP**
**Chartered Accountants**
**FRN: 000709C/C400277**

**Vijit Baidmutha**
Partner
Membership Number: 406044

Place: Bhopal
Date: 30th September 2026

**For and on behalf of the Board of Directors of**
**Sarva Foam Industries Limited**
(Formerly known as Sarva Foam Industries Private Limited)

**Kunal Giani**
Chairman and Managing Director
DIN :08215931

**Vijay Pal Singh Parmar**
Executive Director
DIN : 10540388

**Payal Mishra**
Chief Financial Officer

**Sambedna Jain**
Company Secretary & Compliance Officer

**Deepak Vaswani**
Chief Executive Officer

Place: Bhopal
Date: 30th September 2026

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Restated Consolidated Statement of Cash Flows**
**(All amounts in Rs. Millions, unless otherwise stated)**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| **Profit before tax** | **242.86** | **153.33** | **86.63** |
| **Adjustments for:** | | | |
| Interest income | (2.41) | (2.88) | (3.00) |
| Net (gain)/loss on sale of Property, Plant & Equipment | (0.01) | - | - |
| Unrealised foreign exchange differences (net) | (24.05) | 0.15 | (1.05) |
| Expected credit loss (net) | 0.13 | 0.28 | 0.00 |
| Depreciation and amortisation expense | 56.07 | 39.01 | 14.19 |
| Finance costs | 58.54 | 45.89 | 27.57 |
| Provision for doubtful debts / doubtful debt written off | 3.29 | 0.76 | 0.03 |
| Share of Profit/(Loss) of NCI | (0.40) | 5.19 | (50.55) |
| Acquisition of Partnership Firm ( common control) | | | 48.99 |
| **Operating profit before working capital changes** | **334.02** | **241.73** | **122.81** |
| Net Change in: | | | |
| Inventories | (18.86) | (166.02) | (75.79) |
| Trade and other receivables | (336.96) | (193.75) | 104.34 |
| Trade and other payables | 224.04 | 170.30 | (105.27) |
| **Cash generated from operating activities** | **202.24** | **52.26** | **46.09** |
| Income tax payment (net) (including interest) | (48.12) | (34.49) | (14.04) |
| **Net cash generated from operating activities** | **154.12** | **17.77** | **32.05** |
| **Cash flow from investing activities** | | | |
| Payments for property, plant and equipment (including capital work in progress, Capital advances, Capital creditors) | (345.08) | (205.92) | (173.87) |
| Placement/(Encashment) of Fixed deposits | 3.09 | 35.14 | (50.78) |
| Purchase of equity investment measured at cost | (5.00) | (7.06) | - |
| Loan (given) / received back (net) | (56.11) | - | - |
| Interest income | 2.41 | 2.88 | 3.00 |
| Acquisition of Partnership Firm ( common control) | 0.00 | (60.40) | - |
| **Net cash (used in) investing activities** | **(400.69)** | **(235.36)** | **(221.65)** |
| **Cash flow from financing activities** | | | |
| Proceed from issue of share capital | - | 0.89 | - |
| Receipt of share application money pending allotment | 343.00 | - | - |
| Proceeds from long-term borrowings | 356.57 | 176.46 | 100.92 |
| Repayment of long term borrowings | (158.79) | (62.62) | (25.54) |
| Payment of lease liabilities | (21.02) | (14.52) | (2.72) |
| Proceed from short term borrowings | 168.86 | 167.62 | 133.27 |
| Interest paid | (58.58) | (45.89) | (26.71) |
| **Net cash generated from financing activities** | **630.04** | **221.95** | **179.22** |
| | | | |
| **Net increase / (decrease) in cash and cash equivalents** | **383.47** | **4.36** | **(10.38)** |
| **Cash and cash equivalents at the beginning of the year** | **6.45** | **2.11** | **12.49** |
| **Effect of Movement in exchange rate on cash and cash equivalent** | **1.51** | **-** | **-** |
| **Cash and cash equivalents at the end of the year** | **391.42** | **6.45** | **2.11** |

The Notes referred to herein form an integral part of the Financial Statements
As per our Examination report of even date

**For S.L. Chhajed & Co. LLP**
Chartered Accountants
FRN: 000709C/C400277

**Vijit Baidmutha**
Partner
Membership Number: 406044

Place: Bhopal
Date: 30th September 2026

**For and on behalf of the Board of Directors of**
**Sarva Foam Industries Limited**
(Formerly known as Sarva Foam Industries Private Limited)

**Kunal Giani**
Chairman and Managing Director
DIN :08215931

**Vijay Pal Singh Parmar**
Executive Director
DIN : 10540388

**Payal Mishra**
Chief Financial Officer

**Sambedna Jain**
Company Secretary &
Compliance Officer

**Deepak Vaswani**
Chief Executive Officer

Place: Bhopal
Date: 30th September 2026

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Restated Consolidated Statement of Changes in Equity**
**( All amounts in Rs. Millions, unless otherwise stated)**

**A. Equity Share Capital**

| Particulars | No. of Shares | Amount |
|---|---|---|
| **Balance as at 1st April, 2023** | **59,750.00** | **0.60** |
| Changes in Equity share capital during the year | | - |
| **Balance as at 31st March, 2024** | **59,750.00** | **0.60** |
| Changes in Equity share capital during the year | 1,45,76,519.00 | 72.58 |
| **Balance as at 31st March, 2025** | **1,46,36,269.00** | **73.18** |
| Changes in Equity share capital during the year | - | - |
| **Balance as at 31st March, 2026** | **1,46,36,269.00** | **73.18** |

**B. Other Equity**

| Particulars | Reserve and Surplus | | | | | | Total Equity |
|---|---|---|---|---|---|---|---|
| | Retained Earnings | Security Premium | Other Comprehensive Income | | Share Application Money Pending Allotment | Debit Balance in Capital Reserve | |
| | | | Remeasurement of Defined Benefit Plan | Foreign Currency Translation Reserve | | | |
| **Balance as at 1st April, 2023** | **63.46** | **19.40** | **-** | **-** | **-** | **-** | **82.86** |
| Profit for the Year | 69.02 | - | - | - | - | - | 69.02 |
| Other Comprehensive income/(loss) for the year | - | - | 0.03 | - | - | - | 0.03 |
| **Balance as at 31st March, 2024** | **132.48** | **19.40** | **0.03** | **-** | **-** | **-** | **151.91** |
| Profit for the Year | 103.55 | - | - | - | - | | 103.55 |
| Consideration paid over net assets on acquisition of partnership firm | - | - | - | - | - | (7.06) | (7.06) |
| Other Comprehensive income/(loss) for the year | (0.03) | | 0.13 | 0.03 | - | - | 0.13 |
| Bonus Share Issue | (71.70) | - | - | - | - | - | (71.70) |
| Equity adjusted on acquisition of partnership firm | (60.40) | - | - | - | - | - | (60.40) |
| **Balance as at 31st March, 2025** | **103.90** | **19.40** | **0.16** | **0.03** | **-** | **(7.06)** | **116.43** |
| Profit for the Year | 176.53 | - | - | - | - | - | 176.53 |
| Other Comprehensive income/(loss) for the year | (0.15) | - | 0.60 | 1.26 | 343.00 | - | 344.70 |
| **Balance as at 31st March, 2026** | **280.28** | **19.40** | **0.76** | **1.29** | **343.00** | **(7.06)** | **637.67** |

The Notes referred to herein form an integral part of the Financial Statements
As per our Examination report of even date

**For S.L. Chhajed & Co. LLP**
Chartered Accountants
FRN: 000709C/C400277

**Vijit Baidmutha**
Partner
Membership Number: 406044

Place: Bhopal
Date: 30th September 2026

**For and on behalf of the Board of Directors of**
**Sarva Foam Industries Limited**
(Formerly known as Sarva Foam Industries

**Kunal Giani**
Chairman and Managing Direct
DIN :08215931

**Vijay Pal Singh Parmar**
Executive Director
DIN : 10540388

**Payal Mishra**
Chief Financial Officer

**Sambedna Jain**
Company Secretary & Compliance Officer

**Deepak Vaswani**
Chief Executive Officer

Place: Bhopal
Date: 30th September 2026

Sarva Foam Industries Limited
(Formerly known as Sarva Foam Industries Private Limited)
**CIN: U22209MP2018PLC046815**
**Notes to Restated Consolidated Financial Information**

**Corporate Information**

Sarva Foam Industries Limited (formerly known as Sarva Foam Industries Private Limited) ("the Parent Company") (CIN: U22209MP2018PLC046815) is engaged in the manufacturing and supply of rebonded foam products and allied products and processing and fabrication thereof.

The Parent Company Sarva Foam Industries Limited and its Subsidiary M/S Maxtar Industries , Sarva Global Venture Limited and Step down Subsidiary Sarva Foam UK Limited (together referred to as "the Group") is an integrated manufacturer and supplier, producing a diverse range of rebonded foam products including rebonded foam mattress cores, rebonded foam carpet underlays, rebonded foam blocks and other allied products, with manufacturing facilities located at Kelamangalam and Hosur in Tamil Nadu, Dadri in Uttar Pradesh and Silvassa in Dadra and Nagar Haveli. The company is a public company incorporated in Bhopal on 8th October 2018 under the Companies Act, 2013. The Parent Company's registered office is situated at 2nd Floor Commerical Building, E-8 Extension, Aakriti Eco City Bhopal, Misrod, Bhopal, Huzur, Madhya Pradesh, 462026.

**1. Statement of Compliance**

Restated Consolidated Financial information have been prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), and the presentation and disclosure requirements of Division II of the Revised Schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to Consolidated Financial information.

These Restated Consolidated Financial information of the Group comprise of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the Restated Consolidated Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statements of Cash Flows and the Restated Consolidated Statements of Changes in Equity for the years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the Summary of Material Accounting Policies and other explanatory information (collectively, the 'Restated Consolidated Financial Information').

These Restated consolidated Financial Information have been prepared by the Management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP") ,Red Herring Prospectus (the "RHP") and Prospectus (referred to as "Offer Document") to be filed with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"); and

(iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended ("the Guidance Note")

These Restated Consolidated Financial Information have been compiled from:

a) The Restated Consolidated Financial Statements of the Group as at and for the year ended March 31, 2026 prepared in accordance with Indian Accounting Standard as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026.

b) The Special purpose consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2025, prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026.

c) The Special purpose consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2024, prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 17, 2026.

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of Special Purpose Consolidated Ind AS Financial Statements.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025 and March 31, 2024 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2026;

b) does not contain any qualifications requiring any adjustments; and

c) have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

The Restated Consolidated Financial information are presented in Rs. and all values are rounded to the nearest Millions (Transactions below Rs. 5,000 denoted as Rs. 0), unless otherwise indicated.

## 2. Summary of Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of this Consolidated Financial information. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Company Sarva Foam Industries Limited (Formerly known as Sarva Foam Industries Private Limited) , its subsidiaries M/s Maxtar Industries, Sarva Global Ventures Ltd and Step down Subsidiary Sarva Foam UK Limited.

### (i) Basis of Preparation and Presentation of Restated Consolidated Financial Information

The Restated Consolidated Financial information has been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116,

fair value of plan within the scope of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The material accounting policy information related to preparation of the Restated Consolidated Financial information have been disclosed in the respective notes.

**Current and non-current classifications**

An Asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period, or
- It is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

**(ii) Basis of Consolidation**

**Subsidiary:**

The Restated Consolidated Financial Information incorporate the financial statements of the Parent Company and its subsidiary.

Control is achieved where the Company:

• has power over the investee

• is exposed to, or has rights, to variable returns from its involvement with the investee; and

• has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

• The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

• Potential voting rights held by the Company, other vote holders or other parties;

• Rights arising from other contractual arrangements; and

• Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

**Consolidation procedure:**

**Combination of Assets, Liabilities, Equity, Income, Expenses, and Cash Flows**

The assets, liabilities, equity, income, expenses, and cash flows of the Parent Company and its subsidiary are combined in the Restated Consolidated Financial Information. For this purpose, the income and expenses of the subsidiary are based on the values of the assets and liabilities recognized as of the acquisition date.

**Elimination of Investment and Equity**

The carrying amount of the Parent Company's investment in its subsidiary is offset (eliminated) against the Parent Company's share of the equity in its subsidiary. The business combinations policy will outline the treatment of any associated goodwill.

**Elimination of Intragroup Transactions**

Intragroup assets, liabilities, equity, income, expenses, and cash flows arising from transactions between entities within the group are eliminated in full. This includes the elimination of profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets. Additionally, intragroup losses may signal an impairment, which requires recognition in the consolidated financial information. Temporary differences arising from the elimination of intragroup profits and losses are subject to the application of Ind AS 12 - Income Taxes.

**Attribution of Profit or Loss and Other Comprehensive Income**

The profit or loss, as well as each component of other comprehensive income, is attributed to the Parent Company. In cases where necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the group.

The Parent Company has following investments in subsidiary:

| Name of the Company/Firm | Country Incorporation | Relationship | Ownership Interest as at | | |
|---|---|---|---|---|---|
| | | | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| M/s Matar Industries (Partnership Firm) | India | Subsidiary | 95% | 95% | 95%* |
| Sarva Global Ventures Ltd | UK | Subsidiary | 100% | 100% | - |
| Sarva Foam UK Ltd | UK | Step down Subsidiary | 80% | Associate | |

Note- This Business combination is consolidated as businesses under common control and is accounted for using the pooling of interest method in accordance with Appendix C to Ind AS 103 for the financial year 2023-24. The actual date of acquisition is 1st April 2024.

**(iii) Significant accounting judgements, accounting estimates and assumptions**

The preparation of the Restated Consolidated Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Estimates and underlying assumptions are reviewed on an ongoing basis.

**Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**Material estimates and assumptions are required in particular for:**

**i.Useful life of property, plant and equipment:**

This involves determination of the estimated useful life of property, plant and equipment. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 which are as follows:

| Asset Group | Useful Life |
|---|---|
| Building | 30 years |
| Plant & Machinery | 15 years |
| Furniture & Fixture | 10 Years |
| Office Equipment | 5 years |
| Vehicles | 15 years |
| Computers | 3 years |
| Intangible Assets | 10 years |

**ii.Taxes**

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old tax regime together with the other benefits available to the Companies including utilisation of the MAT credit. During the year ended March 31, 2026, the Parent Company had elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961

to pay corporate income tax at 22% plus surcharge and cess (aggregating to tax rate of 25.168%). Accordingly, the Parent Company has measured its current tax and deferred tax charge for the year ended March 31, 2026 on the basis of the new tax regime.

**iii.Fair value measurements**

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

**iv. Impairment**

**a) Investments**

The Group reviews carrying value of its investments carried at cost annually, or more frequently when there is indication for impairments. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**b) Other than Investment**

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ (expense) in the statement of profit and loss.

**v. Inventories**

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories, the Group makes an estimate of average selling prices reduced by gross profit.

**(iv) Revenue recognition**

**Sale of Products**

The Group recognises revenue when it satisfies a performance obligation by transferring control of a promised good or service to the customer. Revenue is measured at the transaction price allocated to that performance obligation. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the goods or services. It excludes amounts collected on behalf of third parties, such as Goods and Services Tax.

Revenue from the sale of goods is recognised at a point in time, when control of the goods passes to the customer, which is generally on dispatch of the goods from the Group's premises or on handover to the carrier, as per the terms of the contract. In assessing when control transfers, the Group considers whether:

- it has a present right to payment,

- legal title and physical possession have passed to the customer,
- the significant risks and rewards of ownership have been transferred, and
- the customer has accepted the goods.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

**Contract Balances:**

**i.Contract assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

**ii.Trade receivables:**

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables are derecognised when the group transfers substantially all the risks and rewards of ownership of the asset to another party including discounting of bills on a non-recourse basis.

**iii.Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract including Advance received from customer.

**iv.Refund liabilities:**

In the case of sales returns, a refund liability is recognized. The group issues a credit note for the sales return, and the amount is adjusted against the customer's next bill.

**v.Interest Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**vi.**Commission income is recognised when the terms of the contract are fulfilled.

**(v) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**Lease Liability**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short term Leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset is classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(vi) Foreign Currencies**

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of translation of foreign currency transactions and balances, income and expenditure items recognised in the Statement of Profit and Loss are translated using the average exchange rate for the reporting period, whereas assets and liabilities appearing in the Balance Sheet are translated using the closing exchange rate at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss in the year in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

**(vii) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

**(viii) Employee benefits**

**Short Term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick/ contingency leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

**Retirement and other employee benefits:**

**Defined contribution plans**

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The group makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The group's contributions are recognised as an expense in the Restated consolidatedStatement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefit Plan:**

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement of Profit and Loss. Past service cost is recognised in Consolidated Statement of Profit and Loss in the year of a plan amendment or when the Group recognizes corresponding restructuring cost whichever is earlier.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

1. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
2. net interest expense or income; and
3. re-measurement

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit and Loss in the line item 'Employee benefits expenses.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

For the purpose of presentation of defined benefit plans, the allocation between short term and long-term provisions has been made as determined by an actuary.

**Compensated absences:**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**(ix) Taxes**

Income tax expense represents the sum of the tax currently payable and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity.

**Current Tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income (OCI) or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Further, deferred tax is not recognised on the items that does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in profit and loss except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(x) Property, plant and equipment (herein referred to as "PPE")**

**Tangible Fixed Assets:**

**Recognition and Measurement:**

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

**Subsequent Expenditure:**

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Restated consolidated Statement of Profit and Loss for the period during which such expenses are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

**Depreciation and amortisation methods and useful lives:**

i. Pursuant to the enactment of the Companies Act 2013, the Parent Company has applied the estimated useful lives as specified in Schedule-II, which is described below. Accordingly, the unamortized carrying value is being depreciated over the revised/remaining useful lives.

ii. Depreciation on fixed assets is provided on Straight Line Method as per useful life prescribed in Schedule II to the Companies Act, 2013 except otherwise mentioned:

iii. Depreciation on asset acquired / disposed-off during the period is provided on pro-rata basis with reference to the date of put to use/disposal.

iv. When Significant parts of plant and equipment are required to be replaced at intervals, the Parent Company depreciates them based on remaining useful life of property, plant and equipment.

v. Freehold lands are not depreciated.

**Residual values**

The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

**De-recognition of PPE**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

**Gain and loss on disposal of item of PPE**

Gains or losses arising from de recognition/ sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Capital Work in Progress:**

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels, revenue (net of cost) generated from production during the trial period is capitalised.

**Assets Held for Use:**

Property, plant and equipment held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

**(xi) Impairment of non-financial assets**

At the end of each reporting year, the group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the group.

**(xii) Inventories**

Inventories are stated at the lower of cost and net realisable value.

**Cost means:**

- Cost of raw materials and stock-in-trade include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Cost of semi-finished, finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

**NRV means:**

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

The basis of determining cost for various categories of inventories are as follows:

**Raw Material:** Weighted average basis

**Stores & Spares:** Weighted average basis

**Finished Goods:** Cost or NRV, whichever is lower

**Stock-in-trade:** Cost or NRV, whichever is lower

### (xiii) Provision, Contingent Liabilities and Contingent Assets

**Provisions**

Provisions are recognised when the group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Contingent Liability**

A contingent liability is 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 group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the group. Potential liabilities that are possible but not probable of crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the group are not disclosed.

**Contingent Assets**

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

### (xiv) Financial Instrument

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets (except trade receivable, measured at transaction cost) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group are recognised at the proceeds received, net of direct issue costs.

**Financial Assets**

**a) Recognition and initial measurement:**

All Financial assets (except investment in subsidiary) are initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the group becomes a party to the contractual provisions of the instrument.

**b) Classification of financial assets:**

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit and loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

A financial asset is measured through Other Comprehensive Income (FVOCI) if it meets both of the following conditions:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

A financial asset is measured through Profit and Loss account (FVTPL) if it meets both of the following conditions:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

**c) De-recognition of financial assets:**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable, the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**d) Impairment of financial assets:**

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach the group does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss.

**e) Effective Interest Method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the consolidated statement of profit and loss and is included in the 'Other income' line item.

**Financial Liabilities**

**a) Recognition and initial measurement:**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

**Financial liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

**(xv) Segment reporting**

Segments are identified in line with Indian Accounting Standards (Ind AS) 108 "Operating Segments" taking into consideration the internal organization and management structure. Operating Segments are components of the Parent Company whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses it performance and for which discreet information is available. The operating segment of the Parent Company is identified to be manufacturing of " rebonded foam, recycled foam sheets, carpet underlays and other foam-based products" and the CODM reviews business performance at an overall level as one segment. Hence no separate disclosure is provided.

**(xvi) Cash Flows and Cash and Cash Equivalents**

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

**(xvii) Earnings Per Share**

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the group after adjusting the effect of all dilutive potential equity shares that were outstanding during the period.

The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

**(xviii) Events occurring after the balance sheet date**

The group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.

**(xix) Insurance Claims**

The group accounts for insurance claims as under:

In case of total loss of asset by transferring, either the carrying cost of the relevant asset or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable – Insurance" on intimation to Insurer. In case insurance claim is less than carrying cost, the difference is charged to Profit and Loss Account.

In case of partial or other losses, expenditure incurred / payments made to put such assets back into use, to meet third party or other liabilities (less policy deductibles) if any, are accounted for as "Claims Recoverable – Insurance". Insurance Policy deductibles are expensed in the year the corresponding expenditure is incurred.

As and when claims are finally received from Insurer, the difference, if any, between Claims Recoverable – Insurance and claim received is adjusted to Profit and Loss Account.

**(xx) Supplier finance arrangements**

The Parent Company participates in a supplier financing arrangement (SFA). Under the arrangement, a financial institution agrees to pay amounts to a participating supplier in respect of invoices owed by the Parent Company and receives settlement from the Parent Company at a later date. The principal purpose of the arrangement is to facilitate payment to vendors, efficient payment processing and enable the Parent Company to pay over the period of time to manage its working capital. The payment term of varies from 0 to 120 days. No guarantees or collateral are provided under the arrangement. The Parent Company also classifies financial liabilities from supplier finance arrangements as Acceptance under head trade payables if they are of the same nature and has terms comparable to regular trade payables. This applies when the arrangement is part of the normal operating cycle and has similar security levels. The related cash flows are included in operating activities in the consolidated statement of cash flows.

**(xxi) Consolidation and Business Combinations**

**Basis of Consolidation**

The Restated Consolidated Financial Information comprises the financial information of the Company and its subsidiaries. Control is achieved when the Company has power over an investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power to affect those returns. Subsidiaries are consolidated from the date control is obtained until the date control ceases.

The financial statements of the Company and its subsidiaries are combined on a line-by-line basis, adding together like items of assets, liabilities, equity, income and expenses, after eliminating intra-group balances, transactions and unrealised profits/losses in full. Non-controlling interests in net assets and results of subsidiaries are presented separately from equity and profit attributable to owners of the Company. Uniform accounting policies are applied across the Group for like transactions.

**Business Combinations**

Business combinations, other than those involving entities or businesses under common control, are accounted for using the acquisition method, with identifiable assets acquired and liabilities assumed recognised at acquisition-date fair value. Goodwill represents the excess of consideration transferred (and non-controlling interest recognised) over the fair value of net identifiable assets acquired, and is tested annually for impairment. Any excess of net assets acquired over consideration is recognised in capital reserve.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method in accordance with Appendix C to Ind AS 103. Assets and liabilities of the combining entities are recorded at their existing carrying amounts, with no fair valuation and no goodwill recognised. The

difference between the consideration paid and the carrying amount of net assets/capital acquired is adjusted in capital reserve/other equity. Financial information for prior periods presented is restated as if the combination had occurred from the beginning of the earliest period presented, or from the date common control was established, if later, irrespective of the actual date of the transaction.

**(xxii) Standards (including amendments) issued but not yet effective**

Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and non-current liabilities with covenants: The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements. The Company does not expect this amendment to have an impact on its operations or standalone financial statements.

**(xxiii) Standards that became effective during the year :**

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

**(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement -** The amendments to Ind AS 7 Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement.

**(b) Amendment to Ind AS 1 -** Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument. These amendments have no effect on the measurement of

any items in the standalone financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

**(c) Amendment to Ind AS 12 - Pillar-Two Tax Reforms** The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

**(d) Amendment to Ind AS 21 - Lack of exchangeability** The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

**3 Property, Plant And Equipment**

| Description of Assets | Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Computer | Office Equipment | Electric Installations | Capital Work in Progress | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Value** | | | | | | | | | | |
| **As at April 1, 2023** | **-** | **5.28** | **34.30** | **1.08** | **-** | **1.55** | **1.98** | **2.27** | **-** | **46.46** |
| Additions | 81.57 | 2.84 | 57.95 | 1.39 | - | 0.32 | 0.30 | 1.67 | - | 146.04 |
| Additions pursuant to acquisition of Partnership firm | 0.82 | 3.36 | 4.86 | 0.61 | 4.27 | 0.72 | 0.50 | 0.18 | | 15.32 |
| Deductions/Adjustments/ Transfer during the year | - | (0.08) | (11.05) | (0.19) | 0.00 | (0.16) | (0.30) | (0.06) | - | (11.84) |
| **As at March 31, 2024** | **82.39** | **11.40** | **86.06** | **2.89** | **4.27** | **2.43** | **2.48** | **4.06** | **-** | **195.97** |
| Additions | | 85.66 | 31.34 | 0.91 | 10.73 | 0.40 | 2.39 | 3.14 | 12.04 | **146.61** |
| Additions pursuant to acquisition of Partnership firm | | | | | 10.65 | 0.07 | 0.06 | | - | 10.78 |
| Deductions/Adjustments/ Transfer during the year | - | - | - | - | - | - | - | - | - | - |
| **As at March 31, 2025** | **82.39** | **97.06** | **117.40** | **3.80** | **25.65** | **2.90** | **4.93** | **7.20** | **12.04** | **353.36** |
| Additions | - | 24.02 | 101.86 | 2.79 | - | 0.38 | 2.58 | 8.07 | 198.54 | 338.24 |
| Additions pursuant to acquisition of Partnership firm | - | - | 0.14 | 0.01 | - | 0.01 | - | 0.03 | - | 0.19 |
| Deductions/Adjustments/ Transfer during the year | - | - | - | - | - | - | - | - | 12.04 | 12.04 |
| **As at March 31, 2026** | **82.39** | **121.08** | **219.40** | **6.60** | **25.65** | **3.29** | **7.51** | **15.30** | **198.54** | **679.75** |
| | | | | | | | | | | |
| **Accumulated Depreciation** | | | | | | | | | | |
| **As at April 1, 2023** | **-** | **0.62** | **6.73** | **0.50** | **-** | **1.30** | **1.34** | **0.20** | - | **10.69** |
| Depreciation for the year | - | 0.63 | 5.80 | 0.27 | - | 0.22 | 0.33 | 0.73 | - | 7.98 |
| Depreciation pursuant to acquisition of Partnership firm | - | 0.34 | 0.72 | 0.04 | 0.72 | 0.27 | 0.01 | - | - | 2.10 |
| Deductions/Adjustments during the year | - | (0.02) | (3.48) | (0.07) | - | (0.14) | (0.17) | (0.02) | - | (3.90) |
| **As at March 31, 2024** | **-** | **1.57** | **9.78** | **0.73** | **0.72** | **1.66** | **1.51** | **0.90** | - | **16.87** |
| Depreciation for the year | - | 1.54 | 16.42 | 0.53 | 0.86 | 0.32 | 0.93 | 1.28 | - | 21.88 |
| Depreciation pursuant to acquisition of Partnership firm | - | 0.29 | 0.62 | 0.15 | 1.09 | 0.26 | 0.22 | 0.05 | | 2.68 |
| Deductions/Adjustments during the year | - | - | - | - | - | - | - | - | - | - |
| **As at March 31, 2025** | **-** | **3.39** | **26.82** | **1.41** | **2.66** | **2.24** | **2.66** | **2.23** | **-** | **41.41** |
| Depreciation for the year | - | 8.77 | 20.27 | 0.60 | 1.79 | 0.36 | 1.25 | 1.39 | - | 34.43 |
| Depreciation pursuant to acquisition of Partnership firm | | 0.29 | 0.53 | 0.11 | 2.50 | 0.02 | 0.12 | 0.04 | | 3.61 |
| Deductions/Adjustments during the year | - | | | | | | | | - | |
| **As at March 31, 2026** | **-** | **12.45** | **47.62** | **2.13** | **6.96** | **2.62** | **4.03** | **3.66** | **-** | **79.47** |
| | | | | | | | | | | |
| **Net Carrying value as at March 31, 2024** | **82.39** | **9.84** | **76.27** | **2.15** | **3.55** | **0.77** | **0.97** | **3.16** | **-** | **179.10** |
| **Net Carrying value as at March 31, 2025** | **82.39** | **93.67** | **90.58** | **2.38** | **22.99** | **0.66** | **2.27** | **4.98** | **12.04** | **311.96** |
| **Net Carrying value as at March 31, 2026** | **82.39** | **108.63** | **171.78** | **4.47** | **18.69** | **0.67** | **3.48** | **11.65** | **198.54** | **600.30** |

**Notes:**

i) On transition to Ind AS, the Group has elected to continue with the carrying value of all property, plant and equipment, right-of-use assets and other intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment, right-of-use assets and other intangible assets.

ii) The Group has capitalised borrowing cost amounting to Rs. 7.7 Mln for the year ended March 31, 2026, 6.3 Mln for the year ended March 31, 2025 and NIL for the year ended March 31, 2024 which is towards cost of qualifying asset.

iii) Property, Plant and Equipment pledged as security against borrowings by the Parent company Refer Note No.41

iv) The Group has not revalued its property, plant and equipment, right-of-use assets and other intangible assets during financial year beginning from April 01, 2024 to March 31, 2026.

v) There are no temporarily idle property, plant and equipment.

vi) The useful life of property, plant and equipment have been defined in the material accounting policies.

vii) The group does not have any capital work in progress, whose completion is overdue, has exceeded its cost compared to its original plan and no projects which has been temporarily suspended as at March 31st 2026, March 31st 2025 and March 31st 2024

viii) For disclosure of Contractual Commitment for acquisition of property, plant and equipment, refer note40

ix) The CWIP amount of Rs. 12.04 Millions incurred during FY 2024-25 has been capitalised during FY 25-26 in Plant & machinery.

**Ageing of CWIP**

| Details | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Projects in progress** | | | |
| Less than 1 Year | 198.54 | 12.04 | - |
| 1-2 Years | - | - | - |
| 2-3 Years | - | - | - |
| More than 3 Years | - | - | - |
| **Total** | **198.54** | **12.04** | **-** |

**4 Right Of Use Assets**

The Parent Company has lease contracts for various properties (including land, office buildings and Plant and Machinery) used in the normal course of business.

| Particulars | Land | Building | Plant & Machinery | Total |
|---|---|---|---|---|
| **Gross Carrying Value** | | | | |
| **As at April 1, 2023** | **25.03** | **0.37** | **-** | **25.40** |
| Additions | - | 34.22 | - | 34.22 |
| Disposals/Adjustments during the year | - | - | - | - |
| **As at March 31, 2024** | **25.03** | **34.59** | **-** | **59.62** |
| Additions | - | 22.92 | - | **22.92** |
| Disposals/Adjustments during the year | - | - | - | |
| **As at March 31, 2025** | **25.03** | **57.51** | **-** | **82.54** |
| Additions | - | 12.40 | 2.48 | 14.88 |
| Disposals/Adjustments during the year | - | - | - | - |
| **As at March 31, 2026** | **25.03** | **69.91** | **2.48** | **97.42** |
| | | | | |
| **Accumulated Amortisation** | | | | |
| **As at April 1, 2023** | - | - | - | - |
| Depreciation for the year | 3.34 | 0.77 | - | **4.11** |
| Disposals/Adjustments during the year | - | - | - | **-** |
| **As at March 31, 2024** | **3.34** | **0.77** | **-** | **4.11** |
| Depreciation for the year | 3.34 | 11.12 | - | 14.46 |
| Disposals/Adjustments during the year | - | - | - | **-** |
| **As at March 31, 2025** | **6.68** | **11.89** | **-** | **18.57** |
| Depreciation for the year | 3.34 | 13.38 | 1.19 | 17.91 |
| Disposals/Adjustments during the year | - | - | - | **-** |
| **As at March 31, 2026** | **10.02** | **25.26** | **1.19** | **36.48** |
| | | | | |
| **Net Carrying value as at March 31, 2024** | **21.69** | **33.82** | **-** | **55.51** |
| **Net Carrying value as at March 31, 2025** | **18.35** | **45.62** | **-** | **63.97** |
| **Net Carrying value as at March 31, 2026** | **15.01** | **44.65** | **1.29** | **60.94** |

i) Effective April 1,2024, the Parent Company adopted Ind AS 116, Leases and applied the standard to all lease contracts using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Parent Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

**5 Intangible Assets**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Gross Carrying Value** | | | |
| Opening Balance | - | - | - |
| Additions | 10.33 | - | - |
| Disposals | - | - | - |
| Other Adjustments | | - | - |
| **Closing Balance** | **10.33** | **-** | **-** |
| **Accumulated Amortisation** | | | |
| Opening Balance | - | - | - |
| Amortisation for the Year | 0.11 | - | - |
| Impairement Loss | - | - | - |
| Eliminated on Disposal | | - | - |
| **Closing Balance** | **0.11** | **-** | **-** |
| | | | |
| **Net Carrying Amount** | **10.22** | **-** | **-** |
| **Opening Net Carrying Amount** | **-** | **-** | **-** |
| **Closing Net Carrying Amount (A – B)** | **10.22** | **-** | **-** |

**5 A Goodwill**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| Opening Balance | - | - | - |
| Additions | 4.68 | - | - |
| Disposals | - | - | - |
| Other Adjustments | | - | - |
| **Closing Balance** | **4.68** | **-** | **-** |
| Accumlated Amortisation and Impairement | | | |
| Opening Balance | - | - | - |
| Amortisation for the Year | - | - | - |
| Deductions / Disposals | - | - | - |
| **Closing Balance** | **-** | **-** | **-** |
| | | | |
| Net Carrying Amount | **4.68** | **-** | **-** |
| Opening Net Carrying Amount | **-** | **-** | **-** |
| Closing Net Carrying Amount (A – B) | **4.68** | **-** | **-** |

**NON CURRENT FINANCIAL ASSETS**

**6 Investments**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Unquoted equity instruments** | | | |
| **-Investment in Associates** | | | |
| Sarva Foam UK Ltd | - | 0.09 | - |
| Less:Share of loss in Associate | - | (0.09) | - |
| **-Other Investment ( Valued at FVTPL)** | | | |
| Investments in Equity Instruments; | 5.00 | - | - |
| **Total** | **5.00** | **-** | **-** |

| Category wise Investments | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| -Aggregate amount of Quoted investment and market Value thereof | - | - | - |
| -Aggregate amount of Unquoted investment | 5.00 | 0.09 | - |
| -Aggregate amount of Impairement loss | - | (0.09) | - |
| **Total** | **5.00** | **-** | **-** |

**Number of shares held in respective companies**

| Company Name | Nature of Investment | Face Value | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|---|---|
| Sarva Australia Pty Ltd | Equity | 1 AUD | 5.00 | - | - |

**7 Loans and Advances**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Other loans and advances | 56.11 | - | - |
| **Totals** | **56.11** | **-** | **-** |

Sarva Global Ventures Ltd advanced loan funding of Rs. 56.11 Mn during the year to Sarva Australia Pty Ltd at the rate of 15% per annum for its principle business activities.

**8 Other Financial Assets**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Security Deposits | 10.69 | 8.72 | 7.82 |
| Fixed Deposits including accrued interest having maturity more than one year-Refer Note Below | 29.36 | 34.42 | 54.46 |
| Insurance Claim Receivable | - | - | 16.00 |
| **Totals** | **40.05** | **43.14** | **78.28** |

**Note:**
Fixed Deposits (excluding accrued interest) are under lien with banks. The break-up of such restricted deposits is as follows:

| Lenders | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Kotak Mahindra Bank Limited | 4.05 | 25.00 | 45.00 |
| Jana Small Finance Bank | 4.50 | - | - |
| Exim Bank | 9.70 | - | - |
| Union Bank | 10.89 | 9.42 | |
| **Total** | **29.14** | **34.42** | **45.00** |

**9 Deferred Tax (Assets)/ Liability**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Deferred tax relates to the following:** | | | |
| Timing differences in the carrying amount of property, plant and equipment | (1.07) | (0.85) | (0.24) |
| ECL on Trade receivable | (0.08) | (0.08) | (0.01) |
| Lease Obligation Net | (3.50) | (2.78) | (1.41) |
| Outstanding MSME | - | (3.57) | - |
| Gratuity | (0.99) | (0.39) | (0.24) |
| Leave Encashment | (0.51) | (0.46) | (0.11) |
| Deferred Borrowing Cost | 0.23 | 0.02 | - |
| Security Deposit | (0.00) | (0.01) | 0.00 |
| **Net Deferred Tax (Assets) / Liabilities** | **(5.92)** | **(8.12)** | **(2.01)** |

**Movement in deferred tax (assets)/ liabilities**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Opening balance** | (8.12) | (2.01) | (0.24) |
| Tax (income)/expense during the period recognised in profit or loss | 2.05 | (6.14) | (1.79) |
| Tax (income)/expense during the period recognised in OCI | 0.15 | 0.03 | 0.01 |
| Tax (income)/expense during the period recognised in Retained Earning | | | |
| **Closing balance** | **(5.92)** | **(8.12)** | **(2.01)** |

The Parent Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority.

**10 Other Non Current Assets**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Capital Advance | 14.40 | 25.59 | - |
| **Total** | **14.40** | **25.59** | **-** |

**Current Assets**

**11 Inventories**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Raw materials (including stores and spares) | 283.13 | 250.37 | 110.02 |
| Work-in-progress; | 23.87 | 35.41 | 20.94 |
| Stock in trade | 45.38 | 40.10 | 36.15 |
| Finished goods; | 29.20 | 36.84 | 29.59 |
| **Totals** | **381.58** | **362.72** | **196.70** |

For security/hypothecation Refer Note -41

**Current Financial Assets**

**12 Trade Receivables**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Trade Receivables** | | | |
| (a) Secured, considered good | - | - | - |
| (b) Unsecured, considered good | 624.12 | 258.54 | 100.65 |
| (c)Trade Receivables which have significant increase in credit risk | - | - | - |
| (d)Trade Receivables - Credit impaired | 3.29 | 0.76 | 0.03 |
| **Loss Allowance (allowance for bad and doubtful debts)** | | | |
| (a) Secured, considered good | - | - | - |
| (b) Unsecured, considered good | (0.46) | (0.33) | (0.06) |
| (c)Trade Receivables which have significant increase in credit risk | - | - | - |
| (d)Trade Receivables - Credit impaired | (3.29) | (0.76) | (0.03) |
| **Net Trade Receivable** | **623.66** | **258.21** | **100.59** |

**Movement in the expected credit loss allowance**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Opening balance** | 0.33 | 0.06 | 0.08 |
| Expected Credit Loss recognised during the year | 0.13 | 0.28 | - |
| Less: Expected Credit Loss reversed during the year | - | - | (0.02) |
| **Closing balance** | **0.46** | **0.33** | **0.06** |

**Trade Receivables ageing schedule as on 31st March 2026**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | > 3 years | Total |
| Undisputed Trade receivables – considered good | 359.94 | 247.12 | 4.80 | 11.24 | 1.02 | - | 624.12 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | - | 247.12 | 4.80 | 11.24 | 1.02 | - | **624.12** |
| Less: Allowance for credit losses and credit impaired | | | | | | | **(0.46)** |
| **Total** | | | | | | | **623.66** |

**Trade Receivables ageing schedule as on 31st March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | > 3 years | Total |
| Undisputed Trade receivables – considered good | 69.12 | 185.61 | 2.79 | 1.02 | - | - | 258.54 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | 69.12 | 185.61 | 2.79 | 1.02 | - | | **258.54** |
| Less: Allowance for credit losses and credit impaired | | | | | | | **(0.33)** |
| **Total** | | | | | | | **258.21** |

**Trade Receivables ageing schedule as on 31st March 2024**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | > 3 years | Total |
| Undisputed Trade receivables – considered good | 49.24 | | 50.04 | 1.37 | - | | 100.65 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | 49.24 | - | 50.04 | 1.37 | - | - | **100.65** |
| Less: Allowance for credit losses and credit impaired | | | | | | | **(0.06)** |
| **Total** | | | | | | | **100.59** |

1. No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person.
2. There are no unbilled receivables, hence the same is not disclosed in ageing schedules.
3. Trade receivables are usually non-interest bearing and are on trade terms of 7 - 120 days.
4. There are no disputed trade receivables as at March 31, 2026, March 31, 2025 and March 31, 2024
5. Realization from trade receivables held by Company are subject to hypothecation by bankers towards working capital facility obtained by the Company, refer note-41

### 13 Cash and Cash Equivalents

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Cash in hand | 3.49 | 3.58 | 0.46 |
| Balance with Banks | | | |
| -In current accounts | 44.93 | 2.87 | 1.65 |
| **Total** | **48.42** | **6.45** | **2.11** |

### 13 (A) Bank Balances Other than (ii) above

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Kotak Bank Share Subscriptin A/C* | 343.00 | - | - |
| **Total** | **343.00** | **-** | **-** |

*The amount refers to Share application money pending allotment received towards issue of Equity share, refer note-17

### 14 Loans and Advances

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Loan to Staff | 0.18 | 1.86 | 0.27 |
| Advance to vendors | 10.41 | 6.98 | 1.78 |
| Advance to Related Party - Refer Note 39 | - | 4.60 | - |
| **Total** | **10.59** | **13.44** | **2.05** |

### 15 Other Current Assets

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Balance with Government authorities | 18.46 | 25.29 | 5.91 |
| Prepaid Expenses | 3.44 | 2.24 | 0.55 |
| Deffered Assets- IPO Expenses | 3.39 | 2.61 | - |
| Other Current Assets | - | 0.15 | 0.27 |
| **Total** | **25.29** | **30.29** | **6.73** |

**16 Share capital**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Authorised Share Capital** | | | |
| 20,00,000 Equity shares of face value of Rs.10 each | - | - | 20.00 |
| 2,40,00,000 Equity shares of face value of Rs.5 each | 120.00 | 120.00 | - |
| **Total** | **120.00** | **120.00** | **20.00** |
| **Issued, subscribed and paid-up Equity share capital** | | | |
| 59750 Equity Shares of Rs 10 each fully paid-up | - | - | 0.60 |
| 1,46,36,269 Equity shares of face value of Rs.5 each | 73.18 | 73.18 | - |
| **Total** | **73.18** | **73.18** | **0.60** |

**a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period**

| Particulars | As at 31st March 2026 | | As at 31st March 2025 | | As at 31st March 2024 | |
|---|---|---|---|---|---|---|
| | No of Shares | Amount | No of Shares | Amount | No of Shares | Amount |
| Shares outstanding at the beginning of the year | 1,46,36,269 | 73.18 | 59,750 | **0.60** | 59,750 | **0.60** |
| Add: (Effect of Shares split during the year , 1 equity share of Rs 10 split into 2 Equity share of Rs.5/-) | - | - | 59,750 | - | - | - |
| **Share Outstanding after Share Split (Face Value Rs.5/- Each)** | **-** | **-** | **1,19,500** | **0.60** | **59,750** | **0.60** |
| Add: Bonus Issue during the Year | - | - | 1,43,40,000 | 71.70 | - | **-** |
| **Share Outstanding after Bonus Issue** | | | **1,44,59,500** | **72.30** | **59,750** | **0.60** |
| Add: Shares issued pursunat to Right Issue | - | - | 1,76,769 | 0.88 | - | **-** |
| **Shares outstanding at the end of the year** | **1,46,36,269** | **73.18** | **1,46,36,269** | **73.18** | **59,750** | **0.60** |

**b)** Equity shareholders carry equal voting rights without any preferences or restrictions

**c)** Parent Company does not have any Holding Company or its ultimate Holding Company.

Note :- During the Financial year 24-25, the Company effected a share split pursuant to which each existing equity share was split into two equity shares. Accordingly, 59,750 additional equity shares were issued pursuant to the share split.

**d) Particulars of shareholders holding more than 5% shares**

| Name of Shareholder | As at 31st March 2026 | | As at 31st March 2025 | | As at 31st March 2024 | |
|---|---|---|---|---|---|---|
| | No. of shares | % of holding | No. of shares | % of holding | No. of shares | % of holding |
| Kunal Giani | 1,40,25,715 | 95.83% | 1,40,25,715 | 95.83% | 47,800 | 80% |
| Geetika Giani | - | - | - | - | 11,950 | 20% |

**e)** There are no Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts

**f) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :-**

**i.** Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.

- A total of 1,76,769 equity shares of ₹5 each (face value) were issued under a rights issue as conversion of unsecured loan to equity, amounting to ₹ 0.89 million during the financial year ending 31st March 2025.

**ii.** Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.

- A aggregate of 14,340,000 equity shares of ₹5 each (face value) were issued under a bonus issue, during the current financial year ending 31st March 2025.

**iii.** Aggregate number and class of shares bought back - No such shares bought back during the year

**g) Shareholding of promotors:-**

**Shares held by promotors at the end of the year**

| Promotors Name | As at 31st March 2026 | | |
|---|---|---|---|
| | No. of Shares | % of Total Shares | % Change during the Year |
| Mr. Kunal Giani | 14025715 | 95.83% | - |
| **Total** | **14025715** | **95.83%** | **-** |

| Promotors Name | As at 31st March 2025 | | |
|---|---|---|---|
| | No. of Shares | % of Total Shares | % Change during the Year |
| Mr. Kunal Giani | 14025715 | 95.83% | 15.83% |
| **Total** | **14025715** | **95.83%** | **15.83%** |

| Promotors Name | As at 31st March 2024 | | |
|---|---|---|---|
| | No. of Shares | % of Total Shares | % Change during the Year |
| Mr. Kunal Giani | 47800 | 80.00% | -20.00% |
| Geetika Giani | 11950 | 20.00% | - |
| **Total** | **59750** | **100.00%** | **-20.00%** |

**Preferential Allotment and Change in Shareholding Pattern**

During the year ended 31 March 2026, the Parent Company raised funds through a Preferential Allotment round from investors. Against the total allotment commitment of ₹35 crore, an amount of ₹34,30,00,200 was received up to 31 March 2026. The balance amount was received subsequent to the reporting date, in April 2026.

Pursuant to the aforesaid Preferential Allotment and the allotment of equity shares to the investors on 04th April, 2026, the shareholding pattern of the Parent Company has undergone a change, resulting in a dilution of the percentage shareholding of the existing promoters. The revised shareholding structure has been appropriately reflected in the financial statements and related disclosures.
The receipt of the balance investment amount after the reporting date does not require any adjustment to the financial statements for the year ended 31 March 2026. However, the same has been disclosed as a material subsequent event in accordance with the applicable accounting standards.

| S. No. | Promotors Name | No. of Shares | % of Total Shares |
|---|---|---|---|
| 1 | Mr. Kunal Giani | 14025715 | 82.65% |
| | **Total** | **14025715** | **82.65%** |

**17 Other Equity**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Retained Earnings (Refer Note (i))** | 103.93 | 132.48 | |
| Opening Balance | 103.93 | 132.48 | 63.46 |
| Addition: during the year | 176.53 | 103.55 | 69.02 |
| Equity adjusted on acquisition of partnership firm | | (60.40) | |
| Less: Issue of Bonus Share | - | (71.70) | - |
| **Closing Balance** | **280.46** | **103.93** | **132.48** |
| **Capital Reseve on Business Combination** | (7.06) | (7.06) | **-** |
| Consideration paid over net assets on acquisition of partnership firm | | | |
| **Closing Balance** | **(7.06)** | **(7.06)** | **-** |
| **Security Premium** | 19.40 | 19.40 | 19.40 |
| Opening Balance | 19.40 | 19.40 | |
| Addition: during the year | - | - | - |
| **Closing Balance** | **19.40** | **19.40** | **19.40** |
| **Share Application Money Pending Allotment** | | | |
| Opening Balance | - | - | - |
| Addition: during the year | 343.00 | - | - |
| **Closing Balance** | **343.00** | **-** | **-** |
| **Other Comprehensive Income** | | | |
| **Items that will not be reclassified to statement of profit and loss** | | | |
| **1. Remeasurement of Defined Benefit Plan** | | | |
| Opening Balance | 0.13 | 0.03 | - |
| Add/(Less): Recognised in consolidated statement of profit or loss | 0.60 | 0.13 | 0.04 |
| Income tax relating to items that will not be reclassified to profit or loss | (0.15) | (0.03) | (0.01) |
| **Closing balance** | **0.58** | **0.13** | **0.03** |
| **Items that will be reclassified to statement of profit and loss** | | | |
| **1. Foreign Currency Translation Reserve** | | | |
| Opening Balance | 0.03 | - | - |
| Add/(Less): Recognised in consolidated statement of profit or loss | 1.26 | 0.03 | - |
| Income tax relating to items that will not be reclassified to profit or loss | | | |
| **Closing balance** | **1.29** | **0.03** | **-** |
| | | | |
| **Total** | **637.67** | **116.43** | **151.92** |

**18 Non Controlling Interest**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Opening Balance | 8.41 | 3.18 | 2.58 |
| Addition: during the year | 1.66 | 9.08 | 0.60 |
| Capital Introduced/ (withdrawal) during the year | 0.68 | (3.85) | - |
| **Closing Balance** | **10.75** | **8.41** | **3.18** |

**Nature and Purpose of Reserves:**

(a) Retained Earnings: These are the profits that the Group company has earned till date, less distributions to shareholders.

(b) General Reserve : This represents accumulation of profits retained by Group Company to meet future (Known/ Unknown) obligations.

(c) Other Comprehensive Income(Remeasurement of net defined benefit plan): Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumption or experience adjustments within the plans, are recognised in 'other comprehensive income' and these are subsequently not to be reclassified to the statement of Profit and loss.

(d) Foreign Exchange Translation Reserve: Differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

(e) Capital Reserve : Reserve represent the amount recognized on account of Capital Transaction , Common Control Buniess combination under Ind As 103.

(f) Security Premium: The amount received over and above the face value of the share

## 19 Borrowings

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Non Current Borrowings** | | | |
| **Secured** | | | |
| Term Loan From Bank | 295.98 | 161.42 | 78.43 |
| **Unsecured** | | | |
| Term Loan From Bank | 28.53 | 5.13 | - |
| Term Loan From other Financial Institutions | 21.88 | 8.25 | 15.45 |
| Term Loan From Others | 34.49 | 20.61 | - |
| Loan From Related Parties | - | - | |
| **Total (A)** | **380.88** | **195.41** | **93.88** |
| **Current Borrowings** | | | |
| **Secured** | | | |
| From Bank | | | |
| Cash Credit Facility with bank | 488.41 | 335.34 | 144.58 |
| **Unsecured** | | | |
| Loan From Related Parties | 45.36 | 47.50 | 57.98 |
| **Current Maturity of Non Current Borrowings** | | | |
| Term Loan from Bank | 48.58 | 31.61 | 42.78 |
| Unsecured Loan from Bank | 10.31 | 5.13 | - |
| Unsecured loan from other financial institutions | 13.80 | 5.71 | - |
| **Total (B)** | **606.46** | **425.29** | **245.34** |
| | | | |
| **Total (A+B)** | **987.34** | **620.70** | **339.22** |

The Parent Company has availed various credit facilities from multiple banks and financial institutions. The details of such borrowings, including terms and conditions, are disclosed in Note No. 41

The Company has obtained an interest-free unsecured loan from its Promoter(s) utilised for meeting the business/working capital requirements of the Company.

Loans covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There were no covenant breaches during the year ended March 31, 2026, March 31, 2025 and March 31, 2024.

## 20 Lease Liabilities

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Non Current** | | | |
| Lease Liabilities - Refer Note 35 | 55.99 | 62.59 | 55.49 |
| **Total (A)** | **55.99** | **62.59** | **55.49** |
| **Current** | | | |
| Lease Liabilities- Refer Note 35 | 18.86 | 12.44 | 5.63 |
| **Total (B)** | **18.86** | **12.44** | **5.63** |
| | | | |
| **Total (A+B)** | **74.85** | **75.03** | **61.12** |

## 21 Other Financial liabilities

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Current** | | | |
| Provision for Expenses | 30.32 | 5.81 | 2.66 |
| Interest accrued but not due on borrowings | 1.03 | 1.07 | 1.07 |
| **Total** | **31.35** | **6.88** | **3.73** |

## 22 Provisions

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Non Current** | | | |
| Provision for employee benefits - Gratuity | 3.28 | 1.41 | 0.95 |
| Provision for employee benefits - Leave Encashment | 1.97 | 1.78 | 0.42 |
| **Total** | **5.25** | **3.19** | **1.37** |
| **Current** | | | |
| Provision for employee benefits - Gratuity | 0.06 | 0.03 | 0.02 |
| Provision for employee benefits - Leave Encashment | 0.07 | 0.06 | 0.02 |
| **Total** | **0.13** | **0.09** | **0.04** |

## 23 Trade Payable

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Total outstanding dues of micro, medium enterprises and small enterprises | 114.42 | 97.38 | 22.69 |
| Total outstanding dues of creditors other than micro, medium enterprises and small enterprises | 243.64 | 92.90 | 32.42 |
| **Total** | **358.06** | **190.28** | **55.11** |

**Trade Payables ageing schedule as on 31st March 2026**

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | MSME | Other than MSME | Unbilled | Total |
| (i)Less than 1 Year | 114.42 | 214.72 | - | 329.14 |
| (ii)1-2 Years | - | 16.72 | - | 16.72 |
| (iii) 2-3 Years | - | - | - | - |
| (iv) More than 3 Years | - | 12.20 | - | 12.20 |
| **Total** | **114.42** | **243.64** | **-** | **358.06** |

**Trade Payables ageing schedule as on 31st March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | MSME | Other than MSME | Unbilled | Total |
| (i)Less than 1 Year | 97.38 | 80.68 | - | 178.06 |
| (ii)1-2 Years | - | 0.02 | - | 0.02 |
| (iii) 2-3 Years | - | 11.92 | - | 11.92 |
| (iv) More than 3 Years | - | 0.28 | - | 0.28 |
| **Total** | **97.38** | **92.90** | **-** | **190.28** |

**Trade Payables ageing schedule as on 31st March 2024**

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | MSME | Other than MSME | Unbilled | Total |
| (i)Less than 1 Year | 22.69 | 17.67 | - | 40.36 |
| (ii)1-2 Years | - | 14.45 | - | 14.45 |
| (iii) 2-3 Years | - | 0.06 | - | 0.06 |
| (iv) More than 3 Years | - | 0.24 | - | 0.24 |
| **Total** | **22.69** | **32.42** | **-** | **55.11** |

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006"

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| a. Principal amount remaining unpaid to supplier as at year end | 114.42 | 97.38 | 22.69 |
| b. Interest due thereon remaining unpaid to supplier as at year end | - | - | - |
| c. Interest paid by the Group Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day. | - | - | - |
| d. Interest due and payable for the year | - | - | - |
| e. Interest accrued and remaining unpaid at the year end | - | - | - |
| f. Further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - | - |

Supplier finance arrangements : The Parent Company participates in a supplier financing arrangement (SFA). Under the arrangement, a financial institution agrees to pay amounts to a participating suppliers in respect of invoices owed by the Parent Company and receives settlement from the Parent Company at a later date. The principal purpose of the arrangement is to facilitate payment to vendors, efficient payment processing and enable the Parent Company to pay over the period of time to manage its working capital. The payment term of varies from 0 to 120 days. No guarantees or collateral are provided under the arrangement.

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Carrying amount of Trade Payables that are part of a supplier finance arrangement | 59.60 | - | - |
| Carrying amount of Trade Payables for which the suppliers have already received payments | 59.60 | - | - |
| Range of payment due dates | | | |
| Trade payables subject to supplier finance arrangement (days after invoice date) | 90-120 | - | - |
| Comparable trade payables (days after invoice date) | 0-60 | | |

The company has not entered in supplier financing arrangements in previous years

**24 Other Liabilities**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Current** | | | |
| Advance from customer | 6.34 | 0.77 | 1.51 |
| Other Current Liabilities | - | 1.09 | 0.01 |
| Statutory Dues | 5.96 | 1.81 | 0.65 |
| **Total** | **12.30** | **3.67** | **2.17** |

**25 Current tax liabilities (net)**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Provision for income tax | 64.41 | 55.89 | 18.80 |
| less: Advance Tax | 16.84 | 24.84 | 9.50 |
| less: TDS Receivables | 3.17 | 2.42 | 2.38 |
| less: TCS Receivables | 5.12 | 2.60 | 2.29 |
| **Total** | **39.28** | **26.03** | **4.63** |

**26 Revenue From Operations**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **a) Revenue from Contract with Customers** | | | |
| Sale of Products* | 2,051.91 | 1,748.39 | 1,320.36 |
| **b) Other Operating Revenue** | | | |
| Export Benefits | 9.30 | 0.03 | - |
| **Total** | **2,061.21** | **1,748.42** | **1,320.36** |

**Disaggregation of revenue from contracts with customers**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **Primary Geographical Market** | | | |
| - within India | 1,336.56 | 1,747.29 | 1,320.36 |
| - outside India | 715.35 | 1.10 | - |
| **Revenue** | **2,051.91** | **1,748.39** | **1,320.36** |
| Export Benefits | 9.30 | 0.03 | **-** |
| **Total** | **2,061.21** | **1,748.42** | **1,320.36** |

***Sale of products**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| -Sale of manufactured products | 1,379.48 | 766.23 | 662.24 |
| -Sale of traded goods | 672.43 | 982.16 | 658.12 |
| **Total** | **2,051.91** | **1,748.39** | **1,320.36** |
| Export Benefits | 9.30 | 0.03 | - |
| **Total** | **2,061.21** | **1,748.42** | **1,320.36** |
| | | | **-** |

**Timing of Revenue Recognition**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Products transferred at a point in time | 2,051.91 | 1,748.39 | 1,320.36 |
| Products and services transferred over time | - | - | - |
| **Total** | **2,051.91** | **1,748.39** | **1,320.36** |
| Export Benefits | 9.30 | 0.03 | - |
| **Total** | **2,061.21** | **1,748.42** | **1,320.36** |

**Reconciliation of revenue recognised**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Total Sales | 2,162.48 | 1,773.40 | 1,371.72 |
| Add: Rebate Income | 4.94 | - | - |
| Less: Sales Return | (115.51) | (25.02) | (51.36) |
| Less: Discount | - | - | - |
| **Net Sales** | **2,051.91** | **1,748.39** | **1,320.36** |
| Export Benefits | 9.30 | 0.03 | - |
| **Total** | **2,061.21** | **1,748.42** | **1,320.36** |

**Contract balances**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Trade Receivables | 623.66 | 258.21 | 100.59 |
| Contract liabilities | 6.34 | 0.77 | 1.51 |

**Performance obligations**
Customers obtain control of products when the goods are dispatched from the Factory/ warehouse. Invoices are generated and revenue is recognised at that point in time.

**27 Other Income**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **Interest Income** | | | |
| - On Fixed deposits | 1.22 | 2.74 | 3.00 |
| - On Unsecured Loans | 1.19 | 0.14 | - |
| Foreign Exchange Gain | 24.05 | - | 1.05 |
| Miscellaneous Income | 0.12 | 0.16 | 0.09 |
| Reversal of ECL | - | - | 0.02 |
| **Total** | **26.58** | **3.04** | **5.75** |

**28 Cost of Material Consumed**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **Opening stock** | 250.37 | 110.02 | 61.18 |
| **Add:** | | | |
| Purchases including Direct Expenses | 745.64 | 569.71 | 428.78 |
| **Less:- Closing Stock** | 283.13 | 250.37 | 110.02 |
| **Total** | **712.88** | **429.36** | **379.94** |

**29 Change In Inventories Of Finished Goods & Work In Progress**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Opening stock of Finished Goods | 36.84 | 29.59 | 18.54 |
| Less: Closing stock of Finished Goods | 29.20 | 36.84 | 29.59 |
| | 7.64 | (7.25) | (11.05) |
| Opening stock of stock in trade | 40.10 | 36.15 | 26.93 |
| Less: Closing stock of stock in trade | 45.38 | 40.10 | 36.15 |
| | (5.28) | (3.95) | (9.22) |
| Opening stock of Work in Process | 35.41 | 20.94 | 14.26 |
| Less: Closing stock of Work in Process | 23.87 | 35.41 | 20.94 |
| | 11.54 | (14.47) | (6.68) |
| **Total** | **13.90** | **(25.67)** | **(26.95)** |

**30 Employee Benefit Expenses**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Salaries and Wages | 55.94 | 35.69 | 26.50 |
| Contribution to provident and other funds | 1.24 | 0.85 | 0.74 |
| Staff Welfare | 4.92 | 2.78 | 1.44 |
| Gratuity and Leave encashment | 2.70 | 2.01 | 1.44 |
| Provision for Gratuity as per Acturial Valuation | 2.51 | 0.60 | 1.01 |
| Provision for Leave Encashment as per Acturial Valuation | 0.19 | 1.41 | 0.43 |
| **Total** | **64.80** | **41.33** | **30.12** |

## 31 Finance Costs

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Interest on Loan from Banks and Financial Institutions | 46.96 | 28.24 | 14.85 |
| Interest on Others | 0.85 | 0.05 | - |
| Interest on Loan from Related Parties | 0.20 | 6.14 | 6.98 |
| Interest on Lease Liability | 6.10 | 5.93 | 2.29 |
| Other Borrowing Cost | 4.43 | 5.53 | 3.45 |
| **Total** | **58.54** | **45.89** | **27.57** |

## 32 Other Expenses

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Consumption of Stores & spares | 7.34 | 11.23 | 8.49 |
| Labour Charges | 70.05 | 42.29 | 28.05 |
| Power & fuel | 32.81 | 24.73 | 14.22 |
| Rent Expenses | 5.42 | 9.56 | 9.75 |
| Water Charges | 0.40 | 0.22 | 0.15 |
| Office Expenses | 3.31 | 4.66 | 3.19 |
| Business Promotion | 3.90 | 1.77 | 1.32 |
| Freight Outward | 118.50 | 46.54 | 72.34 |
| Bad Debts written off | 3.29 | 0.76 | 0.03 |
| Payment to Auditors ( Refer Note Below) | 1.44 | 1.39 | 0.29 |
| Forex Loss | - | 0.15 | - |
| Legal and Professional Fees | 12.07 | 5.95 | 1.70 |
| CSR Expenses - Refer Note 33 | 1.69 | 0.54 | - |
| Rates and Taxes | 4.77 | 1.69 | 0.53 |
| Insurance Charges | 4.83 | 1.99 | 1.40 |
| Miscellaneous Expenses | 4.80 | 5.00 | 6.84 |
| Repairs & Maintanance | 10.17 | 12.48 | 8.32 |
| Security Expenses | 7.02 | 3.58 | 3.47 |
| Provision for ECL | 0.13 | 0.28 | - |
| Travelling & conveyance charges | 7.86 | 4.66 | 3.18 |
| Loss by Fire (Net) | - | - | 6.25 |
| Director's Sitting Fees | 0.33 | - | - |
| Postage And Courier Services | 2.90 | 0.66 | 0.17 |
| **Total** | **303.03** | **180.13** | **169.69** |

**Payment to Auditor**

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| Statutory Audit Fees | 1.29 | 0.79 | 0.29 |
| Taxation Matter Fees | 0.15 | 0.15 | - |
| Other Services | - | 0.45 | - |
| **Total** | **1.44** | **1.39** | **0.29** |

## 33 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Parent Company and the amount needs to be spent by the Parent Company for the year is 2% of average net profits for previous three financial years, calculated as per Section 198 of the Companies Act, 2013. The nature of CSR activities undertaken by the Parent Company includes Promoting education and women empowerment. All these activities are covered under Schedule VII to the Companies Act, 2013. The details of amount spent are:

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| a. amount required to be spent by the company during the year, | 1.69 | 0.54 | - |
| b. amount of expenditure incurred, | 1.69 | 0.54 | - |
| c. shortfall at the end of the year, | - | - | - |
| d. total of previous years shortfall, | - | - | - |
| e. reason for shortfall, | - | - | - |
| f. details of related party transactions | - | - | - |

## 34 Income Tax Note

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
|---|---|---|---|
| **Current Tax :** | | | |
| Current income tax charge | 61.54 | 55.89 | 18.80 |
| Adjustments in respect of current income tax of previous year | | | |
| **Deferred tax:** | | | |
| Relating to origination and reversal of temporary differences | 2.05 | (6.14) | (1.79) |
| **Total tax expense reported in the statement of profit and loss** | **63.59** | **49.74** | **17.01** |
| **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:** | | | |
| **Accounting profit before tax** | 242.86 | 153.33 | 86.63 |
| **Income tax using the Parent Company's domestic tax rate @ 25.168%** | 61.12 | 38.59 | 24.10 |
| Difference in depreciation ( Income Tax & Companies Act) | (0.45) | (0.13) | (0.85) |
| Items disallowed/ (allowed) under Income Tax | (2.17) | 2.42 | 1.32 |
| Deferred taxes | 2.05 | (6.14) | (1.79) |
| Impact of differential tax rate on subsidiary and Joint Venture | 0.82 | 0.86 | (3.34) |
| IndAS adjustments | 2.22 | 14.13 | (2.44) |
| **Total tax expense recognised in statement of profit and loss** | **63.59** | **49.74** | **17.01** |

**35 Lease accounting**

The Group has lease contracts for land, building and machinery. These lease contracts generally have lease term between 2 to 10 years. The weighted average incremental borrowing rate applied to discount lease liabilities is 7.82%.

**(i) The movement in lease liabilities**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Opening balance | 75.03 | 61.12 | 27.35 |
| Additions/Adjustments to lease liabilities | 14.78 | 22.54 | 34.22 |
| Finance costs incurred during the year | 6.07 | 5.88 | 2.27 |
| Payments of lease liabilities | (21.02) | (14.52) | (2.72) |
| **Closing Balance** | **74.85** | **75.03** | **61.12** |

**(ii) The carrying value of the rights-of-use assets and amortisation**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Opening balance | 63.97 | 55.52 | 25.40 |
| Additions/Adjustments to right-of-use assets | 14.88 | 22.92 | 34.22 |
| Amortisation during the year | (17.91) | (14.46) | (4.10) |
| **Closing Balance** | **60.94** | **63.97** | **55.52** |

**(iii) Amount recognised in Statement of profit & loss account**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Interest expense on lease liabilities | 6.07 | 5.88 | 2.27 |
| Interest income on security deposit | 0.02 | 0.05 | 0.02 |
| Amortisation on right-of-use assets | 17.91 | 14.46 | 4.10 |
| **Amount recognised in Statement of profit & loss account** | **24.00** | **20.39** | **6.39** |

**(iv) Amounts recognised in statement of cash flow**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Total cash outflow for leases | 21.02 | 14.52 | 2.72 |

**(v) Maturity analysis of lease liabilities**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| **Maturity analysis of contractual undiscounted cash flows** | | | |
| Less than one year | 18.86 | 12.44 | 5.63 |
| One to five years | 36.50 | 39.15 | 29.72 |
| More than five years | 19.49 | 23.44 | 25.77 |
| **Total undiscounted lease liability** | **74.85** | **75.03** | **61.12** |

| Balances of lease liabilities | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Non current lease liability | 55.99 | 62.59 | 55.49 |
| Current lease liability | 18.86 | 12.44 | 5.63 |
| **Total lease liability** | **74.85** | **75.03** | **61.12** |

### 36 Earning per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into share capital.

**The following table sets forth the computation of basic and diluted earnings per share:**
**Earnings per share**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Profit attributable to equity share holders for Baisc EPS (A) | 176.53 | 103.55 | 69.02 |
| Profit attributable to equity share holders for Diluted EPS (B) | 176.53 | 103.55 | 69.02 |
| Weighted average number of Equity shares for basic EPS ( C) | 1,46,36,269 | 1,44,89,527 | 1,44,59,500 |
| Weighted average number of Equity shares for Diluted EPS ( D) | 1,46,36,269 | 1,44,89,527 | 1,44,59,500 |
| **Basic EPS (A/C)** | **12.06** | **7.15** | **4.77** |
| **Diluted EPS (B/D** | **12.06** | **7.15** | **4.77** |
| **Face Value per Share** | **5.00** | **5.00** | **5.00** |

**Calculation of weighted average number of equity shares**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **Equity shares before bonus issue** | 1,46,36,269 | 1,44,59,500 | 59,750 |
| **Add Share Split** | | | 59,750 |
| Add: Additional Shares issued due to Bonus Issue | - | - | 1,43,40,000 |
| Add: Additional Shares issued due to Rights Issue | - | 30,027 | - |
| **Weighted Average number of Equity Shares** | **1,46,36,269** | **1,44,89,527** | **1,44,59,500** |

i) A total of 1,76,769 equity shares of ₹5 each (face value) were issued under a rights issue during the financial year ending 31st March 2025.

ii) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.

- A total of 14,340,000 equity shares of ₹5 each (face value) were issued under a bonus issue during the current financial year ending 31st March 2025.

iii) During the Financial year 24-25, the Company effected a share split pursuant to which each existing equity share was split into two equity shares. Accordingly, 59,750 additional equity shares were issued pursuant to the share split.

### 37 Segment Reporting

Segments are identified in line with Indian Accounting Standards (Ind AS) 108 "Operating Segments" taking into consideration the internal organization and management structure.

Operating Segments are components of the Parent Company whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses it performance and for which discreet information is available.

The operating segment of the Parent Company is identified to be manufacturing of " rebonded foam, recycled foam sheets, carpet underlays and other foam-based products" and the CODM reviews business performance at an overall level as one segment. Hence no separate disclosure is provided.

## 38 Employee Benefit Obligations

| Particulars | As at 31st March 2026 | | As at 31st March 2025 | | As at 31st March 2024 | |
|---|---|---|---|---|---|---|
| | Current | Non Current | Current | Non Current | Current | Non Current |
| **Provisions** | | | | | | |
| Gratuity | 0.06 | 3.28 | 0.03 | 1.41 | 0.02 | 0.95 |
| Leave Encashment | 0.07 | 1.97 | 0.06 | 1.78 | 0.02 | 0.42 |
| **Employee Benefit Obligation** | **0.13** | **5.25** | **0.09** | **3.19** | **0.03** | **1.37** |
| **Plan Assets** | | | | | | |
| Gratuity | - | - | - | - | - | - |
| Leave Encashment | - | - | - | - | - | - |
| **Employee Benefit Plan Assets** | **-** | **-** | - | - | - | - |

**Post Employment obligations**

**a) Defined benefit plans - Gratuity**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.
The gratuity plan is not a funded plan.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows**

| Particulars | Present value of obligation | Fair value of plan assets | Net Obligation/(Asset) |
|---|---|---|---|
| **As at April 1, 2023** | 0.40 | - | 0.40 |
| Current service cost | 0.58 | | 0.58 |
| Interest expense/(income) | 0.03 | | 0.03 |
| **Total amount recognised in profit or loss** | **1.01** | **-** | **1.01** |
| *Remeasurements* | | | |
| Return of plan assets, excluding amount included in interest (income) | | | - |
| (Gain)/Loss from change in financial assumptions | 0.05 | | 0.05 |
| Due to Experience Adjustments | (0.09) | | (0.09) |
| **Total amount recognised in other comprehensive income** | **(0.04)** | **-** | **(0.04)** |
| Employer contributions | | | - |
| Benefit payments | - | | - |
| **As at March 31, 2024** | **0.97** | **-** | **0.97** |
| Current service cost | 0.53 | | 0.53 |
| Interest expense/(income) | 0.07 | | 0.07 |
| Past service cost | - | | - |
| **Total amount recognised in profit or loss** | **0.60** | **-** | **0.60** |
| *Remeasurements* | | | |
| Return of plan assets, excluding amount included in interest (income) | | | - |
| (Gain)/Loss from change in experience adjustments | (0.21) | | (0.21) |
| (Gain)/Loss from change in financial assumptions | 0.08 | | 0.08 |
| **Total amount recognised in other comprehensive income** | **(0.13)** | **-** | **(0.13)** |
| **As at March 31, 2025** | **1.43** | **-** | **1.43** |
| Current service cost | 0.85 | | 0.85 |
| Past service cost | 1.55 | | 1.55 |
| Interest expense/(income) | 0.10 | | 0.10 |
| Adjustment to opening Fair Value of Plan Assets | | | - |
| **Total amount recognised in profit or loss** | **2.51** | **-** | **2.51** |
| *Remeasurements* | | | |
| (Gain)/Loss from change in financial assumptions | (0.28) | | (0.28) |
| (Gain)/Loss from change in experience adjustments | (0.32) | | (0.32) |
| **Total amount recognised in other comprehensive income** | **(0.60)** | **-** | **(0.60)** |
| Employer contributions | - | | - |
| Benefit payments | - | - | - |
| Benefit payments | - | | - |
| **As at March 31, 2026** | **3.34** | **-** | **3.34** |

**b) Defined benefit plans – Leave encashment**

The Company provides for compensated absences to its employees in accordance with its leave policy. Employees are entitled to encash their accumulated leave balances, subject to the terms and conditions of the Company's leave policy. The liability towards leave encashment is recognised based on the employees' accumulated leave entitlement and is determined using actuarial valuation.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows**

| Particulars | Present value of obligation | Fair value of plan assets | Net Obligation/(Asset) |
|---|---|---|---|
| **As at April 1, 2023** | 0.43 | - | 0.43 |
| Current service cost | | | - |
| Interest expense/(income) | | | - |
| **Total amount recognised in profit or loss** | **0.43** | **-** | **0.43** |
| **As at March 31, 2024** | **0.43** | **-** | **0.43** |
| Current service cost | 1.17 | | 1.17 |
| Past service cost | | | - |
| Interest expense/(income) | 0.24 | | 0.24 |
| Adjustment to opening Fair Value of Plan Assets | - | | - |
| Past service cost | - | | - |
| **Total amount recognised in profit or loss** | **1.85** | **-** | **1.85** |
| **As at March 31, 2025** | **1.85** | **-** | **1.85** |
| Current service cost | 0.26 | | 0.26 |
| Past service cost | | | - |
| Interest expense/(income) | (0.07) | | (0.07) |
| Adjustment to opening Fair Value of Plan Assets | | | - |
| **Total amount recognised in profit or loss** | **2.04** | **-** | **2.04** |
| **As at March 31, 2026** | **2.04** | **-** | **2.04** |

The major categories of plan assets of the fair value of the total plan assets are as follows

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Gratuity Fund | - | - | - |

**The significant actuarial assumptions were as follows:**

| Particulars | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2024 |
|---|---|---|---|
| Mortality | Indian Assured lives mortality (2012-14) Ult | Indian Assured lives mortality (2012-14) Ult | Indian Assured lives mortality (2012-14) Ult |
| Discount rate | 7.25% | 6.75% | 7.10% |
| Rate of increase in compensation | 7.00% | 7.00% | 7.00% |

**A quantitative sensitivity analysis for significant assumption is shown below:**

| Assumptions | Discount rate | | Salary Escalation Rate | |
|---|---|---|---|---|
| Sensitivity Level | 1% increase | 1% decrease | 1% increase | 1% decrease |
| **1st April 2024** | | | | |
| Impact on defined benefit obligation | (0.23) | 0.29 | 0.28 | (0.22) |
| % Impact | 16.14% | 20.98% | 20.20% | 15.88% |
| **March 31, 2025** | | | | |
| Impact on defined benefit obligation | (0.44) | 0.55 | 0.52 | (0.41) |
| % Impact | 14.66% | 18.57% | 17.16% | 13.89% |
| **March 31, 2026** | | | | |
| Impact on defined benefit obligation | (0.78) | 0.97 | 0.91 | (0.74) |
| % Impact | 14.37% | 18.09% | 16.89% | 13.74% |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**The following payments are expected contributions to the defined benefit plan in future years:**

| Particulars | March 31, 2026 | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| First Year | 0.06 | 0.03 | 0.02 |
| Second Year | 0.10 | 0.05 | 0.02 |
| Third Year | 0.31 | 0.04 | 0.02 |
| Fourth Year | 0.09 | 0.11 | 0.02 |
| Fifth Year | 0.09 | 0.04 | 0.07 |
| Sixth to Tenth Year | 0.18 | 0.08 | 0.04 |
| **Total expected payments** | **0.83** | **0.35** | **0.20** |

**b) Defined contribution plans - Provident fund**

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan.

## 39 Related party disclosure

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Group.

**A. Subsidiary/ Associate/ Jointly Control entity**

| Name of entity | Nature of Relationship |
|---|---|
| Sarva Global Ventures Ltd | Wholly owned foreign |
| Sarva Foam UK Ltd | Associate (upto 31st March 2025)<br>Step down Subsidiary (w.e.f 1st April 2025) of Sarva Global Ventures Ltd |
| M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) |

**B. Enterprises over which KMP or Relatives of KMP have significant influence**

| Name of entity | Nature of Relationship |
|---|---|
| Sarva Foam | Proprietorship Firm of |
| Sarva Green Earth Private Limited | Formally known as Sarva Agro Industries Private Limited,<br>Company in which Managing Director have substantial Interest |
| Sarva Pratham Hospitality Private Limited | Company in which Managing Director have substantial Interest |
| BondPro Foam Industries Private Limited | Company in which Managing Director have substantial Interest (upto 29th March 2025)<br>Company in which Relative of Managing Director have significant influence |
| M/s Maxtar Industries | Firm in which Managing Director have substantial Interest (upto 31st March 2024) |

**C. Director or Key Managerial Personnel**

| Key Managerial Personnel | Nature of Relationship |
|---|---|
| Kunal Giani | Whole Time Director (upto January 2, 2025)<br>Chairman and Managing Director (w.e.f January 3, 2025) |
| Geetika Giani | Whole Time Director (upto March 13, 2024) |
| Vijay Pal Singh Parmar | Whole Time Director (w.e.f February 4, 2025) |
| Deepak Vaswani | Chief Executive Officer (w.e.f February 4, 2025) |
| Payal Mishra | Chief Financial Officer (w.e.f February 4, 2025) |
| Sakshi Singh Chauhan | Company Secretary ( upto October 23, 2025) |
| Sambedna Jain | Company Secretary (w.e.f June 20, 2026) |
| Milind Sharma | Independent Director (w.e.f June 2, 2025) |
| Sumit Shastri | Independent Director (w.e.f February 27, 2025) |
| Smrati Mehta | Independent Director (w.e.f February 4, 2025) |
| Ravi Vaswani | Independent Director (w.e.f September 1, 2026) |
| Vishrut Joshi | Executive Director (w.e.f September 1, 2026) |
| Chirag Sidana | Executive Director (w.e.f September 1, 2026) |
| Rohit Dixit | Director (w.e.f October 16,2024) |

**D. Transactions during the year with related party**

| In the books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|---|---|
| **Loan given** | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | 11.33 | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 44.11 | - | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | 0.61 | 2.36 |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 14.76 | 11.16 | - |
| **Total** | | | **58.86** | **23.10** | **2.36** |
| **Loan taken** | | | | | |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | - | 11.33 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 44.11 | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent Company | 14.76 | 11.16 | - |
| **Total** | | | **58.86** | **22.49** | **-** |
| **Loan repaid** | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 2.13 | 5.65 | - |
| Sarva Foam Industries Limited | Geetika Giani | Whole Time Director (upto March 13, 2024) | - | 12.05 | 0.41 |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | 0.90 | 2.06 |
| Maxtar Industries | Geetika Giani | Partner | - | 2.12 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 11.33 | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 11.33 | - | - |
| **Total** | | | **24.80** | **20.72** | **2.47** |

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Notes to Restated Consolidated Financial Information**
**( All amounts in Rs. Millions, unless otherwise stated)**

| In the books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|---|---|
| | | | | | |
| **Capital/ Equity Investment** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | - | 67.48 | - |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | - | 0.00 | - |
| **Total** | | | **-** | **67.48** | **-** |
| | | | | | |
| **Capital Contribution Received** | | | | | |
| Maxtar Industries | Kunal Giani | Partner | 2.02 | - | - |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | 0.24 | - |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | 67.48 | - |
| **Total** | | | **2.02** | **67.72** | **-** |
| | | | | | |
| **Investment Received** | | | | | |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent | - | 0.00 | - |
| **Total** | | | **-** | **0.00** | **-** |
| | | | | | |
| **Drawings from Partnership Firm** | | | | | |
| Maxtar Industries | Kunal Giani | Partner | - | 67.98 | 4.69 |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.69 | - | - |
| Maxtar Industries | Geetika Giani | Partner | - | - | 3.65 |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 10.59 | - | - |
| **Total** | | | **11.28** | **67.98** | **8.35** |
| | | | | | |
| **Receipts from Partnership Firm** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | 15.27 | 7.56 | - |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | 10.59 | - | - |
| **Total** | | | **25.86** | **7.56** | **-** |
| | | | | | |
| **Partnership Profit Distributed** | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 15.27 | 7.56 | - |
| **Total** | | | **15.27** | **7.56** | **-** |
| | | | | | |
| **Sale of goods** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | 0.52 | 17.23 | 274.24 |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 625.61 | 290.61 | 570.38 |
| **Total** | | | **626.13** | **307.84** | **844.62** |
| | | | | | |
| **Purchase of goods** | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 0.52 | 17.23 | 274.24 |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | 625.61 | 290.61 | 570.38 |
| **Total** | | | **626.13** | **307.84** | **844.62** |
| | | | | | |
| **Director/ Partner Remuneration** | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 6.00 | 2.00 | - |
| Sarva Foam Industries Limited | Vijay Singh Parmar | Whole Time Director (w.e.f February 4, | 3.60 | 1.40 | - |
| Sarva Foam Industries Limited | Deepak Vaswani | Chief Executive Officer (w.e.f February 4, | 1.80 | 0.90 | - |
| Sarva Foam Industries Limited | Payal Mishra | Chief Financial Officer (w.e.f February 4, | 1.71 | 0.28 | - |
| Sarva Foam Industries Limited | Sakshi Singh Chauhan | Company Secretary ( upto October 23, 2025) | 0.48 | 0.24 | - |
| Maxtar Industries | Kunal Giani | Partner | - | 1.76 | 3.54 |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | - | 0.91 | - |
| **Total** | | | **13.59** | **7.48** | **3.54** |
| | | | | | |
| **Director Sitting Fees** | | | | | |
| Sarva Foam Industries Limited | Milind Sharma | Independent Director (w.e.f. June 2, 2025) | 0.01 | - | - |
| Sarva Foam Industries Limited | Sumit Shashtri | Independent Director (w.e.f February 27, 202 | 0.01 | - | - |
| Sarva Foam Industries Limited | Smrati Mehta | Independent Director (w.e.f February 4, | 0.01 | - | - |
| **Total** | | | **0.03** | **-** | **-** |
| | | | | | |
| **Purchase of Machinery** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | - | 3.00 | 1.02 |
| **Total** | | | - | 3.00 | 1.02 |

| | | | | | |
|---|---|---|---|---|---|
| **Sale of Machinery** | | | | | |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | - | 3.00 | 1.02 |
| **Total** | | | **-** | **3.00** | **1.02** |
| | | | | | |
| **Interest Expense** | | | | | |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | - | 1.76 | 1.10 |
| Maxtar Industries | Kunal Giani | Partner | 0.08 | 4.36 | 5.88 |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.13 | 0.01 | - |
| Maxtar Industries | Sarva Foam Industries Limited | Partner | 9.39 | 3.55 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 0.79 | - | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Limited | Parent | 2.86 | 0.15 | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | - | 0.15 | - |
| **Total** | | | **13.25** | **9.98** | **-** |

| In the books of | Name of Related Party | Nature of Relationship | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|---|---|
| | | | | | |
| **Interest Income** | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 2.86 | 0.15 | - |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company | 9.39 | 3.55 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | 0.15 | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | 0.79 | - | - |
| **Total** | | | **13.04** | **3.85** | **-** |
| | | | | | |
| **Rent Expenses** | | | | | |
| Sarva Foam Industries Limited | Sarva Foam Proprietorship | Proprietorship Firm of Managing Director | 1.13 | 1.13 | 1.13 |
| **Total** | | | **1.13** | **1.13** | **1.13** |
| | | | | | |
| **Trade advance given** | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | - | 4.60 | - |
| **Total** | | | **-** | **4.60** | **-** |
| | | | | | |
| **Trade advance received back** | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) Subsidiary of Sarva Global Ventures Ltd | 4.60 | - | - |
| **Total** | | | **4.60** | **-** | **-** |
| | | | | | |
| **Trade advance repaid** | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | 4.60 | - | - |
| **Total** | | | **4.60** | **-** | **-** |
| | | | | | |
| **Trade advance taken** | | | | | |
| Sarva Foam UK Ltd | Sarva Foam Industries Limited | Parent Company | - | 4.60 | - |
| **Total** | | | **-** | **4.60** | **-** |

**E. Balance at the end of year with related party**

| In the books of | Name of Related Party | Nature of Relationship | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|---|---|
| | | | | | |
| **Equity Investment/ Partner Capital Contribution** | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 0.00 | 0.00 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 0.09 | 0.09 | - |
| Maxtar Industries | Kunal Giani | Partner | 2.72 | 0.63 | 63.10 |
| Maxtar Industries | Geetika Giani | Partner | - | - | 0.49 |
| Maxtar Industries | Vijay Pal Singh Parmar | Partner | 0.50 | 1.07 | - |
| Maxtar Industries | Sarva Foam Industries Ltd | Partner | 91.38 | 78.24 | - |
| **Total** | | | **94.68** | **80.03** | **63.59** |
| | | | | | |
| **Equity Investment Received** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 91.38 | 78.24 | - |
| Sarva Global Ventures Ltd | Sarva Foam Industries Ltd | Parent Company | 0.00 | 0.00 | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent Company | 0.09 | 0.09 | - |
| **Total** | | | **0.09** | **0.09** | **-** |

| | | | | | |
|---|---|---|---|---|---|
| **Unsecured Loan** | | | | | |
| Sarva Foam Industries Limited | Sarva Global Ventures Ltd | Wholly owned foreign subsidiary | 30.85 | 11.18 | - |
| Sarva Foam Industries Limited | BondPro Foam Industries Pvt Ltd | Company in which Relative of Managing Director have significant influence | - | - | 0.30 |
| Sarva Foam Industries Limited | Kunal Giani | Managing Director (w.e.f January 3, 2025) | 45.36 | 47.50 | 45.93 |
| Sarva Foam Industries Limited | Geetika Giani | Whole Time Director (upto March 13, 2024) | - | - | 12.05 |
| Sarva Global Ventures Ltd | Sarva Foam Industries Ltd | Parent | 30.85 | 11.18 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | - | 11.33 | - |
| Sarva Global Ventures Ltd | Sarva Foam UK Ltd | Subsidiary | 44.11 | - | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | - | 11.33 | - |
| Sarva Foam UK Ltd | Sarva Global Ventures Ltd | Parent | 44.11 | - | - |
| **Total** | | | **195.27** | **92.53** | **58.28** |
| | | | | | |
| **Trade Receivable** | | | | | |
| Maxtar Industries | Sarva Foam Industries Ltd | Partner | 9.50 | 18.84 | 3.82 |
| **Total** | | | **9.50** | **18.84** | **3.82** |
| | | | | | |
| **Trade Payable** | | | | | |
| Sarva Foam Industries Limited | M/s Maxtar Industries | Partnership firm in which Parent Company has 95% interest (w.e.f 01st April 2024) | 9.50 | 18.84 | 3.82 |
| **Total** | | | **9.50** | **18.84** | **3.82** |
| | | | | | |
| **Trade Advance** | | | | | |
| Sarva Foam Industries Limited | Sarva Foam UK Ltd | Step down Subsidiary (w.e.f 1st April 2025) | - | 4.60 | - |
| Sarva Foam Industries Limited | Sarva Green Earth Private Limited | Subsidiary of Sarva Global Ventures Ltd Company in which Managing Director have substantial Interest | - | - | 0.01 |
| Sarva Foam UK Ltd | Sarva Foam Industries Ltd | Parent Company | - | 4.60 | - |
| **Total** | | | **-** | **9.19** | **0.01** |

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
Loan balances include impact of forex gain/ (loss) arising on translation of such balances.

## 40 Contingent Liability and Commitments

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **Claims against the group not acknowledged as debts:** | | | |
| (i) Goods and Services Tax[1] | 1.89 | 1.10 | 0.11 |
| (ii) Income tax | 1.39 | - | - |
| (iii) Customs | - | - | - |
| **Guarantees excluding financial guarantees:** | | | |
| (i) Bank guarantees | - | - | - |
| (ii) Corporate guarantees given to / on behalf of related party | - | - | - |
| (iii) Other money for which the company is contingently liable[2] | 89.17 | 22.2 | 11.37 |
| **Commitments:** | | | |
| (i) Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 37.30 | - | - |
| (ii) Other commitments[3] | 150.69 | 165.45 | - |

**1 Goods and service tax & Income Tax**

The Parent Company has received orders/demands of Rs.0.11 Mn in relation to e-way bill and Input Tax Credit in 2024.
GST demand of ₹0.99 Mn & ₹0.78 Mn raised by the tax authorities in relation to excess Input Tax Credit (ITC) claimed by subsidiary & Parent Company for FY 2022-23 & FY 2021-22, respectively.
Maxtar Industries has been :
- Issued under Section 154 & 143 (1) of Income Tax Act 1961 on 30.12.2024 & 05.05.2022 and re-issued on 04.03.2026 involving demand of Rs. 0.20 Mn
- Issued under Section 143(3) of Income Tax Act 1961 on 26.12.2019 and re-issued on 30.12.2024 involving demand of Rs. 1.19 Mn

The Company is contesting these demands and the management including its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations.

**2 Other Money for which the company is contingently liable**

The Company has imported machineries under the EPCG Scheme of the Foreign Trade Policy, availing exemption/concessional rate of Customs duty, against which the Company is required to fulfil an export obligation equivalent to 6 times the duty saved, within a period of 6 years from the date of issue of the license. The Company has commenced exports during the financial year 2025-26 towards fulfilment of this export obligation, and the balance obligation is to be completed within the stipulated period as per the extant regulations.

**3 Other Commitments**

As per the agreement dated February 20, 2025, the Parent Company agrees to extend Unsecured loan upto GBP 1.6 million to the Sarva Global Ventures Ltd (Subsidiary). The Loan will be used for its business purposes only, including but not limited to meet working capital requirement or operational expenses.

## 41 Disclosure of Borrowings

**Details of security and terms of Loans FY 25-26**

| Name of Bank | Nature of Loans | Date of Sanction | Sanctioned Amount | Total Tenure | Maturity Date | Rate of Interest (p.a.) | Outstanding as on 31.03.2026 | Security |
|---|---|---|---|---|---|---|---|---|
| Kotak Mahindra Bank Limited | Secured Term Loan-1 | 12-08-2024 | 110 | 84 Months | 20-03-2031 | 7.75% | 82.72 | 1. Unit no. 3, Survey No. 257, Opp. Parle Agro Silvassa, Umerkoi Road,Mouje Sayli, U. T of Dadra and Nagar Haveli.396230<br>2. Plot no 29, Aakriti Exotica, Village Phanda Kalan<br>3. Plot No 02, Khasra No 87-89/2, 87-89/3, 87-89/7 Karnawati Homes Chunnabhatti Bhopal<br>4. FDR 0.40 Mln<br>5. Personal guarantee of the promotor of the company Mr. Kunal Giani and Vijal pal singh.<br>6. Exclusive charge on existing and future assets (other than those finance by union bank of india)<br>7. Exclusive charge on existing and future current assets |
| Kotak Mahindra Bank Limited | Secured Term Loan-2 | 12-08-2024 | 50 | 84 Months | 01-01-2032 | 7.85% | 41.89 | |
| Kotak Mahindra Bank Limited | Secured Term Loan-3 | 30-09-2025 | 150 | 81 Months | 01-07-2032 | 8.00% | 139.71 | |
| Kotak Mahindra Bank Limited | Cash Credit | 04-07-2023 | 220 | Repayable on Demand | - | 9.00% | 168.28 | |
| Kotak Mahindra Bank Limited | WCDL | 16-03-2026 | 150 | 90 Days | - | 8.50% | 150.00 | |
| Export-Import Bank of India | Secured Term Loan (Machinery) | 19-08-2025 | 50 | 54 Months | 09-01-2030 | 9.00% | 47.60 | a) Exclusive charge on Foam Plant, Lamination Machine, Packing Machine High Precision peeling machine, forklift installed at Kelamangalam Unit, procured from said loan<br>b) Lien on FD of 2.5 Mln , bearing No. TDINR0019743 created with Exim Bank<br>c) Lien on FD of Rs. 7.2 Mln , bearing No. TDINR0020341 created with Exim Bank<br>d) Personal Guarantee of Mr. Kunal Giani, director |
| Union Bank of India | Secured Loan (Machinery) | 23-08-2023 | 30 | 57 Months | 25-08-2028 | 9.50% | 16.89 | Charge created on machines exclusively financed by Union Bank |
| HDFC Auto Loan | Secured Loan (Auto Loan) | 16-10-2024 | 10 | 84 Months | 07-10-2031 | 8.77% | 8.46 | Vehicle |
| Jana Small Finance Bank | Purchase Invoice Discounting | 26-02-2026 | 30 | 12 months | - | 11% | 14.98 | Lien on FD of Rs. 4.5 Mln vide account number 4549030019602545/1 created with Jana Small Finance Bank |
| Union Bank | Working Capital Limit - CC | 30-05-2023 | 160 | Repayable on demand | - | CC 10.00% and 8.15% Bill Discounting | 155.16 | Two Properties For Collateral And 1 Fdr 1. Residential Flat - Rudraksh Park Flat No 604 Value - 45.05 Lacs 2. Bunglow No B3 Bb Premium Campus Aakriti Eco City Bhopal Value - 218.75 Lacs 3. Our Bank Fdr - 95 Lacs |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Mercedez Benz India Private Limited | Secured Loan (Auto Loan) | 27-01-2025 | 10 | 60 months | 26-01-2030 | 8.58% | 8.10 | Vehicle |
| HDFC Bank | Business Loan - Unsecured | 21-11-2025 | 8 | 36 Months | 12-06-2028 | 12.83% | 7.31 | Unsecured Loan |
| Aditya Birla Finance Capital Limited | Business Loan - Unsecured | 30-04-2024 | 10 | 36 Months | 05-06-2027 | 15.50% | 4.53 | Unsecured Loan |
| Axis Bank Limited | Business Loan - Unsecured | 07-06-2024 | 5 | 24 Months | 05-05-2026 | 15.50% | 0.46 | Unsecured Loan |
| Axis Bank Limited | Business Loan - Unsecured | 21-11-2025 | 6 | 36 Months | 20-11-2028 | 14.00% | 5.43 | Unsecured Loan |
| ICICI Bank Limited | Business Loan - Unsecured | 16-05-2024 | 4 | 48 Months | 10-05-2028 | 15.50% | 2.39 | Unsecured Loan |
| IDFC First Bank | Business Loan - Unsecured | 20-11-2025 | 8 | 36 Months | 03-12-2028 | 14.00% | 7.02 | Unsecured Loan |
| India Infoline Finance Ltd | Business Loan - Unsecured | 29-11-2025 | 5 | 36 Months | 03-12-2028 | 15.00% | 4.61 | Unsecured Loan |
| Kotak Mahindra Bank Ltd | Business Loan - Unsecured | 28-12-2025 | 10 | 36 Months | 10-11-2028 | 14.00% | 9.04 | Unsecured Loan |
| Poonawalla Fincorp Ltd | Business Loan - Unsecured | 21-11-2025 | 8 | 36 Months | 03-12-2028 | 14.50% | 6.90 | Unsecured Loan |
| Yes Bank Ltd | Business Loan - Unsecured | 20-11-2025 | 8 | 36 Months | 08-11-2028 | 14.00% | 6.71 | Unsecured Loan |
| L&T Finance Limited | Business Loan - Unsecured | 19-11-2025 | 8 | 48 Months | 03-01-2030 | 14.50% | 7.05 | Unsecured Loan |
| SMFG India Credit Co Ltd | Business Loan - Unsecured | 21-11-2025 | 7 | 36 Months | 04-12-2028 | 15.00% | 5.97 | Unsecured Loan |
| Tata Capital Limited | Business Loan - Unsecured | 22-11-2025 | 5 | 36 Months | 03-12-2028 | 15.00% | 4.60 | Unsecured Loan |
| Kunal Giani | Unsecured Loan - Related Party | 01-04-2021 | 55 | Repayable on Demand | - | NA | 45.36 | Unsecured Loan |
| Abhishek Verma | Unsecured Loan - Others | 07-01-2025 | 10 | Repayable on Demand | - | NA | 9.71 | Unsecured Loan |
| Tata Capital Limited | Business Loan - Unsecured | 13-05-2024 | 4 | 36 months | 12-05-2027 | 16.00% | 1.66 | Unsecured Loan |
| Nitin Chansoria | Unsecured Loan - Others | 30-06-2023 | 10 | | | Nil | 9.00 | Unsecured Loan |
| Asset Global Ltd | Unsecured Loan - Others | 05-01-2025 | 0 | Continues until terminated | - | 15% | 15.78 | Unsecured Loan |

**Sarva Foam Industries Limited**
**(Formerly known as Sarva Foam Industries Private Limited)**
**CIN : U22209MP2018PLC046815**
**Notes to Restated Consolidated Financial Information**
**( All amounts in Rs. Millions, unless otherwise stated)**

**Details of security and terms of Loans FY 24-25**

| Name of Bank | Nature of Loans | Date of Sanction | Sanctioned Amount | Total Tenure | Maturity Date | Rate of Interest (p.a.) | Outstanding as on 31.03.2025 | Security |
|---|---|---|---|---|---|---|---|---|
| Kotak Mahindra Bank Limited | Secured Term Loan-1 | 30-11-2023 | 110 | 84 months | 20-03-2031 | 7.75% | 99.26 | 1. Unit no. 3, Survey No. 257, Opp. Parle Agro Silvassa, Umerkoi Road,Mouje Sayli, U. T of Dadra and Nagar Haveli.396230<br>2. Plot no 29, Aakriti Exotica, Village Phanda Kalan<br>3. Plot No 02, Khasra No 87-89/2, 87-89/3, 87-89/7 Karnawati Homes Chunnabhatti Bhopal<br>4. FDR 25 Mln INR<br>5. Personal guarantee of the promotor of the company Mr. Kunal Giani and Vijal pal singh.<br>6. Exclusive charge on existing and future assets (other than those finance by union bank of india)<br>7. Exclusive charge on existing and future current assets |
| Kotak Mahindra Bank Limited | Secured Term Loan-2 | 12-08-2024 | 50 | 84 months | 01-01-2032 | 7.85% | 49.07 | |
| Kotak Mahindra Bank Limited | Cash Credit | 04-07-2023 | 150 | Repayable on Demand | - | 9.00% | 185.98 | |
| Union Bank of India | Secured Loan (Machinery) | 23-08-2023 | 30 | 57 months | 25-08-2028 | 10.80% | 22.99 | Charge created on machines exclusively financed by Union Bank |
| HDFC Auto Loan | Secured Loan (Auto Loan) | 16-10-2024 | 10 | 84 Months | 10-07-2031 | 8.77% | 9.59 | Vehicle |
| Union Bank of India | Cash Credit | 08-06-2023 | 160 | Repayable on Demand | - | CC 10.30% & Bill Disc. 8.15% | 149.36 | 1. Residential Flat - Rudraksh Park Flat No 604 Value - 45.05 Lacs<br>2. Bunglow No B3 Bb Premium Campus Aakriti Eco City Bhopal Value - 218.75 Lacs<br>3. Our Bank FDR - 95 Lacs |
| Mercedes Benz Financial Services | Secured Loan (Auto Loan) | 27-01-2025 | 10 | 60 months | 26-01-2030 | 8.58% | 9.87 | Vehicle |
| Aditya Birla Finance Capital Limited | Unsecured Loan | 30-04-2024 | 10 | 36 Months | 06-05-2027 | 15.50% | 7.81 | Unsecured Loan |
| Axis Bank Ltd | Unsecured Loan | 07-06-2024 | 5 | 24 Months | 05-05-2026 | 15.50% | 3.08 | Unsecured Loan |
| ICICI Bank Ltd | Unsecured Loan | 16-05-2024 | 4 | 48 Months | 05-10-2028 | 15.50% | 3.31 | Unsecured Loan |
| Kotak Mahindra Bank Ltd | Unsecured Loan | 22-05-2024 | 3 | 36 Months | 21-05-2027 | 14.50% | 2.28 | Unsecured Loan |
| Poonawalla Fincorp Ltd | Unsecured Loan | 09-05-2024 | 4 | 36 Months | 08-05-2027 | 14.50% | 3.16 | Unsecured Loan |
| Yes Bank Ltd | Unsecured Loan | 11-05-2024 | 5 | 36 Months | 10-05-2027 | 14.00% | 3.83 | Unsecured Loan |
| Kunal Giani | Unsecured Loan - Related Party | 01-04-2021 | 55 | Repayable on Demand | - | 7.50% | 47.50 | Unsecured Loan |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Abhishek Verma | Unsecured Loan - Others | 07-01-2025 | 10 | Repayable on Demand | - | NA | 9.71 | Unsecured Loan |
| Nitin Chansoria | Unsecured Loan - Others | 30-06-2023 | 12 | Repayable on Demand | - | NA | 10.90 | Unsecured Loan |
| Tata Capital Ltd | Unsecured Loan | 04-06-2024 | 4 | 36 Months | 03-06-2027 | 16.00% | 3.00 | Unsecured Loan |

**Details of security and terms of Loans FY 23-24**

| Name of Bank | Nature of Loans | Date of Sanction | Sanctioned Amount | Total Tenure | Maturity Date | Rate of Interest (p.a.) | Outstanding as on 31.03.2024 | Security |
|---|---|---|---|---|---|---|---|---|
| Kotak Mahindra Bank Limited | Secured Term Loan-1 | 30-11-2023 | 110 | 84 months | 20-03-2031 | 7.75% | 58.33 | 1. Unit no. 3, Survey No. 257, Opp. Parle Agro Silvassa, Umerkoi Road,Mouje Sayli, U. T of Dadra and Nagar Haveli.396230<br>2. FDR 45 Mln INR<br>3. Personal guarantee of the promotor of the company Mr. Kunal Giani and Vijal Pal Singh Parmar.<br>4. Exclusive charge on existing and future assets (other than those finance by union bank of india) and current assets |
| Kotak Mahindra Bank Limited | Cash Credit | 04-07-2023 | 150 | 12 months | - | 9.00% | 144.58 | |
| Union Bank of India | Secured Loan (Machinery) | 23-08-2023 | 30 | 57 months | 25-08-2028 | 10.80% | 28.30 | Charge created on machines exclusively financed by Union Bank |
| Union Bank of India | Cash Credit | 08-06-2023 | 160 | 12 months | - | CC 10.30% & Bill Disc. 8.15% | 32.05 | 1. Residential Flat - Rudraksh Park Flat No 604 Value - 45.05 Lacs<br>2. Bunglow No B3 Bb Premium Campus Aakriti Eco City Bhopal Value - 218.75 Lacs<br>3. Our Bank FDR - 95 Lacs |
| BMW Financial services Ltd | Secured Auto Loan | 28-01-2023 | 3 | 60 months | 28-01-2028 | 11.50% | 2.53 | Vehicle |
| Kunal Giani | Unsecured Loan - Related Party | 01-04-2021 | 55 | Repayable on Demand | - | 7.50% | 54.91 | Unsecured Loan |
| Geetika Giani | Unsecured Loan - Related Party | 23-03-2022 | 12 | Repayable on Demand | - | NA | 12.05 | Interest Free Unsecured Loan |
| Aakriti Khare | Unsecured Loan - Others | 31-03-2022 | 2 | Repayable on Demand | - | NA | 1.96 | Unsecured Loan |
| Aditi Khare | Unsecured Loan - Others | 31-03-2022 | 3 | Repayable on Demand | - | NA | 3.49 | Unsecured Loan |
| Nitin Chansoria | Unsecured Loan - Others | 30-06-2023 | 12 | Repayable on Demand | - | NA | 10.00 | Unsecured Loan |

**Sarva Foam Industries Limited**
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**CIN : U22209MP2018PLC046815**
**Notes to Restated Consolidated Financial Information**
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**42 Summary of Net Assets and Profit and loss:**

| As at March 31, 2026 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Name of Entity** | **Net Assets** | | **Share in Profit or Loss** | | **Share in Other comprehensive income/(loss)** | | **Share in Total comprehensive income** | |
| | **As % of consolidated Net Assets** | **Rs. in million** | **As % of consolidated Profit or Loss** | **Rs. in million** | **As % of consolidated other Comprehensive income** | **Rs. in million** | **As % of Total Comprehensive income** | **Rs. in million** |
| **Parent :** | | | | | | | | |
| Sarva Foam Industries Limited | 97.91% | 706.50 | 92.59% | 165.98 | 20.57% | 0.45 | 91.96% | 166.43 |
| **Subsidiary :** | | | | | | | | |
| M/s Maxtar Industries | 10.83% | 78.12 | 2.26% | 4.06 | | | 0.00% | - |
| Sarva Global Ventures Ltd | 0.13% | 0.92 | (2.23%) | (4.00) | 79.43% | 1.72 | 7.95% | 14.39 |
| **Step down Subsidiary:** | | | | | | | | |
| Sarva Foam UK Ltd | 1.66% | 11.96 | 9.30% | 16.67 | - | - | - | - |
| **Inter Group Elimination and Consolidation Adjustments** | (10.52%) | (75.91) | (1.92%) | (3.44) | - | - | 0.09% | 0.15 |
| **Grand Total** | **100%** | **721.60** | **100%** | **179.27** | **100%** | **2.17** | **100%** | **180.98** |

| As at March 31, 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Name of Entity** | **Net Assets** | | **Share in Profit or Loss** | | **Share in Other comprehensive income/(loss)** | | **Share in Total comprehensive income** | |
| | **As % of consolidated Net Assets** | **Rs. in million** | **As % of consolidated Profit or Loss** | **Rs. in million** | **As % of consolidated other Comprehensive income** | **Rs. in million** | **As % of Total Comprehensive income** | **Rs. in million** |
| **Parent :** | | | | | | | | |
| Sarva Foam Industries Limited | 99.52% | 197.07 | 100.36% | 103.96 | 76.58% | 0.10 | 100.33% | 104.06 |
| **Subsidiary :** | | | | | | | | |
| M/s Maxtar Industries | 38.00% | 75.25 | 3.15% | 3.27 | | | 0.00% | - |
| Sarva Global Ventures Ltd | (0.20%) | (0.40) | (0.42%) | (0.43) | 23.42% | 0.03 | (0.39%) | (0.40) |
| **Inter Group Elimination and Consolidation Adjustments** | (37.32%) | (73.90) | (3.10%) | (3.21) | - | - | 0.05% | 0.05 |
| **Grand Total** | **100.00%** | **198.02** | **100.00%** | **103.58** | **100.00%** | **0.13** | **100.00%** | **103.71** |

| As at March 31, 2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Name of Entity** | **Net Assets** | | **Share in Profit or Loss** | | **Share in Other comprehensive income/(loss)** | | **Share in Total comprehensive income** | |
| | **As % of consolidated Net Assets** | **Rs. in million** | **As % of consolidated Profit or Loss** | **Rs. in million** | **As % of consolidated other Comprehensive income** | **Rs. in million** | **As % of Total Comprehensive income** | **Rs. in million** |
| **Parent :** | | | | | | | | |
| Sarva Foam Industries Limited | 48.88% | 76.11 | 59.81% | 41.64 | - | - | 59.78% | 41.64 |
| **Subsidiary :** | | | | | | | | |
| M/s Maxtar Industries | 40.84% | 63.58 | 17.25% | 12.01 | - | - | 17.24% | 12.01 |
| **Inter Group Elimination and Consolidation Adjustments** | 10.28% | 16.01 | 22.94% | 15.97 | 100.00% | 0.03 | 22.97% | 16.00 |
| **Grand Total** | **100.00%** | **155.70** | **100.00%** | **69.63** | **100.00%** | **0.03** | **100.00%** | **69.66** |

## 43 Financial Instruments

**Categories of financial instruments and level wise disclosure of fair value for financial instruments requiring fair value measurement**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 — Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

Given below is the category wise carrying amount of the Group's financial instruments:

**As at March 31, 2026:**

| Particulars | Fair value measurement hierarchy level | Fair value through Profit or Loss | Fair value through Other Comprehensive Income | Amortised cost | Total carrying value |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| Investments | Level 3 | 5.00 | - | | 5.00 |
| Loans* | - | - | - | 66.70 | 66.70 |
| Trade receivables* | - | - | - | 623.66 | 623.66 |
| Cash and cash equivalents* | - | - | - | 48.42 | 48.42 |
| Other balances with banks* | - | - | - | 343.00 | 343.00 |
| Other financial assets* | - | - | - | 40.05 | 40.05 |
| **Total** | - | **-** | **-** | **1,121.83** | **1,126.83** |
| **Financial liabilities** | | | | | |
| Long-term borrowings | - | - | - | 380.88 | 380.88 |
| Short-term borrowings* | - | - | - | 606.46 | 606.46 |
| Lease liabilities | - | - | - | 55.99 | 55.99 |
| Short-term lease liabilities | - | - | - | 18.86 | 18.86 |
| Trade payables* | - | - | - | 358.06 | 358.06 |
| Other financial liabilities* | - | - | - | 31.35 | 31.35 |
| **Total** | - | - | - | **1,451.60** | **1,451.60** |

**As at March 31, 2025:**

| Particulars | Fair value measurement hierarchy level | Fair value through Profit or Loss | Fair value through Other Comprehensive Income | Amortised cost | Total carrying value |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| Investments | - | - | - | - | - |
| Loans* | - | - | - | 13.44 | 13.44 |
| Trade receivables* | - | - | - | 258.21 | 258.21 |
| Cash and cash equivalents* | - | - | - | 6.45 | 6.45 |
| Other balances with banks* | - | - | - | - | - |
| Other financial assets* | - | - | - | 43.14 | 43.14 |
| **Total** | **-** | **-** | **-** | **321.24** | **321.24** |
| **Financial liabilities** | | | | | |
| Long-term borrowings | - | - | - | 195.41 | 195.41 |
| Short-term borrowings* | - | - | - | 425.29 | 425.29 |
| Lease liabilities | - | - | - | 62.59 | 62.59 |
| Short-term lease liabilities | - | - | - | 12.44 | 12.44 |
| Trade payables* | - | - | - | 190.28 | 190.28 |
| Other financial liabilities* | - | - | - | 6.88 | 6.88 |
| **Total** | - | - | - | **892.89** | **892.89** |

**As at March 31, 2024:**

| Particulars | Fair value measurement hierarchy level | Fair value through Profit or Loss | Fair value through Other Comprehensive Income | Amortised cost | Total carrying value |
|---|---|---|---|---|---|
| **Financial Assets** | | | | | |
| Investments | - | - | - | - | - |
| Loans* | - | - | - | 2.05 | 2.05 |
| Trade receivables* | - | - | - | 100.59 | 100.59 |
| Cash and cash equivalents* | - | - | - | 2.11 | 2.11 |
| Other balances with banks* | - | - | - | - | - |
| Other financial assets* | - | - | - | 78.28 | 78.28 |
| **Total** | **-** | **-** | **-** | **183.04** | **183.04** |
| **Financial Liabilities** | | | | | |
| Long-term borrowings | - | - | - | 93.88 | 93.88 |
| Short-term borrowings* | - | - | - | 245.34 | 245.34 |
| Lease liabilities | - | - | - | 61.13 | 61.13 |
| Trade payables* | - | - | - | 55.10 | 55.10 |
| Other financial liabilities* | - | - | - | 3.73 | 3.73 |
| **Total** | **-** | **-** | **-** | **459.18** | **459.18** |

*For assets and liabilities valued at amortised cost, the management has assessed that the fair value of these financial assets and liabilities approximate determined as per amoritsed cost due to short term maturities of these instruments.

**44 Capital management**

The group's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The group considers the following components of its Balance Sheet to manage capital:
1) Share Capital and
2) Other Equity comprising of General Reserve, Security Premium and Retained Earnings. The group capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities.

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| Equity | 73.18 | 73.18 | 0.60 |
| Other Equity | 637.67 | 116.43 | 151.92 |
| **Total Equity (i)** | 710.85 | 189.61 | 152.51 |
| Borrowings (including lease liabilities) | 1,062.19 | 695.73 | 400.35 |
| Less: cash and cash equivalents | 391.42 | 6.45 | 2.11 |
| **Net Debt (ii)** | **670.77** | **689.27** | **398.24** |
| Overall Financing (i + ii) | 1,381.62 | 878.89 | 550.75 |
| Gearing Ratio (in %) (ii/iii) | 49% | 78% | 72% |

The Holding Company has not distributed any dividend to its shareholders. The Group monitors gearing ratio i.e. Net debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Group is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets. The Group's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Group, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Group. The Group's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Group. In order to maintain or adjust the capital structure, the Group will take appropriate steps as may be necessary.

In order to achieve this overall objective ,the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There were no covenant breaches during the year ended March 31,2026, March 31, 2025 and March 31 2024.

## 45 Financial risk management objectives

- In the course of business, amongst others, the Group is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Commodity Price Risk and Foreign Currency Risk.
- These risks may be caused by the internal and external factors resulting into impairment of the assets of the Group causing adverse influence on the achievement of Group's strategies, operational and financial objectives, earning capacity and financial position.

### A. Credit risk

- Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.
- Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The carrying amount of financial assets represent the maximum credit risk exposure.
- Financial instruments that are subject to credit risk consist of trade receivables, cash & bank balances.

**Trade Receivable:**

- Credit risk on receivables is also mitigated, to some extent, by securing the same against letter of credit of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across geographical areas with no significant concentration of credit risk.
- The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. The Group has customary business practice for extending credits period & limit to customer based on their profile, financial position and their external rating etc.
- The credit period on sale of goods ranges from 0 to 90 days with or without security. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The history of trade receivables shows a negligible allowance for bad and doubtful debts. Refer note 8A for ageing of trade receivable.
- The credit risk on cash & cash equivalent are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the rating agencies of international repute.

**Movement in the expected credit loss allowance:**

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Balance at the beginning of the year | 0.33 | 0.06 | 0.07 |
| Amount written off | | | |
| Net measurement of loss allowance | 0.13 | 0.28 | - |
| Less: Reversal of expect credit loss | | | (0.02) |
| **Balance at the end of the year** | **0.46** | **0.33** | **0.06** |
| Add: Bad Debts recognised/ (reversed) during the year | 3.29 | 0.76 | 0.03 |
| **Amount Recognised in Profit and Loss (net)** | **3.41** | **1.04** | **0.01** |

### B. Liquidity risk

- Liquidity risk refers the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner and to manage its capital structure.
- A balance between continuity of funding and flexibility is maintained through continued support from trade creditors, lenders and equity contributions.
- The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments.

**As at March 31, 2026**

| Particulars | Less than 1 year | 1 year to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| Borrowings (refer note 19) # | 606.46 | 380.88 | - | 987.33 |
| Trade payables | 358.06 | - | - | 358.06 |
| Lease liabilities # | 18.86 | 55.99 | - | 74.86 |
| Other financial liabilities (current) # | 31.35 | - | - | 31.35 |
| **Total** | **1,014.73** | **436.87** | **-** | **1,451.60** |

# excluding future interest

**As at March 31, 2025**

| Particulars | Less than 1 year | 1 year to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| Borrowings (refer note 19) # | 425.29 | 195.41 | - | 620.69 |
| Trade payables | 190.28 | - | - | 190.28 |
| Lease liabilities # | 12.44 | 62.59 | - | 75.03 |
| Other financial liabilities (current) # | 6.88 | - | - | 6.88 |
| **Total** | **634.89** | **258.00** | **-** | **892.89** |

# excluding future interest

**As at March 31, 2024**

| Particulars | Less than 1 year | 1 year to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| Borrowings (refer note 19) # | 245.34 | 93.88 | - | 339.22 |
| Long term borrowings (including current maturity of long term bor | 42.78 | 93.88 | - | 136.66 |
| Short term borrowings | 144.58 | - | - | 144.58 |
| Trade payables | 55.10 | - | - | 55.10 |
| Lease liabilities # | 5.63 | 55.49 | - | 61.13 |
| Other financial liabilities (current) # | 3.73 | - | - | 3.73 |
| **Total** | **497.17** | **243.26** | **-** | **740.42** |

# excluding future interest

**C. Interest rate risk**

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest
- The borrowings of the Group are denominated in rupees with a mix of floating and fixed interest rate and is subject to interest rate risk on account of any fluctuation in the base prime lending rate (BPLR) fixed by the banks. Every fluctuation in the BPLR of the bank either on the higher or lower side will result into financial loss or gain to the Group.

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Fixed rate borrowings | 498.92 | 285.36 | 194.64 |
| Floating rate borrowings | 488.41 | 335.34 | 144.58 |
| Lease liabilities refer note 35 | 74.86 | 75.03 | 61.13 |
| **Total** | **1,062.20** | **695.73** | **400.35** |

**Sensitivity analysis**

Sensitivity of profit and equity on a possible change in interest rate upto 100 bps on variable rate borrowing outstanding is as under:

| Particulars | Profit / (Loss) | |
|---|---|---|
| | 1% increase | 1% decrease |
| Floating rate borrowings as at March 31, 2026 | 4.88 | (4.88) |
| Floating rate borrowings as at March 31, 2025 | 3.35 | (3.35) |
| Floating rate borrowings as at March 31, 2024 | 1.45 | (1.45) |

**D. Commodity price risk**

- The main raw materials which Parent Company procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly.
- The pricing policy of the Parent Company's final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.
- With regard to the finished products, the Parent Company has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products.
- In order to combat this situation, the Parent Company formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, company counters the competition and consequently commodity price risk.

**E. Foreign currency risk**

- The Parent Company is exposed to the foreign currency risk from transactions & translation. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

**(i) The carrying amount of the Parent company's material foreign currency dominated monetary assets and liabilities at the end of the reporting period is as below:**

| Particulars | Monetary assets (FC in Million) | | |
|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
| USD | - | - | - |
| EURO | - | - | - |
| GBP | 0.97 | 0.10 | - |
| | 0.97 | 0.10 | - |

| Particulars | Monetary liabilities (FC in Million) | | |
|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
| USD | - | - | - |
| EURO | - | - | - |
| GBP | 1.03 | 0.10 | - |
| | 1.03 | 0.10 | - |

Following Table Summaries approximate gain /(loss) on Parent Company's Profit before tax on account of appreciation and depreciation of underlying foreign currencies of the above table.

| Particulars | Effect on profit before tax | | |
|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
| Closing USD rate (in Rs.) | - | - | - |
| Closing EURO rate (in Rs.) | - | - | - |
| Closing GBP rate (in Rs.) | 125.63 | 110.74 | - |
| 5% appreciation | 0.84 | 0.02 | - |
| 5% depreciation | (0.84) | (0.02) | - |

**(ii) Details of Unhedged Foreign Currency Exposure**

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

**For the year ended March 31, 2026**

| Particulars | Currency | Amount in foreign currency | Amount in Rs. |
|---|---|---|---|
| Trade payables | USD | 0.04 | 3.43 |
| | EUR | 0.02 | 0.26 |
| Trade receivables | GBP | 1.17 | 158.30 |
| | AUD | 1.80 | 118.75 |
| Advance to Vendor | USD | 0.06 | 5.73 |
| Loan to Wholly Owned Subisidiary | GBP | 0.25 | 31.34 |
| Investment in to Wholly Owned Subisidiary | GBP | 0.00 | - |
| Swap on Term Loan | USD | - | - |

**For the year ended March 31, 2025**

| Particulars | Currency | Amount in foreign currency | Amount in Rs. |
|---|---|---|---|
| Trade payables | USD | - | - |
| | USD | - | - |
| Trade receivables | EUR | - | - |
| | GBP | - | - |
| Advance to Vendor | USD | 0.05 | 4.60 |
| Loan to Wholly Owned Subisidiary | GBP | 0.10 | 11.04 |
| Investment in to Wholly Owned Subisidiary | GBP | 0.00 | 0.00 |
| Swap on Term Loan | USD | - | - |

**For the year ended March 31, 2024**

| Particulars | Currency | Amount in foreign currency | Amount in Rs. |
|---|---|---|---|
| Trade payables | USD | - | - |
| | EUR | - | - |
| | USD | - | - |
| Trade receivables | EUR | - | - |
| | GBP | - | - |
| Loan to Wholly Owned Subisidiary | USD | - | - |
| Investment in to Wholly Owned Subisidiary | ZAR | - | - |
| Swap on Term Loan | USD | - | - |

## 46 Restatement adjustments

**A. Reconciliations between the restated Consolidated financial information and Consolidated audited financial statements:**

**1. Reconciliation of Other equity:**

| Particulars | As at March 31, 2026* | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **Other equity as per audited consolidated financial statements** | **637.67** | **211.21** | **147.82** |
| **Adjustments:** | | | |
| ECL on trade receivable | - | (0.28) | (0.02) |
| Re-measurement of employee benefit obligation | - | (0.58) | 1.40 |
| Lease accounting | - | (5.49) | 3.68 |
| Deferred tax and other taxes | - | (1.08) | (0.52) |
| Acquisition of Partnership Firm ( Net of Cash) | - | (63.58) | - |
| Capital reserve on business combination | - | (7.06) | - |
| Restatement adjustment | - | (16.57) | (0.42) |
| **Total** | **637.67** | **116.57** | **151.95** |
| **Other comprehensive income** | | | |
| Re-measurement loss on defined benefit plans (net of tax) | - | (0.10) | (0.03) |
| Items that will be reclassified to profit and loss (FCTR) | - | (0.03) | - |
| **Other equity as per restated consolidated financial information** | **637.67** | **116.44** | **151.91** |

*The Company has restated its financial statements from Indian GAAP (AS) to Ind AS for the year ended March 31, 2024 and March 31, 2025 to comply with the SEBI (ICDR) Regulations 2018. For the year ended March 31, 2026, the financial statements have been prepared only under Ind AS; hence, no reconciliation with previous Indian GAAP (AS) is required.

**2. Reconciliation of total comprehensive income:**

| Particulars | For the year ended March 31, 2026* | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **Profit after tax as per audited consolidated financial statements** | **179.27** | **128.40** | **57.75** |
| **Adjustments:** | | | |
| ECL on trade receivable | - | (0.28) | 0.02 |
| Re-measurement of employee benefit obligation | - | (0.58) | (1.40) |
| Lease accounting | - | (5.49) | (3.68) |
| Deferred tax impact | - | (1.08) | 0.52 |
| Restatement adjustment | | (17.38) | 16.43 |
| **Total** | **179.27** | **103.59** | **69.63** |
| **Other comprehensive income** | | | |
| Re-measurement loss on defined benefit plans (net of tax) | 0.45 | 0.10 | 0.03 |
| Items that will be reclassified to profit and loss (FCTR) | 1.26 | 0.03 | - |
| **Total comprehensive income for the year as per restated consolidated financial information** | **180.98** | **103.71** | **69.65** |

*The Company has restated its financial statements from Indian GAAP (AS) to Ind AS for the year ended March 31, 2024 and March 31, 2024 to comply with the SEBI (ICDR) ' Regulations 2018. For the year ended March 31, 2026, the financial statements have been prepared only under Ind AS; hence, no reconciliation with previous Indian GAAP (AS) is required.

## 47 Financial Ratios

| Ratio | Formulas | Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 | % Variance | % Variance | Reason For Variance |
|---|---|---|---|---|---|---|---|---|
| Current Ratio | Current Assets / Current Liabilities | Current Assets | 1432.54 | 671.11 | 308.19 | 33.04% | 3.74% | Due to increase in trade payables in 2025 against the inventory building<br>Due to increase in current assests with Preferential Allotment funds |
| | | Current Liabilities | 1066.44 | 664.68 | 316.65 | | | |
| | | Current Ratio | 1.34 | 1.01 | 0.97 | | | |
| Debt - Equity Ratio | Total Debt / Shareholders' Equity | Total Debt | 987.33 | 620.69 | 339.22 | (57.57%) | 47.18% | Due to increase in operating cash flows with increase in EBITDA in 2025.<br>Due to increase in borrowings for expansion in capacity with increase in EBITDA and operating cash flows in 2026 |
| | | Shareholders Equity | 710.85 | 189.61 | 152.52 | | | |
| | | Debt - Equity Ratio | 1.39 | 3.27 | 2.22 | | | |
| Debt Service Coverage Ratio | Earnings Available for Debt Service / Debt Service | Earning available for debt service | 293.88 | 188.48 | 111.39 | (33.11%) | (38.02%) | Due to increase in margins because of product mix optimisation in 2025<br>Due to increase in margins because of exports in 2026. |
| | | Debt service | 179.81 | 77.13 | 28.25 | | | |
| | | Debt Service Coverage Ratio | 1.63 | 2.44 | 3.94 | | | |
| Return on Net Worth/ Return on Equity | Net Profit After Tax / Average Shareholders' Equity | Net Profit After Taxes | 179.27 | 103.58 | 69.62 | (34.24%) | (18.69%) | Due to increase in margin in 2025.<br>Ratio decreased due to equity variation during the year 2026 |
| | | Average Shareholders equity | 450.23 | 171.07 | 93.49 | | | |
| | | Return on Equity Ratio | 39.82% | 60.55% | 74.47% | | | |

| Ratio | Formulas | Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 | % Variance | % Variance | Reason For Variance |
|---|---|---|---|---|---|---|---|---|
| Inventory turnover ratio | COGS / Average Inventory | COGS | 1362.49 | 1291.69 | 997.90 | (20.72%) | (26.51%) | Due to increase in raw material inventory for export in 2025<br>Due to increase in Raw material and Finished Goods inventory for export purposes in 2026 |
| | | Average Inventory | 372.15 | 279.71 | 158.81 | | | |
| | | Inventory turnover ratio | 3.66 | 4.62 | 6.28 | | | |
| Trade Receivables turnover ratio | Net Sales / Average Trade Receivables | Net Sales | 2061.21 | 1748.42 | 1320.36 | (52.04%) | 11.35% | Due to increase in debtors with increase in customers during 2025<br>Due to improvement in realization from debtors in 2026 |
| | | Average Trade Receivables | 440.93 | 179.40 | 150.86 | | | |
| | | Trade Receivables turnover ratio | 4.67 | 9.75 | 8.75 | | | |
| Trade payables turnover ratio | Net Purchases / Average Trade Payables | Net Purchases | 1381.35 | 1457.70 | 1073.70 | (57.59%) | (33.37%) | Due to increase in raw material inventory and increase in payment cycle in 2025<br>Due to increase in payment terms with creditors in line with export terms in 2026 |
| | | Average Trade Payables | 274.17 | 122.69 | 60.22 | | | |
| | | Trade payables turnover ratio | 5.04 | 11.88 | 17.83 | | | |
| Net working capital turnover ratio | Net Sales / Average Working Capital | Net sales | 2061.21 | 1748.42 | 1320.36 | (100.64%) | (6578.28%) | Due to improvement in payment cycles in 2025.<br>Due to increase in export receivables impacting in working capital in 2026. |
| | | Average Working Capital | 186.26 | (1.02) | 49.68 | | | |
| | | Net capital turnover ratio | 11.07 | (1,721.89) | 26.58 | | | |
| Net profit ratio | Net Profit After Tax / Revenue From Operations | Net Profit After Taxes | 179.27 | 103.58 | 69.62 | 46.80% | 12.35% | Due to profit margins increased because of product optimisation in 2025.<br>Due to profit margins increased because of higher margins in exports in 2026 |
| | | Revenue From Operations | 2061.21 | 1748.42 | 1320.36 | | | |
| | | Net profit ratio | 8.70% | 5.92% | 5.27% | | | |

| Ratio | Formulas | Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 | % Variance | % Variance | Reason For Variance |
|---|---|---|---|---|---|---|---|---|
| Return on Capital employed | EBIT / Average Capital Employed | Earning Before Interest and taxes | 301.41 | 199.21 | 114.21 | (28.62%) | 17.76% | Due to improved operating profitability in 2025<br>Due to increase in borrowings and capitl infusion during 2026 |
| | | Average Capital Employed | 811.46 | 382.82 | 258.45 | | | |
| | | Return on Capital employed | 37.14% | 52.04% | 44.19% | | | |
| Net Asset Value per equity share | Net Worth/ Number of Equity Shares outstanding at the end of the year | Net Worth | 710.85 | 189.61 | 152.52 | | | Due to split of shares face value in 2025<br>Due to increase in net worth with profit margins and capital infusion through Preferential Allotment in 2026 |
| | | Number of Equity Shares outstanding at the end of the year | 14636000 | 14636000 | 59750 | 274.90% | (99.49%) | |
| | | Net Asset Value per equity share | 48.57 | 12.96 | 2552.60 | | | |
| EBITDA Margin % | EBITDA/ Revenue from Operations | EBITDA | 293.88 | 188.48 | 111.39 | 32.26% | 27.78% | Due to profit margins increased because of product optimisation in 2025.<br>Due to profit margins increased because of higher margins in exports in 2026 |
| | | Revenue from Operations | 2061.21 | 1748.42 | 1320.36 | | | |
| | | EBITDA Margin % | 14.26% | 10.78% | 8.44% | | | |
| Return on Investment | Net Income from investment/ Average Carrying Value of Investment | Net Income from investment | 1.19 | 0.14 | 0.00 | - | - | |
| | | Average Carrying Value of Investment | 2.50 | - | - | | | |
| | | Net Income from investment/ Average Carrying Value of Investment | 47.73% | - | - | | | |

**48 Business Combination in compliance of Ind As 103**

During the Year 2024-2025 Sarva Foam Industries Limited (the Company) acquired 95% controlling interest in the" M/S Maxter Industries " ( the Firm) , a partnership firm under Common Control , through acquisition of partnership interest . As the Company and the Firm were under common control after the transaction date 01.04.2024 , the business combination has been accounted for using the Pooling of Interest Method in accordance with Appendix C to Ind As 103 ,"Business Combination of Entities under Common Control ".

**a** **Name and Nature of Business of Combining Entities** : Sarva Foam Industries Limited engage in manufacturing of rebonded Foam and M/S Maxtar Industries a Partnership Firm engage in Busniess of trading of bonded and rebonded Foam products .

**b** **Effective date of Consolidation :** The combination has been accounted with effect from 01.04.2023 , in accordance with the Appendex C to Ind As 103. The transaction date 01.04.2024.

**c** **Method of Accounting :** The combination has been accounted for using the pooling of interests method as prescribed under Appendix C to Ind AS 103. Accordingly:

The assets and liabilities of the Firm have been recorded at their existing carrying amounts as appearing in the books of the Firm on the effective date, with no fair value adjustments.
The identity of reserves of the Firm has been preserved and continues to appear in the consolidated financial statements of the Company in the same form and classification as in the books of the Firm.
No goodwill has arisen or is recognized on this combination.

**d** **Consideration :** The Total Consideration for Acquiring 95% interest was 67.48 Milllion discharged in form of cash.

**e** **Non Controlling Interest :**
Non-Controlling Interest representing the 5% interest not acquired by the Company has been recognized at ₹ 3.18 Million at the effective date, consistent with the carrying-value basis mandated under the pooling of interests method.

**f** **Capital Reserve arising on account of Combintaion**

**Debit Balance in Capital Reserve**

| **Particulars** | **As at March 31, 2024** |
|---|---|
| Consideration transferred | 67.48 |
| Less : Company Share of Net Assets Acquired | 60.41 |
| **Capital Reserve** | **(7.07)** |

**Identifiable assets acquired and liabilities assumed**
The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

| **Assets /Liabilities Acquired during the period** | **1st April 2024** |
|---|---|
| Property, plant and equipment | 13.22 |
| Inventories | 68.21 |
| Trade receivables | 103.96 |
| Cash and cash equivalents | 10.18 |
| Other Current Assets | 7.35 |
| Loans And Advances (Assets) | 0.77 |
| Loans and borrowings | (17.98) |
| Provision | (0.90) |
| Trade payables | (121.22) |
| **Total identifiable net assets** | **63.59** |
| **Total identifiable net assets Acquired (95%)** | **60.41** |

**g** **Basis of Comparision**
As the Firm is a partnership entity and does not have share capital, the comparison prescribed under paragraph C9 of Appendix C (ordinarily between consideration and the transferor's share capital) has, for the purpose of this combination, been made with reference to the Company's proportionate share of the carrying value of the net assets/partners' capital of the Firm, consistent with the underlying intent of the pooling of interests method.

h **Prior Period restatement**
In accordance with Appendix C, the financial statements for the comparative period(s) presented have been restated as if the combination had occurred from the beginning of the earliest period presented, to the extent both entities were under common control during that period.

During the year ended 31 March 2025, Sarva Foam Industries Limited ("the Company") acquired 95% of the capital/profit-sharing interest in M/s Maxtar Industries ("the Firm") from Mr. Kunal Giani for a acquisition cost of ₹ 63.58 Million, being higher than the Net Asset Value of the Firm as at the date of acquisition. Mr. Kunal Giani held 97% interest in the Firm and 95% shareholding in the Company, both before and after the transaction, and accordingly the transaction constitutes a business combination of entities under common control as defined in Appendix C to Ind

The combination has been accounted for using the pooling of interest method. Accordingly:
(a) The assets and liabilities of the Firm have been recorded in these consolidated financial statements at their existing carrying amounts, with no fair valuation adjustments and no goodwill recognised;

(b) The difference between the consideration paid by the Company and the carrying amount of the net assets/capital acquired, amounting to ₹ 7.06 Million, has been adjusted against Capital Reserve of the Group

(c) The comparative financial information for the year ended 31 March 2024 has been restated to give effect to the combination as if it had occurred from 1 April 2023, since common control over the Firm and the Company by Mr. Kunal Giani existed throughout the said period, irrespective of the actual date of legal transfer of interest (1 April 2024). Consequently:

| Particulars | As previously reported | Restatement adjustment | As restated |
|---|---|---|---|
| Total Assets | 412.42 | 210.67 | 623.09 |
| Total Liabilities | 330.49 | 136.90 | 467.39 |
| Total Equity | 81.93 | 73.77 | 155.70 |
| Non-Controlling Interest | - | 3.18 | 3.18 |
| Revenue from Operations | 1253.48 | 66.88 | 1320.36 |
| Profit for the year | 45.74 | 23.92 | 69.65 |

(d) The residual 5% interest in the Firm held directly by Mr. Kunal Giani/other partners, not attributable to the Group, has been presented as Non-Controlling Interest in the consolidated financial statements for the restated period.

This being a related party transaction, refer Note 39 (Related Party Disclosures) for further details, including the basis of determination of consideration.

**48 A Basis of Consolidation in compliance with IndAS 110**

**i) Basis Of Accounting**

The Consolidated financial statements comprise the financial statements of Sarva Foam Industries Limited ("the Company" / "the Parent") and its Subsidiary "Sarva Global Ventures Ltd, Sarva Foam UK Ltd and M/s Maxtar Industries ("the Subsidiary") together "the Group"), prepared in accordance with **Ind AS 110, "Consolidated Financial Statements"**.

**ii) Basis of Consolidation**

Consolidation of Parent and the Subsidary " Sarva Global Venture Ltd and Sarva Foam UK Ltd is done on a **line-by-line basis**, adding together like items of assets, liabilities, income, and expenses of all intra-group balances, transactions, and unrealized profits/losses on transactions between group entities have been eliminated in full. Since the Company holds 100% of the equity interest in the Sarva Global Ventures Ltd , no non controlling interest arises on consolidation.

Consolidation of Parent and the Subsidary " M/S Maxtar Industries is done on a **Pooling of Interest Method** , adding together like items of assets, liabilities, income, and expenses of All intra-group balances, transactions, and unrealized profits/losses on transactions between group entities have been eliminated in full. The detailed disclosure is done in Note 48.

The financial statements of the Subsidiary used for consolidation are drawn up to the same reporting date as the Parent, i.e., 31.03.2026, using accounting policies uniform with those of the Group.

**iii) Ind As 112 Disclosures interest in Subsidiary**

| Particulars | Details | Details | Details |
|---|---|---|---|
| Name of the subsidiary | Sarva Global Venture Ltd | Sarva Foam UK Ltd | M/s Maxtar Industries |
| Principal place of business / country of incorporation | UK | UK | India |
| Proportion of ownership interest held by the Group | 100% | Step down subsidiary of Sarva Global Ventures Ltd, holding 80% | 95% |
| Proportion of voting rights held (if different) | 100% | 66.67% | 95% |
| Method of consolidation | Full consolidation (line-by-line as per Ind AS 110 no NCI | Full consolidation (line-by-line as per Ind AS 110 ); no NCI | Pooling of Interest Method. Appendix C Ind AS 103 |
| Non-Controlling Interest | Nil | 20% | 5% |

**iv)** There has been no change in Companys Shareholding during the Year.

**v)** Sudsidary "Sarva Global Venture Ltd was incorporated on 16.10.2024 as a wholly-owned subsidiary of the Company. Accordingly, this does not constitute a business combination under Ind AS 103, and no goodwill or capital reserve has arisen on consolidation. The Company's investment in the Subsidiary, representing its subscribed share capital, has been eliminated in full against the corresponding equity of the Subsidiary."

**49 Additional Regulatory Information as required by Schedule III of the Companies Act, 2013**

a) Title deeds of immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) whose deeds are held in the name of the Group.

b) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous years.

c) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, other than subsidiary, either severally or jointly with any other person Except disclosed in Note 39

d) The Group does not have any intangible assets under development.

e) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

f) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

g) The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

h) All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended March 31, 2026, March 31, 2025 and March 31, 2024.

i) The provisions relating to number of layers prescribed under clause (87) of Section 2 of the Companies Act. 2013 read with Companies (Restriction on number of layers) Rules, 2017 are not applicable to the Group.

j) The Group does not have any scheme of arrangements approved by the competent authority in terms of Section 230 to 237 of Companies Act, 2013.

k) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

l) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall

(i) 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
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

m) During the year the Group is not having any unrecorded transactions that are surrendered or disclosed as income during tax assessmentsunder Income Tax Act, 1961(such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) and there is no previously unrecorded income and related assets that have been properly recorded in the books of accounts during the year.

n) The Group does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.

o) The Group does not have any investment property during any reporting period, the disclosure related to fair value of investment property is not applicable.

p) The Group have not traded or invested in crypto currency or virtual currency during the financial year.

q) The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

r) There are no significant events after the reporting period except disclosed in financial statements.

s) Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

t) Disclosures that are not applicable to the Group have not been presented in the restated consolidated financial statements.

u) On 21 November 2025, the Government of India notified the four new Labour Codes namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020. Provisions of the previous labour Acts and their rules, notifications, etc. continue to remain in force till final notification of new Rules, etc. under the Code, to the extent these are in line with the Codes.

The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. Accordingly, the Holding company has recognised impact pertaining to past service cost of gratuity and long-term absences under "Employee Benefits Expense" in the Statement of Profit and Loss as per the applicable requirements of Ind AS 19 and the guidance provided by the Institute of Chartered Accountants of India during the year ended March 31, 2026. The Holding Company is in the process of assessing the impact of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes.

**50 Restated Adjustments**

- There are restatement adjustments required to be made under the SEBI ICDR Regulations for the years ended March 31, 2026, March 31, 2025, March 31, 2024. Accordingly, there are reconciliations between total equity and total comprehensive income as per the Restated Consolidated Financial Information and as per the audited Consolidated IGAAP Financials.

- Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, as applicable, to conform with the requirements of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

The Notes referred to herein form an integral part of the restated consolidated financial information
As per our Examination report of even date

**For S.L. Chhajed & Co. LLP**
Chartered Accountants
FRN: 000709C/C400277

**Vijit Baidmutha**
Partner
Membership Number: 406044

Place: Bhopal
Date: 30th September 2026

**For and on behalf of the Board of Directors of**
**Sarva Foam Industries Limited**
(Formerly known as Sarva Foam Industries Private Limited)

**Kunal Giani**
Chairman and Managing Director
DIN :08215931

**Vijay Pal Singh Parmar**
Executive Director
DIN : 10540388

**Payal Mishra**
Chief Financial Officer

**Sambedna Jain**
Company Secretary & Compliance Officer

**Deepak Vaswani**
Chief Executive Officer

Place: Bhopal
Date: 30th September 2026

## OTHER FINANCIAL INFORMATION

In accordance with the with Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited financial information of our Company for the year ended March 31, 2026, March 31, 2025, and March 31, 2024 (collectively, the "**Audited Financial Information**") is available on our website at www.sarvafoam.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. Except as disclosed in this Draft Red Herring Prospectus, the Audited Financial Information and reports thereon, do not and will not constitute, (i) a part of this Draft Red Herring Prospectus; (ii) the Red Herring Prospectus or (iii) the Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. Except as disclosed in this Draft Red Herring Prospectus, the Audited Financial Information and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain.

None of our Company or any of its advisors, nor the Promoter Selling Shareholder, nor the BRLM nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Information, or the opinions expressed therein.

The accounting ratios of our Company as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations as derived from the Restated Consolidated Financial Information, are given below:

*(₹ in million, unless otherwise mentioned)*

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Basic earnings per Equity Share (in ₹)[(1)] | 12.06 | 7.15 | 4.77 |
| Diluted earnings per Equity Share (in ₹)[(2)] | 12.06 | 7.15 | 4.77 |
| Return on net worth (in %)[(3)] | 24.83 | 54.61 | 45.26 |
| Net asset value per equity share (₹)[(4)] | 48.54 | 12.96 | 2,552.62 |
| Profit/(loss)after tax [(5)] | 179.27 | 103.59 | 69.63 |
| EBITDA[(6)] | 330.89 | 235.19 | 122.64 |

***Notes:***

*(1) Basic EPS (₹) = Restated profit for the year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding at end of year/period in accordance with the principles of Ind AS 33.*

*(2) Diluted EPS (₹) = Restated profit for the year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding at end of year/period, in accordance with the principles of Ind AS 33.*

*(3) Return on Net Worth (RoNW) = RoNW is calculated as profit/(loss) for the year divided by net worth at year end.*

*(4) Net asset value per share= Net worth as restated as at end of the year / number of equity shares outstanding at the end of the year.*

*(5) Profit after tax for the Year / Period- Profit After Tax is as reported in the Restated Consolidated Financial Information.*

*(6) EBITDA = Profit/(loss) before exceptional items and tax plus finance costs, depreciation and amortisation expense reduced by other income.*

The Non-GAAP Measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the year/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating performance. For the risks relating to our Non-GAAP Measures, please see ***"Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio,***

***Net Asset Value per Equity Share have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable"*** on page 66.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Information on page 292.*

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year, are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscals 2026, 2025, and 2024, included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For details, please see "Restated Financial Information" beginning on page 292. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus**" on page 71.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Indian Rebonded Polyurethane Foam Market" dated September 29, 2026 ("**Industry Report**"), prepared and issued by Dun & Bradstreet, which was exclusively commissioned and paid for by our Company for the Offer, who were appointed by us pursuant to the engagement letter dated August 5, 2026. The Industry Report is available on the website of our Company at https://sarvafoam.com/investors/ and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 495. Dun & Bradstreet is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and neither our Company, nor our Directors, Promoters, KMPs, SMPs, Group Companies and Subsidiaries, nor the BRLM are a related party to Horwath as per the definition of "related party" under the Companies Act, 2013. The data included herein includes excerpts from the Industry Report which may have been ordered by us for the purposes of presentation. Further, the Industry Report was prepared on the basis of information as of specific dates and opinions in the Industry Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. A copy of the Industry Report will be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the industry Report is not a recommendation to invest or disinvest in any company covered in the Industry Report. Prospective investors are advised not to unduly rely on the Industry Report. For more information and risks in relation to commissioned reports. For more information and risks in relation to commissioned reports, please see "**Risk Factors – Industry information included in the Offer Documents has been derived from the D&B Report, which was prepared by Dun & Bradstreet Information Services India Private Limited and exclusively commissioned and paid for by our Company for the purposes of the Offer, and any reliance on information from the D&B Report for making an investment decision in the Offer is subject to inherent risks**" on page 63. Also see, "**Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data**" on page 21.*

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "**Forward-Looking Statements**" on page 19. For details relating to the defined terms in the section, please see "**Definitions and Abbreviations**" beginning on page 2. Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us", "our" refer to Sarva Foam Industries Limited on consolidated basis.*

### OVERVIEW

For details in relation to our business overview, competitive strengths, business strategies and business operations, please see *"**Our Business**"* beginning on page 218.

### Significant Factors Affecting our Results of Operation

The results of our operations and our financial conditions are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in *"**Our Business**"* and *"**Risk Factors**"*, beginning on pages 218 and 25, respectively. Set forth below is a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

**Maintaining our customer relationships**

A significant portion of our revenue from operations arises from sales of our products to our customers, which includes manufactured and traded products. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. We believe that our continued relationships with these customers plays a significant role in our growth and results of operations. We believe that our customer retention levels reflect our ability to provide quality products as per the customer specification, and our consistent customer servicing standards have enabled us to increase our customers' dependence on us. We strive to understand our customers' business needs and provide products to meet their requirements. While our customers may vary annually, we generate significant revenues from our top 10 customers every year. Consequently, our business and financial condition in any given financial year is reliant on our top 10 customers. Our revenue from operations from our top 3 customers, top 5 customers and top 10 customers for the years indicated are set out below:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Revenue contribution (in ₹ million) | As a % of revenue from operations | Revenue contribution (in ₹ million) | As a % of revenue from operations | Revenue contribution (in ₹ million) | As a % of revenue from operations |
| Top 3 customers | 940.15 | 45.62% | 1,058.22 | 60.52% | 842.76 | 63.82% |
| Top 5 customers | 1,283.14 | 62.26% | 1,419.63 | 81.19% | 1,165.66 | 88.27% |
| Top 10 customers | 1,669.45 | 81.00% | 1,684.38 | 96.35% | 1,255.16 | 95.05% |

*Note: Our Top 10 customers for Fiscal 2026 include Sheela Foam Limited, Duroflex Limited, Infinity Flooring, Shrivaarna Technofoams Private Limited and Repose Mattress Private Limited. Names of our other top 10 customers for Fiscal 2026 have not been included in this Draft Red Herring Prospectus due to non-receipt of their consents.*

We anticipate that our product offerings, the quality thereof and leadership in key product segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

**Cost of procuring raw materials and manufacturing our products**

We undertake procurement of materials from both domestic and international suppliers based on factors including but not limited to market availability, pricing and quality. We do not enter into long term contracts or other arrangements with the suppliers of our materials and rely on purchase orders which are placed as required. Set out below is the cost of materials and stock-in-trade purchased from our top 3 suppliers, top 5 suppliers and top 10 suppliers for the years indicated:

| Particulars | Financial year ended March 31, 2026 | | Financial year ended March 31, 2025 | | Financial year ended March 31, 2024 | |
|---|---|---|---|---|---|---|
| | Revenue contribution (in ₹ million) | As a % of total purchases | Revenue contribution (in ₹ million) | As a % of total purchases | Revenue contribution (in ₹ million) | As a % of total purchases |
| Top 3 suppliers | 660.32 | 47.80% | 713.06 | 48.91% | 489.26 | 45.56% |
| Top 5 suppliers | 928.43 | 67.20% | 1,019.27 | 69.92% | 661.02 | 61.55% |
| Top 10 suppliers | 1,129.35 | 81.75% | 1,256.66 | 86.19% | 863.37 | 80.39% |

*Note: Our Top 10 suppliers for Fiscal 2026 include Sheela Foam Limited, Duroflex Limited, and Shrivaarna Technofoams Private Limited. Names of our other top 10 suppliers for Fiscal 2026 have not been included in this Draft Red Herring Prospectus due to non-receipt of their consents.*

We typically procure raw materials and stock-in-trade through purchase orders and do not enter into any long-term agreements with our suppliers. While we endeavour to pass on all raw material price increases to customers, in the event that we are unable to compensate for or pass on our increased costs to end-consumers, such price increases could have an adverse impact on our results of operations, financial condition and cash flows. Further,

while we are not significantly dependent on any single raw material supplier, the supply and pricing of our raw materials can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation, competition, import duties, tariffs and currency exchange rates.

Further, our suppliers may impose conditions including minimum order quantity, minimum lead time to delivery, requirement for advance payments, quotas on supplies, commit to purchase of their inventory without us having firm orders which may require us to carry higher inventory levels and take impairments on inventory if such orders don't materialize.

**Growing competition or competition from small, medium sized enterprises**

The Indian rebonded polyurethane foam market is characterized by a mix of specialized rebonded foam manufacturers, vertically integrated foam producers, mattress companies with captive recycling capabilities, and numerous regional unorganized players. Competition is driven not only by price and manufacturing capabilities but also by control over foam trims, customer relationships, geographic presence, and degree of vertical integration. Integrated players participating across multiple stages of the value chain can internally generate and consume rebonded foam. Mattress manufacturers having rebonding capabilities may produce and utilize internally for captive consumption. Such rebonded foam may never enter the merchant market. As a result, independent rebonders often compete against players that possess an inherent raw-material cost advantage.

Larger or organized manufacturers often have the benefit of better bargaining power and wider supplier networks owing to higher procurement volumes as compared to fragmented and unorganized players. As the market matures, procurement scale will become increasingly important. Long-standing relationships with branded and organized manufacturers may influence growth prospects of rebonded PU foam suppliers giving them preferred supplier status. In many cases, customer approvals and qualification processes may create barriers for new entrants.

**Foreign currency fluctuations**

Our financial statements are presented in Indian Rupees. However, our expenditure and revenue are influenced by the currencies that we export in as well as by currencies of countries from where we procure our raw materials and plant and machinery. We derive our revenue from operations from outside India from sale of products to countries like United Kingdom, Australia Qatar and Ireland. Set out below is our revenue from operations outside India and our revenue from operations within India:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations | (in ₹ million) | As a % of revenue from operations |
| Revenue from operations from outside India | 1,336.56 | 64.84% | 1,747.29 | 99.94% | 1,320.36 | 100.00% |
| Revenue from operations from within India | 715.35 | 34.71% | 1.10 | 0.06% | - | - |
| Export Benefit | 9.30 | 0.45% | 0.03 | 0.00% | - | - |
| **Total** | **2,061.21** | **100.00%** | **1,748.42** | **100%** | **1,320.36** | **100.00%** |

The table below sets forth details of certain parameters of our foreign currency exposure for the years indicated:

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Foreign currency purchases (₹ in million) | 8.43 | 40.64 | 116.59 |
| Foreign currency purchases as a percentage of total purchases (%) | 1.13 | 7.13 | 27.19 |

The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future.

Appreciation or depreciation of the Indian rupee against the U.S. Dollar and other foreign currencies may affect our results of operations. Volatility in the exchange rate and/or sustained appreciation of the Indian Rupee may negatively impact our revenue and operating results.

**Key Performance Indicators and Non-GAAP Financial Measures**

In addition to our financial results determined in accordance with Ind AS, we consider and use those certain non-GAAP financial measures and key performance indicators that are presented below as supplemental measures to review and assess our operating performance. Our management does not consider these non-GAAP financial measures and key performance indicators in isolation or as an alternative to the Restated Consolidated Financial Information. We present these non-GAAP financial measures and key performance indicators because we believe they are useful to our Company in assessing and evaluating our operating performance, and for internal planning and forecasting purposes. We believe these non-GAAP financial measures and key performance indicators, when taken collectively with the Restated Consolidated Financial Information, prepared in accordance with Ind AS, may be helpful to investors as an additional tool to evaluate our ongoing operating results and trends and to compare our financial results to prior periods.

Non-GAAP financial information is not recognized under Ind AS and do not have standardized meanings prescribed by Ind AS. In addition, non-GAAP financial measures and key performance indicators used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business. Other companies may calculate non-GAAP metrics differently from the way we calculate these metrics. Please see *"**Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio, Net Asset Value per Equity Share have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable**"* on page 66.

Set forth below are certain GAAP and non-GAAP measures derived from our Restated Consolidated Financial Information for the fiscal years ended March 31, 2026, March 31, 2025 and March 31, 2024.

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| ***GAAP Measures*** | | | |
| Revenue from operations (₹ in million) [1] | 2,061.21 | 1,748.42 | 1,320.36 |
| Profit before Tax (₹ in million) [2] | 242.86 | 153.33 | 86.63 |
| Profit After Tax (₹ in million) [3] | 176.53 | 103.55 | 69.02 |
| Net Worth (₹ in million) [4] | 710.85 | 189.61 | 152.52 |
| ***Non-GAAP Measures*** | | | |
| Growth in Revenue from Operations (%) [5] | 17.89% | 32.42% | NA |
| Profit After Tax Margin (%) [6] | 8.56% | 5.92% | 5.23% |
| EBITDA (₹ in million) [7] | 330.89 | 235.19 | 122.64 |
| EBITDA Margin (%) [8] | 16.05% | 13.45% | 9.29% |
| EBIT (₹ in million) [9] | 274.82 | 196.18 | 108.45 |
| EBIT Margin (%) [10] | 13.33% | 11.22% | 8.21% |
| RoE (%) [11] | 39.21% | 60.53% | 58.65% |
| RoCE (%) [12] | 22.17% | 30.37% | 30.86% |
| Debt to Equity Ratio [13] | 1.39 | 3.27 | 2.22 |
| Operating Cash Flows (₹ in million) [14] | 154.12 | 17.77 | 32.05 |

***Notes:***

*(1) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.*

(2) *Profit Before Tax means profit/(loss) before tax as appearing in the Restated Financial Information including profit / (loss) from discontinued operation and exceptional items.*

(3) *Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information*

(4) *Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting 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.*

(5) *Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant year minus Revenue from Operations of the preceding year, divided by revenue from operations of the preceding year.*

(6) *Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by Revenue from Operations.*

(7) *EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.*

(8) *EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.*

(9) *EBIT is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) minus other income.*

(10) *EBIT Margin (%) is computed as EBIT divided by revenue from operations.*

(11) *Return on Equity (RoE) refers to the profit for the year/period attributable to equity shareholders of our Company divided by Average Equity attributable to owners of the parent company as at beginning and end of the relevant year/period.*

(12) *Return on Capital Employed (ROCE): Calculated as Earnings before Interest and Tax (EBIT) divided by Average of opening and closing Capital Employed where Capital Employed equals Total Equity + Current/Non-Current Term Borrowings including lease liability + Deferred Tax (Asset)/ Liability - Intangible Assets (including Intangible Assets under Development).*

(13) *Debt-equity ratio calculated as total debt (current and non-current borrowings) divided by total Equity excluding NCI.*

(14) *Net Cash Generated from Operating Activities refers to the net amount of cash inflows and outflows arising from the principal revenue-generating activities of a company during a specified period.*

Below are the reconciliations for the non-GAAP measures used to derive the values shown in the table above.

**PAT Margin**

The following table sets forth our PAT Margin, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the Fiscal 2026, Fiscal 2025 and Fiscal 2024. PAT Margin is calculated as profit for the year/period divided by total income.

*(₹ in million, except percentages)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Restated Profit attributable to Equity shareholder of Holding Company (I) | 176.53 | 103.55 | 69.02 |
| Revenue from Operation (II) | 2,061.21 | 1,748.42 | 1,320.36 |
| PAT Margin (III=I/II) | 8.56% | 5.92% | 5.23% |

Our profit after tax margins (PAT Margin) were 8.56%, 5.92% and 5.23% in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively.

***EBIT and EBIT Margin***

The table below presents our earnings before interest and taxes, less other income ("**EBIT**"), and EBIT margin. It includes reconciliations of these measures to the restated consolidated financial information for the fiscal years 2026, 2025, and 2024.

*(₹ in million, except percentages)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Revenue from Operations (A) | 2,061.21 | 1,748.42 | 1,320.36 |
| Profit before tax (B) | 242.86 | 153.33 | 86.63 |
| Add: Finance costs (including lease interest) (C) | 58.54 | 45.89 | 27.57 |
| Less: Other Income (D) | 26.58 | 3.04 | 5.75 |
| EBIT (E=B+C-D) | 274.82 | 196.18 | 108.45 |
| EBIT Margin (F=E/A) | 13.33% | 11.22% | 8.21% |

Our EBIT increased at a CAGR of 59.18% to ₹ 274.82 million in Fiscal 2026 from ₹ 108.45 million in Fiscal

2024. For Fiscal 2026, Fiscal 2025 and Fiscal 2024, our EBIT was ₹274.82 million, ₹196.18 million and ₹108.45 million, respectively, with corresponding EBIT margins of 13.33%, 11.22% and 8.21%. Profit for the year increased from ₹86.63 million in Fiscal 2024 to ₹242.86 million in Fiscal 2026.

***EBITDA and EBITDA Margin***

The following table sets forth our earnings before interest, taxes, depreciation and amortisation expenses, less other income ("**EBITDA**") and EBITDA Margin, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the Fiscal 2026, Fiscal 2025 and Fiscal 2024.

*(₹ in million, except percentages)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Revenue from Operations (A) | 2,061.21 | 1,748.42 | 1,320.36 |
| Profit before tax (B) | 242.86 | 153.33 | 86.63 |
| Add: Finance costs (including lease interest) (C) | 58.54 | 45.89 | 27.57 |
| Add: Depreciation and amortisation expense (D) | 56.07 | 39.01 | 14.19 |
| Less: Other Income (E) | 26.58 | 3.04 | 5.75 |
| EBITDA (F=B+C+D-E) | 330.89 | 235.19 | 122.64 |
| EBITDA Margin (G=F/A) | 16.05% | 13.45% | 9.29% |

Our EBITDA increased at a CAGR of 64.25% to ₹330.89 million in Fiscal 2026 from ₹122.64 million in Fiscal 2024. For Fiscal 2026, Fiscal 2025 and Fiscal 2024, our EBITDA was ₹330.89 million, ₹235.19 million and ₹122.64 million, respectively, with corresponding EBITDA margins of 16.05%, 13.45% and 9.29%. Profit for the year increased from ₹86.63 million in Fiscal 2024 to ₹242.86 million in Fiscal 2026.

***Return on Equity***

The following table sets forth our Return on Equity, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the Fiscal 2026, Fiscal 2025 and Fiscal 2024. Return on Equity is calculated as profit for the year/period divided by Average Equity for the year/period. Average Equity is calculated as the average of the total equity at the beginning of the year/period and at the end of the year/period.

*(₹ in million, except percentages)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Restated profit attributable to Equity Shareholders of Holding Company (A) | 176.53 | 103.55 | 69.02 |
| Total equity at the beginning of the year/period (1) | 189.62 | 152.52 | 82.86 |
| Total equity at the end of the year/period (2) | 710.85 | 189.61 | 152.52 |
| Average Equity (B = ((1)+(2))/2) | 450.24 | 171.07 | 117.69 |
| Return on Equity (C=A/B) | 39.21% | 60.53% | 58.65% |

Our Return on Equity was 39.21%, 60.53% and 58.65% in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively.

***Return on Capital Employed***

The following table sets forth our Return on Capital Employed, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the Fiscal 2026, Fiscal 2025 and Fiscal 2024. Return on Capital Employed is calculated as Earnings before interest and tax divided by Average Capital Employed. Capital Employed is calculated as the sum of total equity, non-current borrowings, current borrowings and deferred tax liability/(asset).

*(₹ in million, except percentages)*

| Particulars | Financial period / year ended | | |
|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| **Equity attributable to the equity holders of the parent company (I)** | 710.85 | 189.61 | 152.52 |
| Intangible Assets (II) | 14.90 | - | - |
| Deferred Tax (Asset)/ Liability (III) | (5.92) | (8.12) | (2.01) |
| Long Term Borrowings (IV) | 380.88 | 195.41 | 93.88 |

| Particulars | Financial period / year ended | | |
|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| Short Term Borrowings (V) | 606.46 | 425.29 | 245.34 |
| **Capital Employed (VI = I - II + III + IV+V)** | 1,677.37 | 802.19 | 489.73 |
| **Average Capital Employed (VII)** | 1,239.78 | 645.96 | 351.47 |
| | | | |
| **EBITDA (VIII)** | 330.89 | 235.19 | 122.64 |
| **Depreciation (IX)** | 56.07 | 39.01 | 14.19 |
| **Earnings Before Interest and Tax (EBIT) (X = VIII-IX)** | 274.82 | 196.18 | 108.45 |
| **Return on Capital Employed (X = IX/VII)** | 22.17% | 30.37% | 30.86% |

In Fiscal 2026, Fiscal 2025 and Fiscal 2024, our Return on Capital Employed was 22.17%, 30.37% and 30.86%, respectively.

***Debt/Equity Ratio***

The following table sets forth our Debt/Equity Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2026, Fiscal 2025 and Fiscal 2024. Debt/Equity Ratio is calculated as Total Debt divided by total equity. Debt is calculated as total non-current and current borrowings (including lease liabilities) at the end of the year.

*(₹ in million, except ratios)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Non-current borrowings (1) | 380.88 | 195.41 | 93.88 |
| Current borrowings (2) | 606.46 | 425.29 | 245.34 |
| Total Debt (A=(1)+(2)) | 987.34 | 620.69 | 339.22 |
| Equity share capital (i) | 73.18 | 73.18 | 0.60 |
| Other equity (ii) | 637.67 | 116.43 | 151.92 |
| Total equity (B=(i)+(ii)) | 710.85 | 189.61 | 152.52 |
| Debt/Equity Ratio (C=A/B) | 1.39 | 3.27 | 2.22 |

In Fiscal 2026, Fiscal 2025 and Fiscal 2024, our Debt/Equity Ratio was 1.39, 3.27 and 2.22, respectively.

**MATERIAL ACCOUNTING POLICIES**

The notes to our Restated Consolidated Financial Information included on page 292 of this Draft Red Herring Prospectus contain a summary of our material accounting policies.

**KEY COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS**

Set forth below are the key components of our statement of profit and loss from our continuing operations:

***Income***

Total income consists of revenue from operations and other income.

*Revenue from operations*. Our operating income is substantially derived from sale of products (gross), which consists of sales of finished goods manufactured by our Company and sale of traded goods. Sale of finished goods includes revenue from the sale of (i) Rebonded Foam Sheets; (ii) Rebonded Foam Blocks and (iii) Rebonded Carpet Underlays. Sale of traded goods includes revenue from the sale of certain categories of (i) raw materials used in our manufacturing process such as different grades of binders and PU Foam; and (ii) finished products such as rebonded PU foam blocks and sheets (iii) carpet underlays sourced by us from third parties. Revenue from operations further includes duty drawback.

Set forth below is a breakdown of our revenue from operations for the Fiscals indicated as per the Restated Consolidated Financial Information.

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ millions) | % of revenue from operations | Amount (₹ millions) | % of revenue from operations | Amount (₹ millions) | % of revenue from operations |
| Sale of manufactured products | 1,379.48 | 66.93% | 766.23 | 43.82% | 662.24 | 50.16% |
| Sale of traded goods | 672.43 | 32.62% | 982.16 | 56.17% | 658.12 | 49.84% |
| Export Benefits | 9.30 | 0.45% | 0.03 | 0.00% | - | 0% |
| Total Revenue from Operations | 2,061.21 | 100% | 1,748.42 | 100% | 1320.36 | 100% |

For management's purposes, our Company's business is considered to constitute one reporting segment. See *"**Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information**"* on page 292.

***Other Income***

Other Income primarily comprises of interest income on (a) fixed deposits and (b) Unsecured loan; Foreign exchange gain, miscellaneous income and reversal of ECL.

***Expenses***

Total expenses comprise of cost of material consumed, purchase of stock-in trade, changes in inventories of finished goods, work-in progress and stock in trade, employee benefits expense, finance cost, depreciation and amortization expense and other expenses.

*Cost of material consumed.*

Our expenditure on materials consists of expenditure on raw materials, which primarily include post-industrial PU foam trims and binders as well as packing material and incidental expenses related to purchase of raw material. We source raw materials from domestic and overseas suppliers. Cost of materials consumed represents the total purchases of raw material and packing material, adjusted for inventory levels. It is calculated by adding opening inventory to purchases and subtracting closing inventory.

*Purchases of Stock-in-Trade.*

Our expenditure on stock-in-trade consists of purchases of Rebonded Foam Sheets, Rebonded Carpet Underlays, Rebonded Foam Blocks, foam binders and foam trims from distributed manufacturers.

*Changes in Inventories of Finished Goods, Stock-in-Trade, and Work-in-process.*

Our expenditure in relation to change in inventories consist of our inventory of finished products, work-in-progress and stock-in-trade at the beginning and the end of the respective reporting year reduced by any inventories lost through fires or industrial accidents in the year.

*Employee Benefits Expense*. Employee benefits expense comprises of salaries and wages, contribution to provident and other funds, staff welfare expenses and gratuity and leave encashment.

*Finance Costs*. Finance costs comprise of interest of loans from banks and financial institution, interest on lease liability, interest on loan from related parties, interest on others borrowing costs.

*Depreciation and Amortisation Expenses*. Depreciation and amortisation expenses comprise of depreciation on property, plant and equipment, amortisation of intangible assets and depreciation on right-of-use assets.

*Other Expenses*. Other expenses primarily comprise of consumption of stores & spares, labour charges, power & fuel, rent expenses, water charges, office expenses, business promotion, freight outward, bad debt written off, payment to auditors, forex loss, legal and professional fees, CSR expenses, rates & taxes, insurance charges, miscellaneous expenses, repair and maintenance, security expenses, provisions for ECL, travelling and conveyance charges, loss by fire (net), director sitting fees, postage and courier services.

Set forth below is a breakdown of our total expenses as percentage of our revenue from operations for the Fiscals indicated, as per the Restated Consolidated Financial Information.

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ millions) | % of revenue from operations | Amount (₹ millions) | % of revenue from operations | Amount (₹ millions) | % of revenue from operations |
| Cost of materials consumed | 712.88 | 34.59% | 429.36 | 24.56% | 379.94 | 28.78% |
| Purchase of stock-in-trade | 635.71 | 30.84% | 887.99 | 50.79% | 644.92 | 48.84% |
| Changes in inventories of finished goods, work-in-progress and stock in trade | 13.90 | 0.67% | (25.67) | (1.47)% | (26.95) | (2.04)% |
| Employee Benefits Expense | 64.80 | 3.14% | 41.33 | 2.36% | 30.12 | 2.28% |
| Finance Costs | 58.54 | 2.84% | 45.89 | 2.62% | 27.57 | 2.09% |
| Depreciation And Amortization Expenses | 56.07 | 2.72% | 39.01 | 2.23% | 14.19 | 1.07% |
| Other Expenses | 303.03 | 14.70% | 180.13 | 10.30% | 169.69 | 12.85% |
| **Total Expenses** | **1,844.93** | **89.51%** | **1,598.04** | **91.40%** | **1,239.48** | **93.87%** |

**Tax Expense**

Our tax expense represents the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by income tax payable for earlier years and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

**RESULTS OF OPERATIONS AS PER THE RESTATED CONSOLIDATED FINANCIAL INFORMATION**

The following table sets forth select financial information as per the Restated Consolidated Financial Information for the Fiscal 2026, Fiscal 2025 and Fiscal 2024, the components of which are also expressed as a percentage of total income for such Fiscals:

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ millions) | % of total income | Amount (₹ millions) | % of total income | Amount (₹ millions) | % of total income |
| Revenue from operations | 2,061.21 | 98.73% | 1,748.42 | 99.83% | 1,320.36 | 99.57% |
| Other income | 26.58 | 1.27% | 3.04 | 0.17% | 5.75 | 0.43% |
| Total income | 2,087.79 | 100% | 1,751.46 | 100% | 1,326.11 | 100% |
| Cost of materials consumed | 712.88 | 34.59% | 429.36 | 24.56% | 379.94 | 28.78% |
| Purchase of stock-in-trade | 635.71 | 30.84% | 887.99 | 50.79% | 644.92 | 48.84% |
| Changes in inventories of finished goods and work-in-progress | 13.90 | 0.67% | (25.67) | (1.47)% | (26.95) | (2.04)% |
| Employee benefits expense | 64.80 | 3.14% | 41.33 | 2.36% | 30.12 | 2.28% |
| Finance costs | 58.54 | 2.84% | 45.89 | 2.62% | 27.57 | 2.09% |
| Depreciation and amortisation expense | 56.07 | 2.72% | 39.01 | 2.23% | 14.19 | 1.07% |
| Other expenses | 303.03 | 14.70% | 180.13 | 10.30% | 169.69 | 12.85% |
| Total expenses | 1,844.93 | 100.00% | 1,598.04 | 100.00% | 1,239.48 | 100.00% |
| Profit before tax | 242.86 | 11.78% | 153.33 | 8.77% | 86.63 | 6.56% |
| Current Tax | 61.54 | 2.95% | 55.89 | 3.19% | 18.80 | 1.42% |
| Deferred Tax | 2.05 | 0.10% | (6.14) | (0.35)% | (1.79) | (0.13)% |
| Total tax expense | 63.59 | 3.05% | 49.75 | 2.84% | 17.01 | 1.28% |
| Profit after tax for the year | 179.27 | 8.59% | 103.58 | 5.91% | 69.62 | 5.25% |

**FISCAL 2026 COMPARED TO FISCAL 2025**

**Total Income**

Total income increased by 19.20% to ₹ 2,087.79 million in Fiscal 2026 from ₹1,751.46 million in Fiscal 2025, which increase was primarily due to a 17.95% increase in revenue from operations to ₹2,061.21 million in Fiscal 2026 from ₹1,748.42 million in Fiscal 2025.

**Revenue from Operations**

**Sale of finished goods**

Revenues from sale of finished goods manufactured by our Company increased by 80.10% from ₹766.23 million in fiscal year 2025 to ₹1,336.56 million in fiscal year 2026, primarily due to an increase in our sales volume and average sales realisation largely driven by the commencement of sales outside India during Fiscal 2026. Sales outside India contributed ₹715.35 million to revenue in Fiscal 2026, compared to Nil in Fiscal 2025. The higher realisations achieved on sales outside India, including the premium pricing realised in international markets, contributed to the increase in revenue during the period.

**Sale of traded goods**

Revenue from the sale of traded goods decreased by 31.54% from ₹982.16 million in Fiscal 2025 to ₹672.43 million in Fiscal 2026. The decrease was primarily attributable to an increase in the Company's manufacturing capacity utilisation, which increased from 8,324.24 MTPA in Fiscal 2025 to 12,563.66 MTPA in Fiscal 2026, representing an increase of 50.94%. The higher in-house production enabled the Company to meet a greater proportion of customer requirements through its own manufacturing facilities, thereby reducing its dependence on third-party sourced goods. Consequently, the contribution of trading activities to the Company's overall revenue declined during Fiscal 2026.

**Other operating revenues**

Our other operating revenues increased from ₹0.03 million in fiscal year 2025 to ₹9.30 million in fiscal year 2026, primarily attributable to export benefits driven by the commencement of export sales during Fiscal 2026

**Other income**

Our other income increased from ₹3.05 million in fiscal 2025 to ₹26.58 million in Fiscal 2026, primarily due to the following:

Foreign Exchange Gain: Our Foreign Exchange Gain increased from Nil million in Fiscal 2025 to ₹24.05 million in Fiscal 2026, primarily due to foreign exchange gains arising on export receivables and other foreign currency-denominated transactions during the year.

Interest income: Our interest income on fixed deposits with bank has been decreased by 55.47% from ₹2.74 million in fiscal 2025 to ₹1.22 million in Fiscal 2026 on account of decrease in fixed deposits with banks from ₹34.42 million in fiscal 2025 to ₹29.36 million in fiscal 2026 which is further offset by increase in interest income on unsecured loan from ₹0.14 million in fiscal 2025 to ₹1.19 million in Fiscal 2026 on account of the unsecured loans advanced by foreign subsidiary from Nil as at March 31, 2025 to ₹56.11 million as at March 31, 2026, resulting in higher interest income during Fiscal 2026.

Miscellaneous income decreased marginally from ₹0.16 million in Fiscal 2025 to ₹0.12 million in Fiscal 2026.

**Total Expenses**

Total expenses increased by 15.45%, from ₹1598.04 million in Fiscal 2025 to ₹ 1,844.93 million in Fiscal 2026, in line with the increase in scale of operations. As a result, total expenses as a percentage of total income reduced from 91.24% in Fiscal 2025 to 88.37% in Fiscal 2026, reflecting improved operating leverage.

**Cost of material consumed**

Our cost of material consumed has been increased by 66.03% from ₹429.36 million in Fiscal 2025 to ₹712.88 million in Fiscal 2026, The increase was primarily attributable to higher manufacturing volumes, supported by an increase in manufacturing capacity utilisation from 8,324.24 MTPA in Fiscal 2025 to 12,563.66 MTPA in Fiscal 2026, representing a growth of 50.94%. The increase in manufacturing volumes resulted in higher consumption of key raw materials and other inputs required for production.

**Purchase of Stock in trade**

Our purchase of stock in trade has been decreased by 28.41% from ₹887.99 million in Fiscal 2025 to ₹635.71 million in Fiscal 2026, primarily due to a shift in the Company's business mix towards manufacturing activities, as reflected by the increase in manufacturing turnover during Fiscal 2026.

**Change in inventories of finished goods, work-in-progress and stock-in-trade**

Changes in inventories of finished goods, work-in-progress and stock-in-trade were ₹ 13.90 million in Fiscal 2026 as compared to ₹ (25.67) million in Fiscal 2025, primarily reflecting a marginal built-up of inventories during Fiscal 2026, in line with the Company's production and sales volume.

**Employee benefits expenses**

Employee benefits expense increased by 56.76% from ₹ 41.33 million in Fiscal 2025 to ₹ 64.80 million in Fiscal 2026 primary due to increase in salaries, wages and bonus from ₹ 35.69 million in Fiscal 2025 to ₹ 55.94 million in Fiscal 2026. Further, contribution to provident and other funds increased to ₹ 1.24 million in the Fiscal 2026 from ₹0.85 million in the Fiscal 2025; gratuity and leave encashment increased from ₹2.01 million in Fiscal 2025 to ₹2.70 million in Fiscal 2026 and staff welfare increased from ₹ 2.78 million in Fiscal 2025 to ₹4.92 million in Fiscal 2026

This was primarily due to increase of ₹11.63 million in employee benefits expense incurred by foreign subsidiary upon commencement of its business activities during Fiscal 2025 further increase is on account of the headcount employed by the Company in Fiscal 2026 and annual salary escalations across various roles as well as increase in directors' remuneration. The combined effect of increase in permanent employees and higher compensation led to a significant rise in employee-related expenses and, consequently, the overall total expense for the year.

**Finance costs**

Finance costs increased by 27.59% to ₹ 58.54 million in the Fiscal 2026 from ₹45.89 million in Fiscal 2025 primarily due to increase in Interest expense on loan from banks and financial institution to ₹46.96 million in the Fiscal 2026 from ₹ 28.24 million in the Fiscal 2025 on account of an increase in working capital limits and the addition of new term loan facilities resulting in higher interest costs during the year. The increase was partly offset by a decrease in interest expense on loans from related parties from ₹6.14 million in Fiscal 2025 to ₹0.20 million in Fiscal 2026.

**Depreciation and amortization expenses**

Depreciation and amortisation expense increased by 43.73%, from ₹39.01 million in Fiscal 2025 to ₹56.07 million in Fiscal 2026. The increase was primarily attributable to the higher depreciation arising from additions to property, plant and equipment. A significant portion of the assets capitalised in Fiscal 2025 was put to use during the last quarter of fiscal 2025, resulting in depreciation being recognised only for part of the year in fiscal 2025, whereas the depreciation impact was recognised for the full year in Fiscal 2026. Further, assets added during Fiscal 2026 were capitalised and put to use at different points during the year, resulting in a corresponding increase in depreciation expense.

**Other expenses**

Other expenses increased by 68.23% from ₹180.13 million in Fiscal 2025 to ₹ 303.02 million in Fiscal 2026. However, other expenses as a percentage of our revenue from operations increased from 10.30% in Fiscal 2025 to 14.70% in Fiscal 2026.

Other expenses primarily increased due to increase in Freight outward to ₹ 118.50 million in the Fiscal 2026 from ₹ 46.54 million in the Fiscal 2025 on account of commencement of sales outside India by the company during the year. During Fiscal 2026, the Company sold material outside India which typically involves longer transport distances and higher shipping costs which has resulted into increase in freight outward expenses.

Labour charges increased to ₹70.05 million in Fiscal 2026 from ₹42.29 million in Fiscal 2025, primarily due to the increase in manufacturing activities during Fiscal 2026. The higher manufacturing volumes resulted in increased deployment of contract labour to support various manufacturing and related activities. In addition, the increase in labour charges was partly attributable to the export orders during Fiscal 2026, which generally involved

additional and different packaging and lamination requirements as compared to products supplied to the domestic market. These export-specific requirements involved additional labour-intensive handling, packaging and lamination activities, thereby contributing to the increase in labour charges during Fiscal 2026.

Power and fuel expenses increased by 32.70% from ₹24.73 million in Fiscal 2025 to ₹32.81 million in Fiscal 2026, primarily due to higher manufacturing activity, with manufacturing capacity utilisation increasing from 8,324.24 MTPA in Fiscal 2025 to 12,563.66 MTPA in Fiscal 2026. However, the increase in power and fuel expenses was lower than the corresponding increase in manufacturing volumes, resulting in a decrease in power and fuel cost per unit of production, supported by improved capacity utilisation and operating efficiencies.

Legal and professional fees increased from ₹5.95 million in Fiscal 2025 to ₹12.07 million in Fiscal 2026, primarily due to higher professional and consultancy charges incurred during Fiscal 2026 in connection with specific business and financing activities.

Insurance expense increased from ₹1.99 million in Fiscal 2025 to ₹4.83 million in Fiscal 2026 primarily due to addition in investment in property, plant and equipment, the company increased its insurance coverage and policy values to protect these assets, which caused the insurance premiums and overall insurance expense to rise.

Security expenses increased from ₹3.58 million in Fiscal 2025 to ₹7.02 million in Fiscal 2026, primarily due to the commencement of operations at Unit in Silvassa, which was only operational for two months during Fiscal 2025. The increase reflects the deployment of additional security services at the unit following commencement of its operations.

Travelling and conveyance charges increased from ₹4.66 million in Fiscal 2025 to ₹7.86 million in Fiscal 2026 primarily due to increased travel in connection with the Company’s business development and international business activities during the year.

Rates and taxes increased from ₹1.69 million in Fiscal 2025 to ₹4.77 million in Fiscal 2026, due to charges associated with the creation of charge over the properties in connection with availing various loan facilities during the year.

Bad debts written off increased from ₹0.76 million in Fiscal 2025 to ₹3.29 million in Fiscal 2026, primarily due to the write-off of certain long-outstanding trade receivables identified during the Company’s periodic review of receivables. The increase largely reflects the clean-up of older balances considered non-recoverable.

Postage and courier charges increased from ₹0.66 million in Fiscal 2025 to ₹2.90 million in Fiscal 2026, primarily due to higher dispatch and documentation requirements arising from the increase in the scale of the Company’s operations during the year.

Business promotion expenses increased from ₹1.77 million in Fiscal 2025 to ₹3.90 million in Fiscal 2026, primarily due to increased business development and promotional activities undertaken during the year in connection with the expansion of the Company’s business, including activities associated with the commencement of its international business operations.

Rent expenses decreased from ₹9.56 million in Fiscal 2025 to ₹5.42 million in Fiscal 2026, primarily due to the discontinuation of rent for a manufacturing unit following the consolidation of its manufacturing capacity into other operating units. The decrease was further attributable to the discontinuation of rented accommodation that had been incurred during the plant set-up and transition phase and was no longer required following commencement of operations at the plant.

Consumption of stores and spares decreased from ₹ 11.23 million in Fiscal 2025 to ₹ 7.34 million in Fiscal 2026 as well as Repair and maintenance expense decreased from ₹ 12.48 million in Fiscal 2025 to ₹ 10.17 million in Fiscal 2026, primarily attributable to the commissioning of the Company's new manufacturing facility at Silvasaa during the period. The deployment of new machinery and equipment reduced the Company's requirement for certain maintenance related stores and replacement spares, resulting in lower overall consumption during Fiscal 2026.

Apart from the key expense items discussed above, certain other expense heads also witnessed minimal fluctuations during the period under review, primarily attributable to changes in the Company's operating

requirements. While individual expense items may have increased or decreased during the period, the aggregate impact of such fluctuations on the Company's overall results of operations remained minimal.

**Profit/ (loss) before tax**

Due to the reasons provided above, restated profit before tax increased by 58.40% from ₹153.33 million in Fiscal 2025 to ₹242.86 million in Fiscal 2026.

**Income tax expense**

Total tax expense increased from ₹49.74 million in Fiscal 2025 to ₹63.59 million in Fiscal 2026, primarily attributable to the increase in current tax expense arising from the higher taxable profits of the Company during Fiscal 2026.

**Profit/ (loss) for the year**

As a result of the factors mentioned above, our profit for the year increased to ₹179.27 million for Fiscal 2026 from ₹103.59 million for Fiscal 2025.

**FISCAL 2025 COMPARED TO FISCAL 2024**

**Total Income**

Total income increased by 32.07% to ₹ 1,751.46 million in fiscal 2025 from ₹1,326.12 million in Fiscal 2024, which increase was primarily due to a 32.42% increase in revenue from operations to ₹1,748.42 million in Fiscal 2025 from ₹1,320.36 million in Fiscal 2024.

**Revenue from Operations**

**Sale of finished goods.**

Revenue from the sale of finished goods manufactured by the Company increased by 15.70% from ₹662.24 million in Fiscal 2024 to ₹766.23 million in Fiscal 2025, primarily driven by an increase in sales volumes following the addition of two new manufacturing units. The commissioning of these units expanded the Company’s manufacturing capacity and enabled an incremental production and sales volume of more than 2,000 MTPA during Fiscal 2025.

**Sale of traded goods.**

Revenue from the sale of traded goods increased by 49.24% from ₹658.12 million in Fiscal 2024 to ₹982.16 million in Fiscal 2025. The increase was primarily attributable to a temporary change in the relative contribution of the Company’s manufacturing and trading activities during Fiscal 2025. During the year, one manufacturing unit was not operational for a part of the year, while another manufacturing unit commenced operations in February 2025. During this transition period, the Company sourced certain products from third-party suppliers for onward sale to ensure continuity of supplies and meet customer requirements, resulting in higher trading revenues. With the commencement of operations of the new manufacturing unit and the gradual increase in in-house production, the revenue mix progressively shifted towards manufactured products.

**Other income**

Our other income decreased from ₹5.75 million in Fiscal 2024 to ₹3.04 million in Fiscal 2025, primarily due to the following:

Foreign Exchange Gain: Foreign exchange gain decreased from ₹1.05 million in Fiscal 2024 to Nil in Fiscal 2025, primarily due to foreign exchange losses arising from foreign currency exposures during Fiscal 2025. Such foreign exchange losses were recognised under Other Expenses in Fiscal 2025.

Interest income: Our interest income on fixed deposits with bank has been decreased by 8.67% from 3.00 million in Fiscal 2024 to ₹2.74 million in Fiscal 2025 on account of decrease in fixed deposits with banks from ₹54.46 million in Fiscal 2024 to ₹34.42 million in Fiscal 2025 which is further offset by increase in interest income on

unsecured loan that has been increased from Nil million in Fiscal 2024 to ₹ 0.14 million in Fiscal 2025 on account of the outstanding unsecured loans advanced by the foreign subsidiary.

Creditors Written Back declined by 100.00% from ₹ 1.59 million in Fiscal 2024 to Nil in Fiscal 2025. Since there was no writeback during Fiscal 2025, the income from this category returned to Nil, mainly representing the routine closure of small, long-pending balances post reconciliation of the accounts with parties.

**Expenses**

Total expenses increased by 28.93%, from ₹1,239.48 million in Fiscal 2024 to ₹ 1,598.04 million in Fiscal 2025, in line with the increase in scale of operations. As a result, total expenses as a percentage of total income reduced from 93.47% in Fiscal 2024 to 91.24% in Fiscal 2025, reflecting improved operating leverage.

**Cost of material consumed**

Our cost of material consumed has been increased by 13.01% from ₹379.94 million in Fiscal 2024 to ₹429.36 million in Fiscal 2025. The increase was primarily attributable to increased manufacturing volumes, supported by an increase in manufacturing capacity utilisation from 6,815.00 MTPA in Fiscal 2024 to 8,324.24 MTPA in Fiscal 2025, representing a growth of 22.14%. The increase in manufacturing volumes resulted in higher consumption of key raw materials and other inputs required for production.

**Purchase of Stock in trade**

Our purchase of stock in trade has been increased by 37.69% from ₹644.92 million in Fiscal 2024 to ₹ 887.99 million in Fiscal 2025, primarily attributable to a temporary change in the relative contribution of the Company's manufacturing and trading activities during Fiscal 2025.

**Change in inventories of finished goods, work-in-progress and stock-in-trade**

Changes in inventories of finished goods, work-in-progress and stock-in-trade were ₹(25.67) million in Fiscal 2025 as compared to ₹(26.95) million in Fiscal 2024, primarily due to a marginal build-up of inventories during Fiscal 2025.

**Employee benefits expenses**

Employee benefits expense increased by 37.22% from ₹ 30.12 million in Fiscal 2024 to ₹ 41.33 million in Fiscal 2025 primary due to increase in salaries, wages and bonus from ₹ 26.50 million in Fiscal 2024 to ₹ 35.69 million in Fiscal 2025. Further, contribution to provident and other funds increased to ₹ 0.85 million in the Fiscal 2025 from ₹0.74 million in the Fiscal 2024; gratuity and leave encashment increased from ₹1.44 million in Fiscal 2024 to ₹2.01 million in Fiscal 2025 and staff welfare increased from ₹ 1.44 million in Fiscal 2024 to ₹ 2.78 million in Fiscal 2025

This was primarily due to increase is on account of the headcount employed by the Company from 61 in Fiscal 2024 to 64 in Fiscal 2025 and annual salary escalations across senior management level.

**Finance costs**

Finance costs increased by 66.41% to ₹ 45.89 million in the Fiscal 2025 from ₹ 27.57 million in Fiscal 2024 primarily due to increase in Interest expense on loan from banks and financial institution to ₹ 28.24 million in the Fiscal 2025 from ₹ 14.85 million in the fiscal 2024 on account of an increase in working capital limits and the addition of new term loan facilities resulting in higher interest costs during the year. Other borrowing costs has been increased to ₹ 5.53 million in the Fiscal 2025 from ₹ 3.45 million in Fiscal 2024. Interest on lease liabilities increased to ₹5.93 million in Fiscal 2025 from ₹2.29 million in Fiscal 2024, primarily due to the addition and increased tenure of lease arrangements during the year.

**Depreciation and amortization expenses**

Depreciation and amortisation expense increased from ₹ 14.19 million in Fiscal 2024 to ₹ 39.01 million in Fiscal 2025, mainly due to additions of property, plant and equipment by amount of ₹134.58 million in Fiscal 2025 as compared to ₹ 64.47 million in Fiscal 2024. And increase in amortisation of Right of Use assets to ₹14.46 million

in fiscal 2025 from ₹ 4.11 million in Fiscal 2024. The increase was primarily attributable to the higher depreciation arising from additions to property, plant and equipment. A significant portion of the assets capitalised in Fiscal 2024 was put to use during the last quarter of Fiscal 2024, resulting in depreciation being recognised only for part of the year in fiscal 2024, whereas the depreciation impact was recognised for the full year in Fiscal 2025.

**Other expenses**

Other expenses increased by 6.15% from ₹169.69 million in fiscal 2024 to ₹ 180.13 million in Fiscal 2025. However, other expenses as a percentage of our revenue from operations decreased from 12.85% in Fiscal 2024 to 10.30% in Fiscal 2025.

Labour charges increased to ₹42.29 million in Fiscal 2025 from ₹28.05 million in Fiscal 2024, primarily due to the increase in manufacturing activities during Fiscal 2025. The higher manufacturing volumes resulted in increased deployment of contract labour to support various manufacturing and related activities.

Power and fuel expenses increased from ₹14.22 million in Fiscal 2024 to ₹24.73 million in Fiscal 2025, primarily due to increase in manufacturing activity from 6,815.00 MTPA in Fiscal 2024 to 8,324.24 MTPA in Fiscal 2025.

Legal and professional fees increased from ₹1.70 million in Fiscal 2024 to ₹5.95 million in Fiscal 2025, primarily due to higher professional and consultancy charges incurred in connection with the Company's planned expansion and development of international business activities. These included feasibility studies, advisory services and other professional expenses related to evaluating and establishing overseas business opportunities and supporting the Company's planned export operations.

Consumption of stores and spares increased from ₹8.49 million in Fiscal 2024 to ₹11.23 million in Fiscal 2025, while repair and maintenance expenses increased from ₹8.32 million to ₹12.48 million during the same period. The increase was primarily attributable to the setup and commissioning activities at the Company's manufacturing units, which involved higher consumption of stores, spares and maintenance items.

Travelling and conveyance charges increased from ₹3.18 million in Fiscal 2024 to ₹4.66 million in Fiscal 2025 primarily due to increased travel in connection with the Company's business development and international business activities during the year.

Rates and taxes increased from ₹0.53 million in Fiscal 2024 to ₹1.69 million in Fiscal 2025, primarily due to higher charges associated with the creation and registration of charge over the Company's properties in connection with availing various loan facilities during the year. The increase was also attributable to charges incurred in connection with the increase in the authorised share capital of the Company during Fiscal 2025.

Bad debts written off increased from ₹0.03 million in Fiscal 2024 to ₹0.76 million in Fiscal 2025, primarily due to the write-off of certain long-outstanding trade receivables identified during the Company's periodic review of receivables. The increase largely reflects the clean-up of older balances considered non-recoverable.

Other expenses primarily decreased due to a reduction in freight outward expenses, which decreased from ₹72.34 million in Fiscal 2024 to ₹46.54 million in Fiscal 2025. The decrease was primarily attributable to lower freight costs associated with manufacturing activities. And the increase in revenue from the sale of traded goods during Fiscal 2025, the related freight costs were largely recovered through the corresponding selling prices and were accordingly passed on to customers.

**Share of Profit/(loss) in Associate**

Share of loss of associates increased from Nil in Fiscal 2024 to ₹ 0.09 million in Fiscal 2025 primarily due to the share of loss attributable to the Holding Company from its foreign associate.

**Profit/ (loss) before tax**

Due to the reasons provided above, restated profit before tax increased by 77.08% from ₹86.63 million in fiscal 2024 to ₹153.42 million in fiscal 2025.

**Income tax expense**

Total tax expense increased from ₹17.01 million in fiscal 2024 to ₹ 49.74 million in fiscal 2025, primarily attributable to the increase in current tax expense arising from the higher taxable profits of the Company during fiscal 2025.

**Profit/ (loss) for the year**

As a result of the factors mentioned above, our profit for the year increased to ₹103.58 million for fiscal 2025 from ₹69.62 million for fiscal 2024.

**Cash Flows**

The following table summarizes our cash flows for Fiscal 2026, Fiscal 2025 and Fiscal 2024, as per the Restated Consolidated Financial Information:

*(₹ in millions)*

| Particulars | For the fiscal year ended March 31, | | |
|---|---|---|---|
| | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
| Net cash flow from/(used in) operating activities | 154.12 | 17.77 | 32.05 |
| Net cash flow from/(used in) investing activities | (400.69) | (235.36) | (221.65) |
| Net cash flow from financing activities | 630.04 | 221.95 | 179.22 |
| Net increase /(decrease) in cash and cash equivalents | 383.47 | 4.36 | -10.38 |
| Cash and cash equivalents at the beginning of the year | 6.45 | 2.08 | 12.47 |
| Effect of Movement in exchange rate on cash and cash equivalent | 1.51 | - | - |
| Cash and cash equivalents at the end of the year | 391.42 | 6.45 | 2.08 |

**Cash flow from/(used) in operating activities**

**Fiscal 2026**

Net cash flow from operating activities for Fiscal 2026 was ₹154.12 million. The profit before tax for the period was ₹ 242.86 million. Adjustments for non-cash and other items included interest income of ₹ (2.41) million, bad debts of ₹ 3.29 million, unrealised foreign exchange ₹ (24.05) million, depreciation and amortisation expense of ₹ 56.07 million, finance costs of ₹ 58.54 million and other items of ₹ (0.29) million.

Operating profit before working capital changes amounted to ₹ 334.02 million. Changes in working capital, including an increase in inventories by ₹ (18.86) million, an increase in trade and other receivables by ₹ (336.96) million, an increase in trade and other payables by ₹ 224.04 million. After accounting for income tax payment (net of refunds) of ₹ (48.12) million, net cash flow from operating activities stood at ₹ 154.12 million for the Fiscal 2026.

**Fiscal 2025**

Net cash flow from operating activities for Fiscal 2025 was ₹ 17.77 million. The profit before tax for the period was ₹ 153.33 million. Adjustments for non-cash and other items included interest income of ₹ (2.88) million, bad debts of ₹ 0.76 million, unrealised foreign exchange ₹ 0.15 million, depreciation and amortisation expense of ₹ 39.01 million, finance costs of ₹ 45.89 million and other items of ₹ 5.47 million.

Operating profit before working capital changes amounted to ₹ 241.73 million. Changes in working capital, including an increase in inventories by ₹ (166.02) million, an increase in trade and other receivables by ₹ (193.75) million, an increase in trade and other payables by ₹ 170.30 million. After accounting for income tax payment (net of refunds) of ₹ (34.49) million, net cash flow from operating activities stood at ₹ 17.77 million for the Fiscal 2025.

**Fiscal 2024**

Net cash flow from operating activities for Fiscal 2024 was ₹ 32.05 million. The profit before tax for the period was ₹ 86.63 million. Adjustments for non-cash and other items included interest income of ₹ (3.00) million, bad debts of ₹ 0.03 million, unrealised foreign exchange ₹ (1.05) million, depreciation and amortisation expense of ₹ 14.19 million, finance costs of ₹ 27.57 million and other items of ₹ (1.56) million.

Operating profit before working capital changes amounted to ₹122.81 million. Changes in working capital, including an increase in inventories by ₹ (75.79) million, a decrease in trade and other receivables by ₹ 104.34 million, a decrease in trade and other payables by ₹ (105.27) million. After accounting for income tax payment (net of refunds) of ₹ (14.04) million, net cash flow from operating activities stood at ₹ 32.05 million for the Fiscal 2024.

**Cash flow from/(used) in Investing Activities**

**Fiscal 2026**

Net cash flow used from investing activities for Fiscal 2026 was ₹ (400.69) million. This primarily comprised of a significant movement in property, plant and equipment including capital advances, capital work in progress and capital creditors of ₹ (345.08) million, purchase of equity investment of ₹ (5.00) million, loan given of ₹ (56.11) million, which was partially offset by encashment of fixed deposit of ₹ 3.09 million and interest received of ₹ 2.41 million.

**Fiscal 2025**

Net cash flow used from investing activities for Fiscal 2025 was ₹ (235.36) million. This primarily comprised of a significant movement in property, plant and equipment including capital advances, capital work in progress and capital creditors of ₹ (205.92) million, purchase of equity investment of ₹ (7.06) million, which was partially offset by encashment of fixed deposit of ₹ 35.14 million and interest received of ₹ 2.88 million.

**Fiscal 2024**

Net cash flow used from investing activities for Fiscal 2024 was ₹ (221.65) million. This primarily comprised of a significant movement in property, plant and equipment including capital advances, capital work in progress and capital creditors of ₹ (173.87) million, investment in fixed deposit of ₹ (50.78) million, which was partially offset interest received of ₹ 3.00 million.

**Cash flow from/(used) in Financing Activities**

**Fiscal 2026**

Net cash flow generated from financing activities for Fiscal 2026 was ₹ 630.04 million. This primarily comprised of proceeds from receipt of share application money pending allotment of ₹ 343.00 million, proceeds from long term borrowings of ₹ 356.57 million, proceeds from short-term borrowings of ₹ 168.86 million. These inflows were partially offset by the repayment of long-term borrowings of ₹ (158.79) million, payment of lease liability ₹ (21.02) million and finance costs paid of ₹ (58.58) million.

**Fiscal 2025**

Net cash flow generated from financing activities for Fiscal 2025 was ₹ 221.95 million. This primarily comprised of proceeds from receipt of share application money of ₹ 0.89 million, proceeds from long term borrowings of ₹ 176.46 million, proceeds from short-term borrowings of ₹ 167.62 million. These inflows were partially offset by the repayment of long-term borrowings of ₹ (62.62) million, payment of lease liability ₹ (14.52) million and finance costs paid of ₹ (45.89) million.

**Fiscal 2024**

Net cash flow generated from financing activities for Fiscal 2024 was ₹ 179.22 million. This primarily comprised of proceeds from long term borrowings of ₹ 100.92 million, proceeds from short-term borrowings of ₹ 133.27 million. These inflows were partially offset by the repayment of long-term borrowings of ₹ (25.54) million, payment of lease liability ₹ (2.72) million and finance costs paid of ₹ (26.71) million.

**FINANCIAL INDEBTEDNESS**

**Contingent Liabilities and Commitments**

*(₹ in million)*

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| | | | |
| Claims against the group not acknowledged as debts: | | | |
| (i) Goods and Services Tax[(1)] | 1.89 | 1.10 | 0.11 |
| (ii) Income tax | 1.39 | - | - |
| (iii) Customs | - | - | - |
| Guarantees excluding financial guarantees: | | | |
| (i) Bank guarantees | - | - | - |
| (ii) Corporate guarantees given to / on behalf of related party | - | - | - |
| (iii) Other money for which the company is contingently liable[(2)] | 89.17 | 22.2 | 11.37 |
| Commitments: | | | |
| (i) Estimated Amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 37.30 | - | - |
| (ii) Other commitments[(3)] | 150.69 | 165.45 | - |

*(1) Goods and service tax & Income Tax*

*The Parent Company has received orders/demands of ₹0.11 million in relation to e-way bill and Input Tax Credit in 2024. GST demand of ₹0.99 million and ₹0.78 million raised by the tax authorities in relation to excess Input Tax Credit (ITC) claimed by subsidiary & Parent Company for FY 2022-23 & FY 2021-22, respectively. Maxtar Industries has been Issued under Section 154 & 143 (1) of Income Tax Act 1961 on 30.12.2024 & 05.05.2022 and re-issued on 04.03.2026 involving demand of ₹0.20 million, Issued under Section 143(3) of Income Tax Act 1961 on 26.12.2019 and re-issued on 30.12.2024 involving demand of ₹1.19 million.*

*The Company is contesting these demands and the management including its advisers are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations.*

*(2) Other Money for which the company is contingently liable*

*The Company has imported machineries under the EPCG Scheme of the Foreign Trade Policy, availing exemption/concessional rate of Customs duty, against which the Company is required to fulfil an export obligation equivalent to 6 times the duty saved, within a period of 6 years from the date of issue of the license. The Company has commenced exports during the financial year 2025-26 towards fulfilment of this export obligation, and the balance obligation is to be completed within the stipulated period as per the extant regulations.*

*(3) Other Commitments*

*As per the agreement dated February 20, 2025, the Parent Company agrees to extend Unsecured loan upto GBP 1.6 million to the Sarva Global Ventures Limited (Subsidiary). The Loan will be used for its business purposes only, including but not limited to meet working capital requirement or operational expenses.*

**Capital Expenditures**

In the Fiscal 2026, Fiscal 2025 and Fiscal 2024, our capital expenditure towards additions to property, plant and equipment, intangible assets and capital work in progress were ₹ 326.39 million, ₹ 157.40 million and ₹149.52 million, respectively.

**Related Party Transactions**

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, please see *"**Summary of Related Party Transactions**"* on page 82.

**Quantitative and Qualitative Analysis of Market Risks**

**Financial Risk Management**

In the course of business, amongst others, we are exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Commodity Price Risk and Foreign Currency Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of our Company causing adverse influence on

the achievement of the Company's strategies, operational and financial objectives, earning capacity and financial position.

**Credit Risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The carrying amount of financial assets represents the maximum credit risk exposure.

Financial instruments that are subject to credit risk consist of trade receivables, cash & bank balances.

**Trade Receivable**

Credit risk on receivables is also mitigated, to some extent, by securing the same against letter of credit of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across geographical areas with no significant concentration of credit risk.

The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. The Company has a customary business practice of extending credit period & limit to customers based on their profile, financial position and external rating, etc.

The credit period on sale of goods ranges from 0 to 90 days with or without security. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates given in the provision matrix. The history of trade receivables shows a negligible allowance for bad and doubtful debts.

The credit risk on cash & cash equivalents is insignificant as counterparties are banks or mutual funds with high credit ratings assigned by rating agencies of international repute.

Movement in the Expected Credit Loss Allowance

*(₹ in million)*

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Balance at the beginning of the year | 0.33 | 0.06 | 0.07 |
| Amount written off | - | - | - |
| Net measurement of loss allowance | 0.13 | 0.28 | - |
| Less: Reversal of expected credit loss | - | - | (0.02) |
| Balance at the end of the year | 0.46 | 0.33 | 0.06 |
| Add: Bad debts recognised/(reversed) during the year | 3.29 | 0.76 | 0.03 |
| Amount recognised in Profit and Loss (net) | 3.41 | 1.04 | 0.01 |

**Liquidity Risk**

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner and to manage its capital structure.

A balance between continuity of funding and flexibility is maintained through continued support from trade creditors, lenders and equity contributions.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The borrowings of the Group are denominated in rupees with a mix of floating and fixed interest rate and are subject to interest rate risk on account of any fluctuation in the base prime lending rate (BPLR) fixed by the banks. Every fluctuation in the BPLR of the bank, either on the higher or lower side, will result in a financial loss or gain to the Group.

**Sensitivity Analysis**

Sensitivity of profit and equity to a possible change in interest rate up to 100 bps on variable rate borrowings outstanding is as under:

| Particulars | Profit / (Loss) 1% increase | Profit / (Loss) 1% decrease |
|---|---|---|
| Floating rate borrowings as at March 31, 2026 | 4.88 | (4.88) |
| Floating rate borrowings as at March 31, 2025 | 3.35 | (3.35) |
| Floating rate borrowings as at March 31, 2024 | 1.45 | (1.45) |

**Commodity Price Risk**

The main raw materials which the Parent Company procures are global commodities and their prices are, to a great extent, linked to the movement of crude prices directly or indirectly.

The pricing policy of the Parent Company's final product is structured in such a way that any change in the price of raw materials is passed on to customers in the final product, however with a time lag, which mitigates the raw material price risk.

With regard to finished products, the Parent Company has been operating in a globally competitive environment which continues to keep downward pressure on the prices and volumes of the products.

In order to combat this situation, the Parent Company has formulated manifold plans and strategies to develop new customers and focus on new, innovative products. In addition, it has also been focusing on improvement in product quality and productivity. Through these measures, the Company counters competition and, consequently, commodity price risk.

**Foreign Currency Risk**

The Parent Company is exposed to foreign currency risk from transactions & translation. Transactional exposures arise from transactions entered into in foreign currency. Management keeps a close watch on the maturity of financial assets in foreign currency and payment obligations of financial liabilities.

For summarises the maturity profile of the Company's financial liabilities based on contractual payments, please see, "***Restated Consolidated Financial Information***" on page 292.

**Unusual or Infrequent Events or Transactions**

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

**Significant Economic Changes that Materially Affected or are likely to affect income from continuing operations**

Except as described in this Draft Red Herring Prospectus, there have been no significant economic changes, including changes in market conditions, regulatory environment, inflationary pressures, or other macroeconomic factors that have materially affected, or are reasonably likely to materially affect, our income from continuing operations.

**Reservations, Qualifications and Adverse Remarks Included in Financial Statements**

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the Fiscals 2026, 2025 and 2024.

**Known Trends or Uncertainties**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above and the uncertainties described in *"**Risk Factors**"* on page 25. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have had, or are expected to have, a material impact on our business or results of operations.

**Future Relationship between Cost and Revenue**

Other than as described in *"**Risk Factors**"*, *"**Our Business**"* and *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* on pages 25, 218 and 368, respectively, to the knowledge of our management, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

**New Products or Business Segments**

Except as set out in this Draft Red Herring Prospectus in the sections "***Our Business***" on page 218, we have not announced and do not expect to announce in the near future any new products or business segments.

**Significant Dependence on Single or Few Customers or Suppliers**

For Fiscal 2026, 2025 and 2024, more than 50% of our Revenue from Operations was attributable to our top 10 customers. Further, for Fiscal 2026, 2025 and 2024, we expended more than 50% of our raw material cost on our top 10 suppliers. For further details, please see *"**Risk Factors - We derive a significant portion of our revenue from our top 10 customers, who contributed 81.00%, 96.34% and 95.05% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively. The loss of such customers or a significant reduction in demand of our products from these customers could have an adverse effect on our business, results of operations, financial condition and cash flows**" and "**Risk Factors- We rely on limited number of suppliers for our material requirements which constitutes a significant part of our total expenses. Any increase in the prices, availability and quality of materials or loss of these suppliers could adversely affect our reputation, business, results from operations, financial conditions and cash flows**"* on pages 26 and 26, respectively.

**Segment Reporting**

Segments are identified in line with Indian Accounting Standards (Ind AS) 108 "Operating Segments" taking into consideration the internal organization and management structure. Operating Segments are components of the the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses it performance and for which discreet information is available. The operating segment of the Group is identified to be manufacturing of "rebonded foam, recycled foam sheets, carpet underlays and other foam-based products" and the CODM reviews business performance at an overall level as one segment. Hence no separate disclosure is provided.

For further information relating to our segment reporting, please see *"**Restated Consolidated Financial Information – Note 37 Segment reporting**"* on page 292

**Seasonality/ Cyclicality of Business**

Our business of manufacturing rebonded foam is not materially seasonal in nature, as our products cater to a diversified set of end-use industries, including mattresses and furniture, automotive, footwear, packaging and carpet underlay, which have staggered demand cycles across the year. However, we may experience marginal fluctuations in demand on account of factors such as increased consumption of mattresses and furniture products during festive and wedding seasons in India, and higher production/sales during these periods of the year. Additionally, our operations are dependent on the availability of polyurethane (PU) foam scrap as key raw material, and any disruption in its supply on account of seasonal or cyclical factors affecting the upstream foam manufacturing industry could impact our production levels and utilisation.

Being a bulky and voluminous product, transportation and logistics of rebonded foam are relatively more challenging during the monsoon season, which may result in a marginal dip in market demand and dispatches during this period.

**Changes in the accounting policies, if any, in the Fiscals 2026, 2025 and 2024, and their effect on our profits and reserves**

There are no changes in the accounting policies in the last three Fiscal Years.

**Competitive Conditions**

We operate in a competitive environment and expect competition in our industry from existing and potential competitors to intensify. If we fail to compete effectively, it would have a material adverse effect on our business, financial condition, results of operations and cash flows Please refer to *"**Our Business**"*, *"**Industry Overview**"*, and *"**Risk Factors**"* above on pages 218, 169, and 25, respectively, for further information on our industry and competition.

**Material Developments after March 31, 2026 that may affect our future results of operations**

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, there have been no material developments since March 31, 2026, the date of the last audited financial statements, which may materially and adversely affect the trading or profitability of our Company, or the value of its assets, or its ability to pay its liabilities within the next 12 months:

Preferential Allotment. Our Company allotted equity shares aggregating to ₹3.53 million on a preferential basis on April 4, 2026, of which ₹3.43 million had already been received as on March 31, 2026.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as of March 31, 2026, as derived from our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"*, *"**Restated Consolidated Financial Information**"* and *"**Risk Factors**"* on pages 368, 292 and 25, respectively.

| Particulars | Pre-Offer as at March 31, 2026 (₹ in million) | As adjusted for the Proposed Offer* |
|---|---|---|
| **Total Borrowings** | | |
| Current borrowings (A) | 606.46 | [●] |
| Non-current borrowings (including current maturity on non-current borrowings) (B) | 380.88 | [●] |
| **Total Borrowings (C)=(A)+(B)** | **987.34** | [●] |
| | | |
| **Total Equity** | | |
| Equity Share capital (D) | 73.18 | [●] |
| Other Equity (E) | 637.67 | [●] |
| **Total Equity (F)=(D)+(E)** | **710.85** | [●] |
| | | |
| **Ratio: Total Borrowings/ Total Equity (C)/(F)** | **1.39** | [●] |
| **Ratio: Non-current borrowings/ Total Equity (B)/(F)** | **0.54** | [●] |

*The above terms carry the meaning as per division II of Schedule III to the Companies Act, 2013 (as amended)*
**Post-Offer capitalisation will be determined after finalisation of Offer Price*

***Notes:***

1. *Current borrowings represent borrowings which are expected to be paid/ repayable within 12 months and includes current maturity of Non-Current borrowings and loans repayable on demand.*
2. *Non- Current borrowings represent borrowings other than Current borrowings as defined above but excludes instalment of term loans repayable within 12 months.*
3. *The figures disclosed above are based on the restated statement of Assets and Liabilities of the Company as at March 31, 2026.*

## FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business for meeting its working capital and business requirements. For details of the borrowing powers of our Board, see *"**Our Management – Borrowing Powers**"* on page 391.

The details of our indebtedness (on a consolidated basis) as on August 31, 2026 is provided below:

*(₹ in million)*

| Category of borrowing | Sanctioned amount as on August 31, 2026 | Outstanding amount as on August 31, 2026 |
|---|---|---|
| ***Secured*** | | |
| **Fund Based Borrowings** | | |
| Term Loans | 477.44 | 437.95 |
| Auto Loans | 20.03 | 15.39 |
| Cash Credit / Working Capital Facilities | 412.50 | 226.54 |
| Export Packing Credit | 353.00 | 30.67 |
| Purchase Bill Discounting | 330.00 | 121.90 |
| **Sub Total (A)** | **1,592.97** | **832.45** |
| **Non-Fund Based Borrowings** | | |
| Bank Guarantee | 0.01 | 0.00 |
| **Treasury Limit** | | |
| Fx Forward - MTM/LER | 40.00 | 0.00 |
| **Sub Total (B)** | **40.01** | **0.00** |
| **Total (A+B)** | **1,632.98** | **832.45** |
| | | |
| ***Unsecured*** | | |
| Unsecured Loans from Banks/NBFCs (India) | 88.82 | 61.18 |
| Unsecured Loans from Related Parties/Individuals (India) | 64.07 | 64.07 |
| Unsecured Loans Others (including GBP-denominated, converted to INR) | 6.44 | 6.44 |
| **Total** | **159.33** | **131.69** |

**Principal terms of the borrowings availed by us**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. ***Tenor and Interest rate:***

   The tenor of the fund based facilities ranges from 36 months to 84 months. Certain working capital facilities, such as cash credit and export packing credit, availed by our Company are repayable on demand or are renewable annually. The interest rate on the loans varies from 7.75% to 16.00% per annum, and certain facilities carry interest linked to external benchmark rates (including the repo rate) or the lender's floating/marginal cost of funds based reference rate.

2. ***Security:***

   In terms of the borrowings where security needs to be created, the Company and its Subsidiary are typically required to create security by way of (i) hypothecation of plant and machinery and other movable fixed assets; (ii) hypothecation of current assets, including stock-in-trade and book debts, on a pari passu or exclusive charge basis; (iii) mortgage or collateral of immovable properties and lien over fixed deposits; and (iv) hypothecation of vehicles in relation to vehicle/auto loan facilities. Further, certain facilities availed by the Company and its Subsidiary are secured by personal guarantees of the Promoter, namely, Mr. Kunal Giani.

   This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by the Company and its Subsidiary.

3. ***Pre-payment penalty:***

Certain loans availed by the Company and its Subsidiary have prepayment provisions which allow for prepayment of the outstanding loan amount. Such prepayment, depending on the facility, may be permitted free of charge within a specified window (such as within 30 days of an interest reset date, or after an initial cooling-off/lock-in period), and otherwise typically carries a prepayment/foreclosure penalty ranging from Nil to approximately 7% of the amount prepaid or the outstanding amount, subject to the terms and conditions stipulated under the respective loan documents.

**4.** ***Penal Interest:***

The Company is bound to pay additional interest to its lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of the respective loan agreements and varies across facilities and lenders.

**5.** ***Repayment:***

The long-term facilities are typically repayable within 36 months to 84 months and its short-term/working capital facilities are repayable on demand or are subject to annual renewal.

**6.** ***Restrictive covenants:***

As per the terms of the loan agreements, certain corporate actions for which the Company requires prior written consent of the lenders inter alia includes:

(i) change in the ownership or control whereby the effective beneficial ownership or control shall change;
(ii) any material change in the management of the business;
(iii) amendments in the constitutional documents;
(iv) diversification or change in the line of business;
(v) change in the ownership structure of our Company including change in the shareholding of promoters, directors and principal shareholders;
(vi) issuing further capital or raising loans; and
(vii) prepayment of outstanding balance.

**7.** ***Events of default:***

(i) failure to pay any amount due to the banks/lenders;
(ii) failure to pay any amount or meet with any obligation when due to any person other than the bank or an event of default being constituted in relation to any of the Company's credit or any other arrangement with any person other than the banks;
(iii) any of the representation or warranty of the Company being or becoming untrue or incorrect;
(iv) breach of any covenant or undertaking;
(v) any security provided becoming invalid or unavailable;
(vi) being or becoming unable to carry on business for any reason;
(vii) any steps for the liquidation, winding up or appointment of a receiver of the Company's assets coming to the notice of the banks; and
(viii) any other occurrence or existence of one or more events which, in the opinion of the lender, is material.

This is an indicative list of the terms and conditions of the outstanding facilities and there may be additional terms including those that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above.

This is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by us. For details, please see *"**Risk Factors - We have indebtedness which requires cash flows to service and limits our ability to operate freely. Any breach of terms under our financing arrangements or our inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating**"* on page 45.

## SECTION VI – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities;(iii) any other pending litigation/arbitration proceeding which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below); (iv) claims related to direct and indirect tax matters (disclosed in a consolidated manner, giving details of the number of cases and total amount involved in such cases) each involving our Company, its Subsidiaries, Directors, and Promoter (collectively, the "**Relevant Parties**"). Further, except as disclosed in this section, there are (a) no disciplinary actions (including penalties imposed) initiated by SEBI or the stock exchanges against our Promoter in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action; or (b) no criminal proceedings involving our KMPs or SMPs or (c) no actions by regulatory and statutory authorities against such KMPs or SMPs, or (c) no pending litigation involving our Group Companies which may have a material impact on our Company in the opinion of our Board.*

*For the purposes of point (iii) above, pursuant to the Materiality Policy adopted by our Board of Directors on September 30, 2026, any pending litigation involving the Relevant Parties, has been considered 'material' and accordingly, disclosed in this Draft Red Herring Prospectus where:*

*(i) **Monetary threshold:** The monetary amount of claim or amount involved by or against the Relevant Parties in any such pending proceeding exceeds (a) 2% of the turnover of our Company, as per the latest annual Restated Consolidated Financial Information of our Company, as disclosed in the Offer Document i.e., ₹ 41.22 million; or (b) 2% of net worth of our Company, as per the latest annual Restated Consolidated Financial Information of our Company, except in case the arithmetic value of the net worth is negative, as disclosed in the Offer Document i.e., ₹14.22 million; or (c) 5% of the average of absolute value of profit or loss after tax of our Company, as per the last three annual Restated Consolidated Financial Information of our Company i.e., ₹5.87 million, as disclosed in the Offer Document, whichever is lower. Accordingly, the Materiality Threshold for disclosures under this section, being the lowest of the thresholds mentioned in points (a), (b) and (c) above, is ₹5.87 million.*

*(ii) **Subjective threshold:** Where monetary liability is not determinable or quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold specified in (i) above, but the outcome of any such pending proceeding may have a material adverse effect on the financial position, business, operations, performance, prospects or reputation of the Company in the opinion of the Board.*

*(iii) Litigations where the decision in one litigation is likely to affect the decision in similar litigations, and the aggregate monetary claim amount in all such litigation/ arbitration proceedings is equal to or in excess of threshold set forth above even though the amount involved in an individual litigation may not exceed the materiality threshold set forth in (i) above.*

*There are no findings/observations of any of the inspections by SEBI or any other regulator involving our Company which are material, and which need to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the Offer Document.*

*Further, any outstanding civil litigations/ arbitration proceedings involving the Relevant Parties wherein the monetary impact is not quantifiable or does not exceed the threshold shall be considered 'material' and shall be disclosed in the Offer Documents, if the outcome of such litigation could have a material adverse effect on the business, performance, prospects, operations, financial position or reputation of the Company.*

*For the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices and show cause notices issued by governmental, statutory, regulatory, judicial, quasi-judicial or taxation authorities or notices threatening criminal action or first information reports or notices disclosed below) shall, in any event, not be considered as litigation until such time that Relevant Parties are impleaded as defendants or respondents in litigation proceedings before any judicial/arbitral forum or governmental authority. Further, first information reports (whether cognizance has been taken or not) filed against the Relevant Parties, KMPs or SMPs shall be disclosed in this Draft Red Herring Prospectus.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further in terms of the Materiality Policy and for identification of material creditors, a creditor of the Company shall be considered to be "material" for the purpose of disclosure in the Offer Documents, if the outstanding dues to such*

*creditor exceeds of 5% of the total trade payables of our Company, as at the end of the latest financial period covered in the Restated Consolidated Financial Information as disclosed in this Draft Red Herring Prospectus ("**Material Creditors**"). Accordingly, as on March 31, 2026, any outstanding dues exceeding ₹17.90 million have been considered as material outstanding dues for the purposes of identification of material creditors and related information in this section. For outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder. It is clarified that the Company tracks the outstanding dues to micro and small enterprises and disclosures have been made in this section accordingly. With respect to cases under Section 138 of the Negotiable Instruments Act, 1881, which are in the ordinary course of the business, the aggregate number of cases and the aggregate amount involved in such proceedings shall be disclosed in a generic manner without providing specific details of each of the matter.*

*All terms defined in a particular litigation disclosure below are for that particular litigation only.*

## A. LITIGATIONS INVOLVING OUR COMPANY

### 1. Outstanding litigations against our Company

#### *(i) All criminal proceedings against our Company*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Company.

#### *(ii) Actions by regulatory and statutory authorities against our Company*

As on the date of this Draft Red Herring Prospectus, there are no actions by regulatory and statutory authorities against our Company.

#### *(iii) Material civil proceedings against our Company*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings against our Company.

### 2. Outstanding litigations by our Company

#### *(i) All criminal proceedings by our Company*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings by our Company, as on the date of this Draft Red Herring Prospectus.

#### *(ii) Material civil proceedings by our Company*

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings by our Company:

**Sarva Foam Industries Limited ("Petitioner") vs Commissioner (Customs), Assistant Commissioner of Customs ("Respondents")- In the High Court of Madhya Pradesh, Principal Seat at Jabalpur ("Madhya Pradesh High Court")**

Our Company (Petitioner) has filed a Writ Petition ("**WP**") before the Madhya Pradesh High Court. Brief facts of the case are as under:

The Petitioner imported one container/ consignment under Bill of Entry (BoE) dated January 31, 2025, containing a high precision cutting machine along with the imported goods ("**Consignment**"). The Special Intelligence & Investigative Branch (SIIB) seized the Consignment under section 110 of the Customs Act, 1962 on the grounds that the said Consignment appeared to be *"waste"* under CTH 39159063. Therefore, the Petitioner filed a WP on the following grounds: (i) the Petitioners challenged the abrupt change in classification practice by the Respondents, as arbitrary and unlawful, especially after years of imports under CTH 39095000; (ii) that the Respondents failed to appreciate that the imported goods were neither broken/ worn articles nor manufacturing waste under CTH 39159063 of the Customs Tariff Act, 1975 and willfully

disregarded expert reports; (iii) that the impugned actions infringe the Petitioner's fundamental right under Article 19(1)(g) of the Constitution of India.

The Petitioner prayed for the following reliefs: (i) to direct the Respondents to provisionally assess and release the Consignment covered under the seizure order during the pendency of the WP; (ii) the Petitioner would furnish a bond equivalent to the value of the Consignment and an undertaking that the said goods would be used exclusively for manufacturing export goods at the Petitioner's factory premises at Silvassa. *Vide* interim order dated June 17, 2025 ("**Interim Order**"), the Madhya Pradesh High Court directed release of the Consignment within one week, after accepting the bond equivalent to import value of material to the satisfaction of the Respondents. However, the Respondents refused to act on the Interim Order. The matter is currently pending before the Madhya Pradesh HC.

## B. LITIGATION INVOLVING OUR SUBSIDIARIES

### 1. Outstanding litigations against our Subsidiaries

#### *(i) All criminal proceedings against our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Subsidiaries.

#### *(ii) Actions by regulatory and statutory authorities against our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by regulatory and statutory authorities against our Subsidiaries.

#### *(iii) Material civil proceedings against our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings against our Subsidiaries.

### 2. Outstanding litigations by our Subsidiaries

#### *(i) All criminal proceedings by our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings by our Subsidiaries.

#### *(ii) Material civil proceedings by our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings by our Subsidiaries.

## C. LITIGATIONS INVOLVING OUR DIRECTORS

### 1. Outstanding litigations against our Directors

#### *(i) All criminal proceedings against our Directors*

There are no outstanding criminal proceedings against our Directors, as on the date of this Draft Red Herring Prospectus.

#### *(ii) Actions by regulatory and statutory authorities against our Directors*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by regulatory and statutory authorities against our Directors.

#### *(iii) Material civil proceedings against our Directors*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings against our Directors.

### 2. Outstanding litigations by our Directors

#### *(i) All criminal proceedings by our Directors*

There are no outstanding criminal proceedings by our Directors, as on the date of this Draft Red Herring Prospectus.

#### *(ii) Material civil proceedings by our Directors*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings by our Directors.

## D. LITIGATION INVOLVING OUR PROMOTER

### 1. Outstanding litigations against our Promoter

#### *(i) All criminal proceedings against our Promoter*

There are no outstanding criminal proceedings against our Promoter, as on the date of this Draft Red Herring Prospectus.

#### *(ii) Actions by regulatory and statutory authorities against our Promoter*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by regulatory and statutory authorities against our Promoter.

#### *(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter in the last five (5) financial years including outstanding action*

As on the date of this Draft Red Herring Prospectus, there is no outstanding disciplinary action and there was no disciplinary action including penalty imposed by SEBI or Stock Exchanges in the last five (5) financial years against our Promoter.

#### *(iv) Material civil proceedings against our Promoter*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings against our Promoter.

### 2. Outstanding litigations by our Promoter

#### *(i) All criminal proceedings by our Promoter*

There are no outstanding criminal proceedings by our Promoter, as on the date of this Draft Red Herring Prospectus.

#### *(ii) Material civil proceedings by our Promoter*

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings by our Promoter.

## E. LITIGATIONS INVOLVING OUR GROUP COMPANIES

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Companies which may have a material impact on our Company.

## F. LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

**1. Outstanding litigations against our Key Managerial Personnel and Senior Management**

***(i) All criminal proceedings against our Key Managerial Personnel and Senior Management***

There are no outstanding criminal proceedings against our Key Managerial Personnel and Senior Management, as on the date of this Draft Red Herring Prospectus.

***(ii) Actions by regulatory and statutory authorities against our Key Managerial Personnel and Senior Management***

As on the date of this Draft Red Herring Prospectus, there are no actions by regulatory and statutory authorities against our Key Managerial Personnel and Senior Management.

**2. Outstanding litigations by our Key Managerial Personnel and Senior Management**

***(i) All criminal proceedings by our Key Managerial Personnel and Senior Management***

There are no outstanding criminal proceedings by our Key Managerial Personnel and Senior Management, as on the date of this Draft Red Herring Prospectus.

## G. CLAIMS RELATED TO DIRECT AND INDIRECT TAXES

Except as stated below, there are no outstanding tax proceedings involving our Company, Subsidiaries, Promoter or Directors:

| Particulars | Number of cases | Amount involved (₹ in million)* |
|---|---|---|
| ***Company*** | | |
| Direct tax | Nil | Nil |
| Indirect tax | 3 | 0.89 |
| ***Subsidiaries*** | | |
| Direct tax | 3 | 1.39 |
| Indirect tax | 1 | 0.99 |
| ***Promoter*** | | |
| Direct tax | Nil | Nik |
| Indirect tax | Nil | Nil |
| ***Directors (Other than Promoter)*** | | |
| Direct tax | Nil | Nil |
| Indirect tax | Nil | Nil |

**To the extent quantified*

## H. OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, our Company has considered such creditors material to whom the amount due is equal to or in excess of 5% of the trade payables of our Company, as of the end of the most recent period covered in the Restated Consolidated Financial Information, i.e., creditors whose payables are above ₹17.90 million, as of March 31, 2026 ("**Material Creditors**").

The details of the total outstanding over dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on March 31, 2026, is as set forth below:

| Types of Creditors | Number of Creditors | Amount involved (₹ in million) |
|---|---|---|
| Dues to micro, small and medium enterprises* | 61 | 114.42 |
| Material Creditors | 6 | 210.83 |
| Other Creditors | 168 | 32.81 |
| **Total** | **235** | **358.06** |

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006.*

*^As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/ C400277) by way of their certificate dated September 30, 2026.*

Details pertaining to outstanding over dues to material creditors, if any, along with names and amounts involved for each such material creditor shall be made available on the website of our Company at https://sarvafoam.com/investor-relations.php.

## I. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST BALANCE SHEET

Except as disclosed in *"**Management's Discussion and Analysis of Financial Condition and Results of Operation**"* on page 368, there have been material developments nor have any circumstances arisen, since the date of the last Restated Consolidated Financial Information disclosed in this Draft Red Herring Prospectus, which may materially and adversely affect or are likely to affect our trading or profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next twelve (12) months.

## GOVERNMENT AND OTHER APPROVALS

*Except as disclosed herein, our Company and our Material Subsidiary have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking our Company's and our Material Subsidiary's current business activities and operations. Except as disclosed below, no further approvals are material for carrying on the present business operations of our Company and our Material Subsidiary. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see "**Key Regulations and Policies in India**" on page 249.*

*For Offer related approvals, see "**Other Regulatory and Statutory Disclosures**" on page 402 and for incorporation details of our Company, see "**History and Certain Corporate Matters**" on page 255.*

**Material approvals in relation to the business and operations of our Company**

***Approvals in relation to the Offer***

For details of approvals and authorisations obtained by our company in relation to the Offer, see "***Other Regulatory and Statutory Disclosures***" on page *402.*

***Approvals in relation to incorporation of our Company***

1. Certificate of Incorporation dated October 09, 2018, issued to our Company under the name *"Sarva Foam Industries Private Limited"* by the Registrar of Companies, Central Registration Centre.

2. Fresh Certificate of Incorporation dated February 22, 2025, consequent upon conversion of our Company from a private limited company to a public limited company and change of name from *"Sarva Foam Industries Private Limited"* to *"Sarva Foam Industries Limited"*, issued by the Registrar of Companies, Central Processing Centre.

3. Our Company has been allotted the corporate identity number U22209MP2018PLC046815.

4. Importer-Exporter Code (IEC) number: ABACS9663D issued by the Office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

For details in relation to the incorporation of our Company, see *"**History and Certain Other Corporate Matters**"* on page *255.*

***Business related approvals***

Our Company is required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. For information on our business operations, see *"**Our Business**"* on page 218. The material approvals / licenses we require include:

a) Environmental approvals, including consents to operate under the Air (Prevention and Control of Pollution) Act, 1981, consents to operate under the Water (Prevention and Control of Pollution) Act, 1974 and authorisations to handle hazardous waste under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

b) Labour related approvals, including registration as the principal employer of the contract labour employed at our manufacturing units under the Contract Labour (Regulation and Abolition) Act, 1970, and the registration of our employees and factories under the Employees State Insurance Act, 1948, and the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Shops and Establishment Registration Certificate under State Shops and Establishment laws for our Registered and Corporate Office.

c) Approvals in relation to operating our manufacturing units, including licenses to work our factories under the Factories Act, 1948 and no-objection certificates under various state fire services laws and registrations under the Indian Boiler Act, 1923.

d) Importer and Importer-Exporter Code issued by Directorate General of Foreign Trade

These approvals and/or licenses may differ on the basis of the locations in which our facilities are set up as well as the jurisdictions where we market or sell our products.

***Tax related approvals***

Our Company has obtained various tax related approvals, including a permanent account number and a tax deduction account number issued under the Income Tax Act, 1961 read with the Income Tax Act, 2025; goods and services tax registrations issued under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and various state goods and services tax statutes; and registrations certificates issued under certain state professional tax legislations, as applicable.

**Material approvals applied for, including renewal applications**

Certain approvals and licenses that are required for our business operations may expire in the ordinary course of business, we apply for their renewal from time to time. Our Company undertakes to obtain all material approvals, licenses and permissions required to operate our present business activities. As on the date of this Draft Red Herring Prospectus, the following are the material approvals for which applications have been made by our Company:

1. Our Company has made an application for renewal of the Consolidated Consent and Authorization for our Silvassa Unit, vide application no.2557605 dated August 19, 2026, to Pollution Control Committee, Daman & Diu and Dadra Nagar Haveli.

2. Our Company has applied for a Fire NOC for its Silvassa Unit with the Department of Fire and Emergency Services, Nani Daman, vide Application No. NOC/F202627/08212 dated September 25, 2026.

3. Our Company has made an application for usage of ground water authorisation for our Silvassa Unit, *vide* application no. IND/DN/2024/1975 – REV - 1 dated September 09, 2026, to Central Ground Water Authority.

4. Our Company has made an application for usage of ground water authorisation for our Dadri Unit, *vide* application no. UP015260929104940165 dated September 29, 2026, to Government of Uttar Pradesh (Nivesh Mitra Single Window System (INVESTUP).

5. Our Company has made an application for obtaining consent to establish for the Proposed Project, *vide* application ID 1432435 dated September 24, 2026 to Madhya Pradesh Pollution Control Board.

**Material approvals to be applied for, including renewal applications**

Except as disclosed below, there are no material approvals for which applications are yet to be made by our Company, as on the date of this Draft Red Herring Prospectus.

1. Application for usage of ground water for our Krishnagiri Unit - I, to Central Ground Water Authority
2. Application for usage of ground water for our Krishnagiri Unit - II, to Central Ground Water Authority

**Intellectual property**

***Trademarks***

As on the date of this Draft Red Herring Prospectus, the details of the trademarks are set out below:

| Sr. No. | Application Number | Trademark | Class | Date of registration / application / renewal application | Status |
|---|---|---|---|---|---|
| 1. | 2873625 | SARVA FOAM COMMITMENT THROUGH QUALITY Manufacturers Of PU Foam Cushions & Mattress | 20 | December 31, 2024 | Registered |
| 2. | 7052100 | SARVA FOAM COMMITMENT THROUGH QUALITY | 27 | June 09, 2025 | Objected |
| 3. | 7052298 | SLEEPMAKER TECHNOLOGIES | 27 | June 09, 2025 | Under examination |
| 4. | 7052273 | Footlove8 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 5. | 7052121 | Footluxe9 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Under examination |
| 6. | 7052154 | Footbliss9 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 7. | 7052177 | Footlove10 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Objected |
| 8. | 7052523 | Footluxe11 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Under examination |
| 9. | 7052249 | Footbliss11 PREMIUM RECYCLED CARPET UNDERLAY | 27 | June 09, 2025 | Under examination |

**Material approvals in relation to the business and operations of our Material Subsidiary**

1. Certificate of Incorporation of private limited companies issued Registrar of Companies for England and Wales dated August 20, 2024.

2. VAT Registration No. 475443766 issued by HM Revenue & Customs, United Kingdom, pursuant to a VAT Registration Certificate dated October 7, 2024.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on September 17, 2026 and our Shareholders have approved the Fresh Issue pursuant to a special resolution dated September 21, 2026.

Further, our Board has taken on record the consent of the Promoter Selling Shareholder to participate in the Offer for Sale pursuant to a resolution dated September 30, 2026.

The Promoter Selling Shareholder has, confirmed and approved his participation in the Offer for Sale as set out below:

| Sr. No. | Name of the Selling Shareholder | Number of Offered Shares | Aggregate proceeds from the Offered Shares* | Date of consent letter |
|---|---|---|---|---|
| 1. | Kunal Giani | Up to 1,350,000 Equity Shares of face value of ₹5 each | [●] | September 30, 2026 |

**To be updated at the Prospectus stage*

Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 30, 2026 for filing with SEBI and the Stock Exchanges.

Our Board has approved the Draft Abridged Prospectus pursuant to its resolution dated September 30, 2026.

### In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

### Prohibition by the Securities and Exchange Board of India, the Reserve Bank of India or other Governmental Authorities

Our Company, our Promoter (including Promoter Selling Shareholder), members of the Promoter Group, our Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of our Promoter or Directors are promoters or directors of any other company which is debarred from accessing the capital market by SEBI.

None of our Company, Promoter or Directors have been declared as Wilful Defaulters or Fraudulent Borrowers.

None of our Promoter or Directors have been declared as Fugitive Economic Offenders.

### Directors associated with the securities market

None of our Directors are, in any manner, associated with securities market. Further, there are no outstanding actions initiated by SEBI in the five years preceding the date of this Draft Red Herring Prospectus against our Directors.

### Compliance under the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter (including Promoter Selling Shareholder), members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150.00 million, calculated on a restated and consolidated basis, during the preceding three full years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the immediately preceding one year prior to the date of this Draft Red Herring Prospectus, except for the change in status from a private limited company to a public limited company. Our Company has not undertaken any new activity pursuant to such change in name.

Our Company's operating profit, net worth, net tangible assets and monetary assets, derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, as at, and for the last three Fiscals are set forth below:

*Derived from our Restated Consolidated Financial Information*

*(₹ in million, unless otherwise stated)*

| Particulars | As at and for the Fiscal ended | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Restated consolidated net tangible assets (A)[1] | 719.38 | 200.96 | 159.30 |
| Restated consolidated operating profit (B) [3] | 274.82 | 196.18 | 108.45 |
| Net Worth (on a restated basis) (C) [4] | 710.85 | 189.61 | 152.52 |
| Monetary assets, as restated (D) [2] | 391.43 | 6.45 | 2.12 |
| Monetary assets, as restated as a percentage of net tangible assets (E)= (D)/(A) (in %) | 54.41 | 3.21 | 1.33 |
| Average restated consolidated operating profit for the Fiscals 2026, 2025 and 2024 | 193.15 | | |

*As certified by S.L. Chhajed & Co. LLP, Chartered Accountants (FRN: 000709C/C400277), by way of their certificate dated September 30, 2026*

***Notes:***

*(1) 'Net tangible assets' means the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12.*

*(2) 'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and interest accrued thereon.*

*(3) 'Operating Profit' means the Profit After Tax less Other Income and add Finance Cost and Tax expenses.*

*(4) 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

*(5) The Company held monetary assets of more than fifty per cent. of the net tangible assets as on March 31, 2026, the Company has utilised such monetary assets in its business during April 01, 2026 till the date of this Draft Red Herring Prospectus.*

Our Company has operating profits in each of the Fiscals 2026, 2025, and 2024 in terms of our Restated Consolidated Financial Information, as indicated in the table above. Our average operating profit for Fiscals 2026, 2025, and 2024 is ₹193.15 million.

Further, our Company confirms that it is eligible to make the Offer in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. Our Company confirms that it is in compliance with the conditions specified in regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(i) Our Company, Promoter (including Promoter Selling Shareholder), members of the Promoter Group, our Directors are not debarred from accessing the capital market by SEBI;

(ii) None of our Promoter and Directors are promoters or directors of any other company which is debarred from accessing the capital market by SEBI;

(iii) Neither our Company nor our Directors or Promoter have been declared as a 'Willful Defaulter' or a 'Fraudulent Borrower', as defined under the SEBI ICDR Regulations;

(iv) Neither our Promoter nor any of our Directors have been declared as Fugitive Economic Offenders, under section 12 of the Fugitive Economic Offenders Act, 2018;

(v) There are no outstanding convertible securities or any other right, which would entitle any person with any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus;

(vi) Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated December 19, 2024 and June 5, 2025 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;

(vii) The Equity Shares of our Company held by our Promoter (including Promoter Selling Shareholder), members of the Promoter Group, Directors, Key Managerial Personnel are in dematerialised form;

(viii) The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares, as on the date of filing of this Draft Red Herring Prospectus;

(ix) There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already been disclosed in the offer document.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

Each Selling Shareholder, severally and not jointly, confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT 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 THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER 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, I.E., BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED**

**SEPTEMBER 30, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIRE/MENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 32 of the Companies Act and at the time of filing of the Prospectus with the RoC in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act.

**Disclaimer from our Company, our Directors, the Promoter Selling Shareholder and the Book Running Lead Manager**

Our Company, our Directors, the Promoter Selling Shareholder, and the BRLM, severally and not jointly, accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website- https://www.sarvafoam.com/, or the respective websites of our Group Companies or any affiliate of our Company would be doing so at their own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Promoter Selling Shareholder, severally and not jointly (to the extent the information pertains to such Selling Shareholder and his respective portion of Offered Shares) and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the Bidders in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, trustees and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, the Underwriters and each of their respective directors, partners, designated partners, officers, agents, affiliates, trustees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Promoter Selling Shareholder, is providing information in this Draft Red Herring Prospectus only in relation to himself as a selling shareholder and his respective portion of the Offered Shares, and/ or undertake no responsibility for any statements made or undertakings provided in this Draft Red Herring Prospectus, other than those specifically made or confirmed by such Selling Shareholder in relation to himself as a Selling Shareholder and/ or his proportion of the Offered Shares, in relation to the Offer. Further, the Promoter Selling Shareholder does not assume responsibility for any other statement, including without limitation, any and all statements made by or relating to our Company or its business or any other person(s), in this Draft Red Herring Prospectus.

The BRLM and its associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its Subsidiaries, our Promoter, members of the Promoter Group, our Group Companies and their respective directors and officers, partners, trustees, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Promoter, members of the Promoter Group, our Group Companies, and each of their respective directors and officers, partners, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive,

compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

**Disclaimer in respect of jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Bhopal, Madhya Pradesh, India only.

This Offer is being made in India to persons resident in India (including individual Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, scheduled commercial banks, multilateral and bilateral development financial institutions, state industrial development corporations, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorised under their respective constitutional documents to hold and invest in equity shares, insurance companies registered with the Insurance Regulatory and Development Authority of India, provident funds with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, public financial institutions as specified under Section 2(72) of the Companies Act, venture capital funds, National Investment Fund set up by the GoI, provident funds and pension funds fulfilling the minimum corpus requirements under the SEBI ICDR Regulations, insurance funds set up and managed by the army, navy or air-force of the Union of India, insurance funds set up and managed by the Department of Posts, GoI, systematically important NBFCs, permitted Non-residents including FPIs, Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEM NDI Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to subscribe to or purchase the Equity Shares.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to or purchase the Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

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 this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft 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 Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholder from the date hereof or that the information contained herein is correct as of anytime subsequent to this date.

This Draft Red Herring Prospectus does not constitute offer to sell or an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, other than in India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction, including India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

**No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

**Eligibility and Transfer Restrictions**

**The Equity Shares have not been, and will not be registered, under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be issued 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 U.S. state securities laws. Accordingly, the Equity Shares are only proposed to be offered and sold outside the United States in "offshore**

**transactions", as defined in and in reliance on Regulation S of the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur/ are made.**

**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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.**

**Disclaimer clause of BSE Limited (BSE)**

As required, a copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

**Disclaimer clause of National Stock Exchange of India Limited (NSE)**

As required, a copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

**Listing**

The Equity Shares proposed to be Allotted through the Red Herring Prospectus and the Prospectus are proposed to be listed on the Stock Exchanges (NSE and BSE). Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Promoter Selling Shareholder with regard to interest on such refunds, will be reimbursed by such Selling Shareholder in proportion to his portion of the Offered Shares, as agreed among our Company and the Promoter Selling Shareholder in writing. For the avoidance of doubt, subject to applicable law, the Promoter Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such failure or default or delay, as the case may be, is by, and is directly attributable to, an act or omission of such Promoter Selling Shareholder and such liability shall be limited to the extent of its respective portion of the Offered Shares.

The Promoter Selling Shareholder, undertakes to provide such reasonable assistance and extend reasonable cooperation as may be required and requested by our Company, to the extent such assistance and cooperation is required from such Selling Shareholder to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges, within such time prescribed by SEBI.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Offer within three Working Days from the Bid/Offer Closing Date or within such period as may be prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate as may be prescribed by the SEBI.

**Consents**

Consents in writing of: (a) the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal counsel to the Offer, the Bankers to our Company, BRLM, the Statutory Auditors of our Company, the Registrar to the Offer, Industry report provider, practicing company secretary, Independent Chartered Engineer in their respective capacities have been obtained; and the consents in writing of (b) the Syndicate Members, Escrow Collection Bank, Public Offer Account Bank, Refund Bank, Monitoring Agency and Sponsor Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act. Further, such consents (a) have not been withdrawn as on the date of this Draft Red Herring Prospectus.

**Experts**

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

(v) Our Company has received written consent dated September 30, 2026 from S.L. Chhajed & Co. LLP, Chartered Accountants (bearing firm registration number: 000709C/C400277), our Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 30, 2026 on the Restated Consolidated Financial Information; (ii) the statement of special tax benefits dated September 30, 2026, included in this Draft Red Herring Prospectus; and (iii) various certifications issued by them in their capacity as Statutory Auditors, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term *"expert"* shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(vi) Our Company has received written consent dated September 30, 2026 from Mittal V. Kothari & Associates, practicing company secretary, to include their name as an independent practicing company secretary under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act, in respect of their certificates dated September 30, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an *"expert"* as defined under the U.S. Securities Act.

(vii) Our Company has also received written consent dated September 28, 2026 from Dr. Arvind S Mohite, Independent Chartered Engineer, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act to the extent and in their capacity as Independent Chartered Engineer in respect of their certificate dated September 28, 2026 on the proposed biochar gasification plant and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an *"expert"* as defined under the U.S. Securities Act.

(viii) Our Company has also received written consent dated September 29, 2026 from Vishal Sunil Joshi, Independent Chartered Engineer, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an *"expert"* as defined under section 2(38) of the Companies Act to the extent and in their capacity as Independent Chartered Engineer in respect of their certificate dated September 29, 2026 certifying details of the Manufacturing Units and capacity utilisation, amongst others and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

The abovementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

**Particulars regarding public or rights issues undertaken by our Company during the last five years**

Except as disclosed in *"**Capital Structure**"* on page 100, our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Commission or brokerage paid on previous issues during the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

**Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associates during the preceding three years**

Except as disclosed in *"**Capital Structure**"* on 100, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, none of our Group Companies or our Subsidiaries are listed. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any associates.

**Performance *vis-à-vis* objects - Public/ rights issue of our Company**

Except as disclosed in *"**Capital Structure**"* on page 100, our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Performance *vis- à-vis* objects: Public/ rights issue of the listed Subsidiaries and listed promoters**

As on the date of this Draft Red Herring Prospectus, our Company does not have a corporate promoter or a listed subsidiary.

**Price information of past issues handled by the Book Running Lead Manager**

Price information disclosed below is as per the respective designated stock exchanges as disclosed by the respective issuers at the time of their respective issues:

**1. Beeline Capital Advisors Private Limited**

***SME IPO*:**

| Sr. No. | Issue name | Issue size (in ₹ Million) | Issue price (₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Identixweb Limited | 166.32 | 54.00 | April 03, 2025 | 55.00 | +15.70% (+5.51%) | +12.98 (+9.70) | +29.62% (+5.41%) |
| 2. | Neptune Petrochemicals Limited | 732.00 | 122 | June 04, 2025 | 132.75 | +17.54 (+3.19) | +14.63% (+0.019%) | +32.54% (+6.42%) |
| 3. | Cryogenic OGS Limited | 177.66 | 47 | July 10, 2025 | 89.30 | +157.34% (-4.00%) | +253.83% (-1.52%) | +277.66% (+2.70%) |
| 4. | Monarch Surveyors And Engineering Consultants Limited | 937.50 | 250 | July 29, 2025 | 421.25 | +12.62% (-0.68%) | +3.58% (+3.53%) | -25.7% (+0.24%) |
| 5. | Blt Logistics Limited | 97.20 | 75 | August 11, 2025 | 90.95 | -22.27% (+0.62%) | -36.00% (+3.24%) | -47.33% (+3.69%) |
| 6. | Connplex Cinemas Limited | 902.70 | 177 | August 14, 2025 | 195.00 | +11.41% (+1.96%) | +20.99 (+4.31%) | +45.17% (+5.02%) |
| 7. | Jay Ambe Supermarkets Limited. | 184.45 | 78 | September 17, 2025 | 79.00 | +89.17% (+0.93%) | +74.42% (+3.04%) | +156.28% (-9.83%) |
| 8. | Apollo Techno Industries Limited. | 479.57 | 130 | December 31, 2025 | 145.00 | -15.38% (-3.11%) | -37.81% (15.57%) | -32.92% (-9.53%) |

| Sr. No. | Issue name | Issue size (in ₹ Million) | Issue price (₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 9. | Modern Diagnostic & Research Centre Limited | 368.93 | 90 | January 07, 2026 | 99.50 | -10.00% (-1.93%) | -30.55% (-12.78%) | -42.22% (8.47%) |
| 10. | Kratikal Tech Limited | 396.90 | 135 | July 07, 2026 | 192.00 | +19.11 (+0.99%) | N.A. | N.A. |

***MAINBOARD IPO***

| Sr. No. | Issue name | Designated Stock Exchange | Issue size (in ₹ Million) | Issue price (₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|---|
| 1. | Mamata Machinery Limited | BSE | 1,793.49 | 243.00 | December 27, 2024 | 600.00 | +72.74% (-3.19%) | +44.81% (-1.79%) | +74.14% (+4.26%) |
| 2. | Borana Weaves Limited | BSE | 1,448.93 | 216 | May 27, 2025 | 243.00 | +1.76 (+1.48) | +0.35% (-0.30%) | +36.89 (+4.51%) |
| 3. | Shreeji Shipping Global Limited | BSE | 4,107.10 | 252 | August 26, 2025 | 271.85 | -0.46 (+1.15) | +17.64% (+5.50%) | +60.97% (+2.51%) |
| 4. | Amanta Healthcare Limited. | NSE | 1,260.00 | 126 | September 09, 2025 | 135.00 | +7.12% (+0.71%) | -18.06% (+5.29%) | -20.06% (-1.68%) |
| 5. | Om Power Transmission Limited | BSE | 1,500.63 | 175 | April 17, 2026 | 186.00 | +5.57% (-2.92%) | -0.62% (-1.13%) | N.A. |

*(1) A discount of ₹12 per Equity Share was offered to eligible employees bidding in the employee reservation portion of Mamta Machinery Limited's IPO.*

*Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus. In case of Main Board IPO, opening price information as disclosed on the website of the Designated Stock Exchange, change in closing price over the issue/offer price as disclosed on Designated Stock Exchange, and for change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*

***Note:***

*(1) The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.*

*(2) "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th / 90th/180th Calendar days from listing.*

*(3) "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th / 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.*

*(4) In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.*

**Summary statement of price information of past issues**

Summary statement of price information of past issues (during the current Financial Year and two Financial Years

preceding the current Financial Year) handled by Beeline Capital Advisors Private Limited

***SME IPO:***

| Financial Year | Total No. of IPO's | Total Funds Raised (in ₹ Million) | No. of IPOs trading at discount – 30th calendar days from listing | | | No. of IPOs trading at premium – 30th calendar days from listing | | | No. of IPOs trading at discount – 180th calendar days from listing | | | No. of IPOs trading at premium – 180th calendar days from listing | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 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% |
| 2026-27 | 01 | 396.90 | - | - | - | - | - | 1 | - | - | - | - | - | - |
| 2025-26 | 09 | 4,046.33 | - | - | 3 | 2 | - | 4 | - | 4 | - | 2 | 3 | - |
| 2024-25 | 24 | 11,654.40 | - | - | 4 | 14 | - | 6 | - | 5 | 3 | 10 | 2 | 4 |

***MAIN BOARD IPO:***

| Financial Year | Total No. of IPO's | Total Funds Raised (in ₹ Million) | No. of IPOs trading at discount – 30th calendar days from listing | | | No. of IPOs trading at premium – 30th calendar days from listing | | | No. of IPOs trading at discount – 180th calendar days from listing | | | No. of IPOs trading at premium – 180th calendar days from listing | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 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% |
| 2026-27 | 1 | 1,500.63 | - | - | - | - | - | 1 | - | - | - | - | - | - |
| 2025-26 | 3 | 6,816.03 | | | 1 | - | | 2 | | | 1 | 1 | 1 | - |
| 2024-25 | 1 | 1,793.49 | - | - | - | 1 | - | - | - | - | - | 1 | - | - |

***Notes:***

(1) *Listing date is considered for calculation of total number of IPOs in the respective financial year.*

(2) *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.*

(3) *Source: www.bseindia.com and www.nseindia.com*

**Track record of past issues handled by the Book Running Lead Manager**

For further details regarding the track record of the BRLM, as specified in Circular reference SEBI/HO/CFD/PoD-1/p/CIR/2023/157 dated September 26, 2023, issued by SEBI, please see the website of the BRLM as set forth in the table below:

| Sr. No. | Name of the BRLM | Website |
|---|---|---|
| 1 | Beeline Capital Advisors Private Limited | beelinemb.com/ |

**Stock market data of the Equity Shares**

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

**Mechanism for redressal of Investor grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Offer 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 or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer 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. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLM or Registrar to the Offer, in the manner provided below.**

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving 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, address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked (for Bidders other than UPI Bidders) or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. For Offer-related grievances, investors may contact the BRLM, details of which are given in *"**General Information – Book Running Lead Manager**"* on page 91.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The SEBI ICDR Master Circular streamlines the process to handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/ non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI and 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, in terms of SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, in accordance with the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issue, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|---|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount; and<br>2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and<br>2. ₹100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non-Allotted/ partially Allotted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor by ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

**Disposal of investor grievances by our Company**

Our Company shall obtain authentication on the SEBI SCORES platform and will comply with the SEBI Circular No: SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 and the SEBI Circular No: SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated December 1, 2023, in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSBs in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has not received any investor grievances in the last three Fiscals prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Our Company has constituted a Stakeholders' Relationship Committee to review and redress the grievances of security holders of our Company, including complaints related to transfer/ transmission of shares, non-receipt of

annual report, non-receipt of declared dividends and issue of new/duplicate certificates. For further details, please see *"**Our Management- Board Committees - Stakeholders' Relationship Committee**"* on page 277.

Our Company has appointed Sambedna Jain as the Company Secretary and Compliance Officer. For details, please see *"**General Information - Company Secretary and Compliance Officer**"* on page 92

The Promoter Selling Shareholder has authorised our Company Secretary and Compliance Officer, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares, solely to the extent of the statements specifically made, confirmed or undertaken by it in respect of itself and its respective Offered Shares.

**Exemption from complying with any provisions of securities laws, if any, granted by the Securities and Exchange Board of India (SEBI)**

Our Company has filed an exemption application dated September 27, 2026 under Regulation 300(1)(c) of the SEBI ICDR Regulations, seeking exemption from identifying and disclosing (i) Megha Singh (mother of Kunal Giani- Promoter) as a member of the Promoter Group ("**Relevant Person**"); (ii) any body corporate in which 20% or more of the equity share capital is held by the Relevant Person or HUFs or firms where the Relevant Person may be a member; (iii) any body corporate in which any body corporate in (ii) above holds 20% or more of the equity share capital; and (iv) HUFs or firms in which the aggregate shareholding of the Relevant Person is equal to 20% or more of the total capital, in accordance with the SEBI ICDR Regulations.

Our Company has included disclosures pertaining to Megha Singh as a member of the Promoter Group in this Draft Red Herring Prospectus based on, and limited to the extent of, publicly available information from the websites of government authorities, in order to comply with the requirements of the SEBI ICDR Regulations. Please note, as on the date of this Draft Red Herring Prospectus, the application is pending with SEBI. Further, in the absence of the relevant information and confirmations from Megha Singh, our Company is unable to identify an exhaustive list of relevant entities as members of the Promoter Group. For further details, please see *"**Risk Factors- Our Company has filed an exemption application dated September 27, 2026 with SEBI for seeking exemption under Regulation 300(1)(c) of the SEBI ICDR Regulations from identifying Megha Singh (mother of Kunal Giani- Promoter) ("Relevant Person") and related entities, as members of the Promoter Group. We cannot assure you that complete disclosures relating to the Relevant Person and related entities are included in this Draft Red Herring Prospectus**".*

**Other confirmations**

No person connected with the Offer, including but not limited to our Company, the BRLM, the Syndicate Members, the Promoter, our Directors or the members of the Promoter Group shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash or kind or services or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

## SECTION VII – OFFER RELATED INFORMATION

## TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, the SCRA, SCRR, our MoA, AoA, SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Draft Abridged Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN, Allotment Advice and other terms and conditions as may be incorporated in Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of this Offer 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 Offer.

### The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder. The fees and expenses relating to the Offer shall be borne by each of our Company and the Promoter Selling Shareholder in the manner specified in *"**Objects of the Offer- Offer Expenses**"* on page 117.

### Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend, voting and other corporate benefits. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please see *"**Description of Equity Shares and Terms of the Articles of Association**"* on page 451.

### Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013, our MoA and AoA, dividend distribution policy of our Company (pursuant to transfer of Equity Shares from the Offer for Sale), the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government of India in this regard. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For details, in relation to dividends, please see *"**Dividend Policy**"* and *"**Description of Equity Shares and Terms of Articles of Association**"* on pages 291 and 451, respectively.

### Face Value, Floor Price, Price Band and Offer Price

The face value of each Equity Share is ₹5 and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM, in accordance with applicable law and shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Madhya Pradesh, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same 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 respective websites of the Stock Exchanges. The Cap Price shall be at least 105% of the Floor Price.

The Offer Price shall be determined by our Company, in compliance with the SEBI ICDR Regulations and in consultation with the BRLM after the Bid/Offer 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 for the Equity Shares, unless otherwise permitted by law.

**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 Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- the right to receive dividends, if declared;
- the right to attend general meetings and exercise voting rights, unless prohibited by law;
- the right to vote on a poll either in person or by proxy, or 'e-voting' in accordance with the provisions of the Companies Act;
- the right to receive offers for rights shares and be allotted bonus shares, if announced;
- the right to receive any surplus on liquidation, subject to any statutory and other preferential claim being satisfied;
- the right of free transferability of their Equity Shares, subject to applicable laws including rules framed by RBI and foreign exchange regulations; and
- such other rights, as may be available to a shareholder of a listed public company under applicable law including the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, please see *"**Description of Equity Shares and Terms of Articles of Association**"* on page 451.

**Allotment of Equity Shares only in dematerialised form**

Pursuant to section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in dematerialised form only.

As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite Agreement dated June 5, 2025 among CDSL, our Company and the Registrar to the Offer;
- Tripartite Agreement dated December 19, 2024 among NSDL, our Company and the Registrar to the Offer

**Market Lot and Trading Lot**

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised/ electronic form, the tradable lot is one Equity Share. Allotment of Equity Shares in this Offer will be only in dematerialised/ electronic form in multiples of [●] Equity Shares of face value of ₹5 each, subject to a minimum Allotment of [●] Equity Shares of face value of ₹5 each. For further details, please see *"**Offer Procedure**"* on page 427.

**Joint Holders**

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

**Jurisdiction**

The competent courts of Bhopal, Madhya Pradesh, India will have exclusive jurisdiction in relation to this Offer.

**Period of operation of subscription list**

Please see *"**Bid/Offer Period**"* on page 417.

**Nomination facility to Investors**

In accordance with section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if they 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, transfer, or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the manner prescribed. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or to the Registrar and Share Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of the provisions of section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our 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, our 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 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies 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 Offer will be made only in dematerialised mode, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the Bidder would prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

**Bid/Offer Period**

| | |
|---|---|
| **BID/OFFER OPENS ON** | [●][(1)] |
| **BID/OFFER CLOSES ON** | [●][(2)(3)] |

(1) *Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs, one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.*

An indicative timeline in respect of the Offer is set out below:

| Event | Indicative Date |
|---|---|
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about [●] |
| Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account* | On or about [●] |
| Credit of Equity Shares to demat accounts of Allottees | On or about [●] |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about [●] |

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges' 7 bidding 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 Bidder shall be compensated at a uniform rate of ₹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 Bid Amount, the Bidder shall be compensated at a uniform rate of ₹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 Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB 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. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Mater Circular.*

*SEBI through the SEBI ICDR Master Circular, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million, shall use UPI. RIBs and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through 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.*

**The above timetable is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholder or the BRLM.**

**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 Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, with reasonable support and co-operation from the Promoter Selling Shareholder, as may be required in respect of his respective portion of the Offered Shares, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLM, revision of the Price Band, or any delay in receiving the final listing and trading approval from the Stock Exchanges and delay in respect of final certificates from the SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder, severally and not jointly, confirms that it shall extend such reasonable assistance and cooperation as required by our Company and the BRLM (to the extent such reasonable assistance and cooperation is in relation to its respective portion of the Offered Shares) for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as prescribed by SEBI.**

**The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Offer on a daily basis. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

**Submission of Bids (other than Bids from Anchor Investors)**

| Bid/Offer Period (except the Bid/Offer Closing Date) | |
|---|---|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time ("**IST**") |
| **Bid/Offer Closing Date*** | |
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)–For Retail Individual Bidders, other than QIBs and NIIs | Only between 10.00 a.m. and up to 5.00 p.m. IST |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications) | Only between 10.00 a.m. and up to 4.00 p.m. IST |
| Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) | Only between 10.00 a.m. and up to 3.00 p.m. IST |
| Submission of Physical Applications (Bank ASBA) | Only between 10.00 a.m. and up to 1.00 p.m. IST |
| Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹0.50 million) | Only between 10.00 a.m. and up to 12.00 p.m. IST |
| **Modification/ Revision/cancellation of Bids** | |
| Upward Revision of Bids by QIBs and Non-Institutional Investors categories[#] | Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/Offer Closing Date |
| Upward or downward Revision of Bids or cancellation of Bids by RIIs | Only between 10.00 a.m. and up to 5.00 p.m. on Bid/Offer Closing Date |

*****_UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Offer Closing Date._

[#]_QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids._

**On the Bid/ Offer Closing Date, Bids shall be uploaded until:**

(a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
(b) 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLM to the Stock Exchanges.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 12.00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006, and letter no. NSE/IPO/25101-6 dated July 6, 2006, issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/ bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5:00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the 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 and the Cap Price will be revised accordingly. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price. The Floor Price will not be less than the face value of the Equity Shares.

**In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days, in compliance with the SEBI ICDR Regulations. Any revision in Price Band, and the revised Bid/Offer 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 website of the BRLM and terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book *vis-a-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

**Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or (iii) if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or (iv) if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount in accordance with applicable law.

If there is a delay beyond such timeline, our Company, and every Director of our Company, who is an officer in default, to the extent applicable, shall pay interest at the rate of 15% per annum in accordance with the SEBI ICDR Regulations and any other applicable law.

The Promoter Selling Shareholder shall reimburse, in proportion to his respective portion of the Offered Shares, any expenses and interest incurred by our Company on behalf of such Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholder shall not be responsible or liable for payment of such interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholder in relation to his respective portion of the Offered Shares. All refunds made, interest borne, and expenses incurred (with regard to payment of refunds) by our Company on behalf of any of the Selling Shareholder will be adjusted or reimbursed by such Selling Shareholder (only to the extent of his portion of the Offered Shares), to our Company as agreed among our Company and the Selling Shareholder in writing, in accordance with applicable law.

Subject to applicable law, in the event of under-subscription in the Offer, i.e., in the event valid Bids are received for less than the total Offer size, subject to receiving valid Bids for the minimum subscription amount, i.e., for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR , the Allotment for the valid Bids will be made in the following order of priority: (a) Such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (b) Upon achieving (a), the Offered Shares held by the Selling Shareholder will be Allotted; and (c) Once Equity Shares have been allotted as per (a) and (b) above, such number of Equity Shares will be Allotted by the Company towards the balance 10% of the Fresh Issue portion.

Further, in accordance with regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws.

**Arrangements for disposal of odd lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

**New financial instruments**

Our Company is not issuing any new financial instruments through this Offer.

**Withdrawal of the Offer**

The Offer shall be withdrawn in the event the requirement of the minimum subscription for the Fresh Issue as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue and the Selling Shareholder reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.

The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders, and shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Offer, the BRLM will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, 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/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, for the entire duration of delay exceeding four Working Days from the Bid/ Offer 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.

If our Company, in consultation with the Book Running Lead Manager withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, this Offer is also subject to (i) the filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

**Restrictions, if any on transfer and transmission of Equity Shares**

Except for lock-in of the pre-Offer equity share capital of our Company, lock-in of our Minimum Promoter's Contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in *"**Capital Structure**"* on page 100 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, please see *"**Description of Equity Shares and Terms of Articles of Association**"* on page 451451.

## OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer of up 6,750,000 Equity Shares of face value of ₹5 each for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating to ₹[●] million, comprising of a Fresh Issue of up to 5,400,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million and Offer for Sale of up to 1,350,000 Equity Shares of face value of ₹5 each, aggregating up to ₹ [●] million by the Promoter Selling Shareholder. For details, please see *"**The Offer**"* on page 75.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share Capital of our Company.

Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate 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 Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(1) and Regulation 31 of the SEBI ICDR Regulations:

| Particulars | Qualified Institutional Buyers QIBs[(1)] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| Number of Equity Shares available for Allotment/allocation[(2)] | Not more than [●] Equity Shares of face value of ₹5 each | Not less than [●] Equity Shares of face value of ₹5 each available for allocation or Offer less allocation to QIB Bidders and RIBs | Not less than [●] Equity Shares of face value of ₹5 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders |
| Percentage of Offer size available for Allotment/allocation | Not more than 50% of the Offer shall be available for allocation to QIB Bidders.<br><br>However, up to 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall 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 remaining balance Net QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders | Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders |
| Basis of Allotment/allocation if respective category is oversubscribed* | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) up to [●] Equity Shares of face value of ₹5 each shall be available for | The Allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional | The Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on |

| Particulars | Qualified Institutional Buyers QIBs[1] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| | allocation on a proportionate basis to Mutual Funds only; and<br>(b) up to [●] Equity Shares of face value of ₹5 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.<br><br>Up to 60% of the QIB Portion (up to [●] Equity Shares of face value of ₹5 each) may be allocated on a discretionary basis to Anchor Investors. 40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic mutual funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved 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 accordance with the SEBI ICDR Regulations. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds, at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. | Portion, and the remainder, if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations subject to the following:<br><br>(a) one-third of the portion available to Non-Institutional Bidders being [●] Equity Shares shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million; and<br><br>(b) two-thirds of the portion available to Non-Institutional Bidders being [●] Equity Shares shall be reserved for Bidders with an application size of more than ₹1.00 million.<br><br>Provided that the unsubscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations.<br><br>For details, please see *"**Offer Procedure**"* on page 427. | a proportionate basis. For details, please see *"**Offer Procedure**"* on page 427. |
| Minimum Bid | Such number of Equity Shares of face value of ₹5 each and in multiples of [●] Equity Shares of face value of ₹5 each such that the Bid Amount exceeds ₹0.20 million | For Non-Institutional Bidders applying under one-third of the Non-Institutional Portion (with application size of more than ₹ 0.20 million and up to ₹ 1.00 million) such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹5 each, such that the Bid Amount exceeds ₹ 0.20 million. For Non- | [●] Equity Shares of face value of ₹5 each |

| Particulars | Qualified Institutional Buyers QIBs[1] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| | | Institutional Bidders applying under two-thirds of the Non-Institutional Portion (with application size of more than ₹ 1.00 million) such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹5 each, such that the Bid Amount exceeds ₹1.00 million. | |
| Maximum Bid | Such number of Equity Shares of face value of ₹5 each and in multiples of [●] Equity Shares of face value of ₹5 each, such that the Bid Amount does not exceed the size of the Offer (excluding the Anchor Investor Portion), subject to applicable limits | Such number of Equity Shares of face value of ₹5 each and in multiples of [●] Equity Shares, of face value of ₹5 each, such that the Bid Amount does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits | Such number of Equity Shares of face value of ₹5 each in multiples of [●] Equity Shares of face value of ₹5 each so that the Bid Amount does not exceed ₹0.20 million |
| Mode of Allotment | Compulsorily in dematerialised form | | |
| Bid Lot | [●] Equity Shares of face value of ₹5 each and in multiples of [●] Equity Shares of face value of ₹5 each thereafter | | |
| Allotment Lot | A minimum of [●] Equity Shares of face value of ₹5 each and in multiples of one Equity Share of face value of ₹5 each thereafter for QIBs and RIBs. The Allotment to NIBs shall not be less than the minimum application size for Non-Institutional Bidder (i.e., ₹0.20 million) | | |
| Trading Lot | One Equity Share of face value of ₹5 each | | |
| Who can apply[3][4][5][6] | Public financial institutions as specified in section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension fund (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National | Resident Indian individuals, Eligible NRIs, HUFs (in the name of karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI | Resident Indian individuals, Eligible NRIs and HUFs (in the name of karta) |

| Particulars | Qualified Institutional Buyers QIBs[(1)] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| | Investment Fund set up by the GoI, 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 | | |
| Terms of Payment | ***In case of Anchor Investors:***<br>Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<br><br>***In case of all other Bidders:***<br>Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form | | |
| Mode of Bidding^ | Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism | | |

*****Assuming full subscription in the Offer.*

*(1) 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, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less (a) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is up to ₹2,500.00 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50.00 million per Anchor Investor, and (b) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 15 Anchor Investors for every additional ₹2,500.00 million or part thereof, will be permitted, subject to minimum allotment of ₹50.00 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100.00 million. Further, 40% of the Anchor Investor Portion shall be reserved in the following manner: (a) up to 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (b) up to 6.67% Anchor Investor Portion shall be reserved 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 accordance with the SEBI ICDR Regulations, which price shall be determined by our Company in consultation with the BRLM.*

*(2) Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with rule 19(2)(b) of the SCRR read with regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer 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 all QIBs. Further, not less than 15% of the Offer will be available for allocation to Non-Institutional Bidders, of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹0.20 million and up to ₹1.00 million and two-third of the Non- Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non- Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (Non-Institutional Portion or Retail Portion), except the QIB Portion, would be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "**Terms of the Offer**" and "**Offer Procedure**" on pages 415 and 427, respectively.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

(4) *Anchor Investors are not permitted to use the ASBA process. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid, provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(5) *The Bids by FPIs with certain structures as described under "**Offer Procedure - Bids by Foreign Portfolio Investors ("FPIs")**" on page 434 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*

(6) *Bidders will be required to confirm and were deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. 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. For further details, please see *"**Terms of the Offer**"* on page 415

## OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (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, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The 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 Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v)issuance of CAN and allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) interest in case of delay in allotment or refund; and (xiii) disposal of applications (xiv) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. 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 with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the prior process and timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the prior process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with a timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever was later ("**UPI Phase II**"). 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. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI has increased the UPI limit from ₹0.20 million to ₹0.50 million for all the individual investors applying in public issues. All individual Bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Circular**"), the final reduced timeline of T+3 days for applications by UPI Bidders ("**UPI Phase III**") was made voluntary for public issues opening on or after September 1, 2023, and has been made mandatory for public issues opening on or after December 1, 2023. This Offer 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.*

*The SEBI ICDR Master Circular has consolidated and rescinded the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations. The SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus. The SEBI RTA Master Circular has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. 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).*

*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 manager shall continue to coordinate with intermediaries involved in the said process.*

*SEBI pursuant to the SEBI ICDR Master Circular has introduced the disclosure of audiovisual presentation of disclosures made in offer documents. Investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by finfluencers. Further, investors are advised to rely only on the information contained in the offer document and price band advertisement for making investment decision.*

*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/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

*Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with Applicable Laws and did 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 the Prospectus. Further, our Company, the Selling Shareholder and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

**Book Building Procedure**

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that 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, of which 40% 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 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 or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (other than the Anchor Investor Portion). Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Category 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 Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Category, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Category for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors, in accordance with the SEBI ICDR Regulations, of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹1.00 million and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Portion, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Undersubscription, if any, in any category, except in the Net QIB Category, would be allowed to be met with spill-over proportionately from any other category or categories, as applicable, at the discretion of our Company and in consultation with the BRLM and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the Net QIB Category, will not be allowed to be met with spill-over from any other category or a combination of categories.

Investors must ensure that their Permanent Account Number ("**PAN**") is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021 and September 17, 2021, CBDT circular number 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

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 depository participant's identity number ("**DP ID**"), client identification number ("**Client ID**"), PAN and unified payments interface identity number ("**UPI ID**"), as applicable, 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 the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

**Phased implementation of Unified Payments Interface ("UPI")**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism 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 ASBA) for applications by UPI Bidders 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. The SEBI in the T+3 Circular, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. 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 the UPI Mechanism in three phases in the following manner:

**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 till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary 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.

**Phase II:** This phase became 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 was later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. 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 until further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

**Phase III:** This phase became 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 the T+3 Circular. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The SEBI ICDR Master Circular, has consolidated and rescinded the aforementioned circulars, including the T+3 Notification, to the extent they relate to the SEBI ICDR Regulations. The Offer shall be undertaken pursuant to the processes and procedures as notified in the SEBI ICDR Master Circular as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by the SEBI.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the format as prescribed by SEBI, from time to time, including in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

SEBI has set out specific requirements in the SEBI ICDR Master Circular for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send short message service ("**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 Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

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 the SEBI ICDR Master Circular and NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 9, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹0.20 million to ₹0.50 million for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Further, pursuant to the SEBI ICDR Master Circular, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); or

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

**Electronic registration of Bids**

(i) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

(ii) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(iii) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

(iv) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

**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 the BSE Limited ("**BSE**") (www.bseindia.com) and the National Stock Exchange of India Limited ("**NSE**") (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders shall Bid in the Offer through the UPI Mechanism.

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. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. In accordance with the SEBI ICDR Master Circular, the ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. RII, QIB, NII and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs and NIIs (other than NIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) 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.

(iii) QIBs and NIIs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in the SEBI ICDR Master Circular.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|---|
| Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^ | [●] |
| Non-Residents including Foreign Portfolio Investors ("**FPIs**"), Eligible Non-Resident Investors ("**NRIs**") applying on a repatriation basis, foreign Venture Capital Investors ("**FVCIs**") and registered bilateral and multilateral institutions | [●] |
| Anchor Investors^^ | [●] |

* *Excluding the electronic Bid cum Application Form.*

^ *Electronic Bid cum Application Form and the Abridged Prospectus will be made available for download on the website of the BSE (*www.bseindia.com*) and NSE (www.nseindia.com).*

^^ *Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.*

In case of ASBA forms (except ASBA forms submitted by UPI Bidders), the relevant Designated Intermediaries shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock

Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (*i.e.*, the Sponsor Bank(s), NPCI or the Bankers to the Offer) 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Manager for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in the SEBI ICDR Master Circular. In accordance with circular issued by NSE having reference no. 25/2022 dated August 3, 2022, and the notice issued by BSE having reference no. 20220803-40 dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5.00 p.m. on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI 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. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, Core Banking System ("**CBS**") data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ensuring timely information to Bidders, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI ICDR Master Circular. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, 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 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism 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. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s).

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) in "offshore transactions" as defined in, and in reliance on, Regulation S and in compliance with the applicable laws of the jurisdiction 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction

**Participation by the Promoter and Promoter Group of our Company, BRLM, the Syndicate Members and their associates and affiliates and the persons related thereto**

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliate of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation.

Except as stated below, neither the BRLM nor any persons related to the BRLM can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLM;

(ii) insurance companies promoted by entities which are associate of the BRLM;

(iii) Alternate Investment Funds ("**AIFs**") sponsored by the entities which are associate of the BRLM;

(iv) Foreign Portfolio Investors ("**FPIs**") other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLM; or

(v) pension funds sponsored by entities which are associate of the BRLM;

Except to the extent of the Offered Shares, our Promoter and the members of our Promoter Group will not participate in the Offer. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our Promoter or Promoter Group:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoter or Promoter Group;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

The Selling Shareholder, except to the extent of his Offered Shares, and the other members of the Promoter Group will not participate in the Offer

**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, subject to applicable laws.

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% of its net asset value ("**NAV**") in equity shares or equity related instruments of any single company provided that the limit of 10% 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% of any company's paid-up share capital carrying voting rights.

**Bids by Eligible Non-resident Indians ("NRIs")**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or foreign currency non-resident accounts ("**FCNR Accounts**"), and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB 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. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Participation of Eligible NRIs in the Offer shall be subject to the Foreign Exchange Management Act ("**FEMA**") Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall 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 Overseas Citizen of India ("**OCI**") put together shall not exceed 10% of the total paid-up Equity Share 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% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of restrictions on investment by NRIs, please see *"**Restrictions on Foreign Ownership of Indian Securities**"* beginning on page 449.

**Bids by Hindu Undivided Families ("HUFs")**

Bids by Hindu Undivided Families or HUFs, 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 as follows: "Name of sole or first bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

**Bids by Foreign Portfolio Investors ("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-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

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, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI 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.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) 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.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the multiple investment manager ("**MIM**") Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment manager in such confirmation;
- Offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the Applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment manager in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form *"exceeds the Offer 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"*.

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

**Bids by Securities and Exchange Board of India ("SEBI") registered Venture Capital Funds ("VCFs"), Alternate Investment Funds ("AIFs") and Foreign Capital Investors ("FVCIs")**

SEBI VCF Regulations as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Non-Debt Instruments Rules.

Further, the shareholding of VCFs, Category I AIFs or Category II AIFs and FVCIs holding Equity Shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

**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 the RBI, certified copies of (i) the certificate of registration issued by the 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, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank'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. Further no bank shall hold along with its subsidiaries, 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 does not apply to the cases mentioned in (i) and (ii) above.

The aggregate equity investments made by a banking company in all subsidiaries 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. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

**Bids by Self-Certified Syndicate Banks ("SCSBs")**

SCSBs participating in the Offer are required to comply with applicable law, including the terms of the SEBI ICDR Master Circular.. 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 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 reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and 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 with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, 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 reserve 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 by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, systematically important non-banking finance company ("**NBFC-SI**"), insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, 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 Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit.

**Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million A Bid cannot be submitted for over 60% of the QIB Category. 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 ₹100.00 million.

(c) Out of 40%, of the Anchor Investor Portion shall be reserved as (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% shall be available 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.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date and will be completed on the same day.

(e) Our Company may finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (i) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and

    (ii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 15 Anchor Investors for every additional ₹2,500.00 million or part thereof, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. 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/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) 50% of the Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and 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.

(j) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLM) shall apply in the Offer under the Anchor Investor Portion. Please see ***"Participation by the Promoter and Promoter Group of our***

***Company, BRLM, the Syndicate Members and their associates and affiliates and the persons related thereto***" above.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Category will not be considered multiple Bids.

**Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its 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 NBFC-SI, 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, subject to applicable law. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus and the Prospectus**.

**Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

**General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. 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;

2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

7. UPI Bidders Bidding using the UPI Mechanism in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

9. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/Offer Closing Date;

10. Ensure that the signature of the first bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. 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 number MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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;

15. 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 manager 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;

16. 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;

17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN entered into the online initial public offerings ("**IPO**") system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;

22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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);

23. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, 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 at the time of submission of the Bid. In case of UPI Bidder Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

26. The ASBA Bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

27. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Investors);

28. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

29. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

30. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first bidder (in case of joint account) in the Bid cum Application Form;

31. UPI Bidders using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

32. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorized as category II FPI and registered with SEBI for a Bid Amount of less than ₹0.20 million would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non-Institutional Category for allocation in the Offer; and

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM.

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 on the list available on the website of SEBI and updated from time to time and at such other websites as may be prescribed by SEBI from time to time is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid for a Bid Amount exceeding ₹ 0.20 million for Bids by Retail Individual Investors and ₹0.50 million for Bids by UPI Bidders;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA Account;

11. 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 Bidder;

12. 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;

13. 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);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are UPI Bidder and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company or at a location other than the Bidding Centres;;

21. Do not submit the GIR number instead of the PAN;

22. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;

23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);

25. 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 Investor. Retail Individual Investors can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

27. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

28. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

30. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

31. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders;

32. Do not Bid if you are an OCB; and

33. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Member shall ensure that they do not upload any bids above ₹0.50 million.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For helpline details of the BRLM in accordance with the SEBI ICDR Master Circular, please see "***General Information – Book Running Lead Manager***" on page 91.

Further, in case of any pre-Offer or post Offer 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, please see *"**General Information – Company Secretary and Compliance Officer**"* on page 92

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/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. 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 the BRLM shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

**Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in the SEBI ICDR Regulations.

**Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with a Bid size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with a Bid size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investor shall not be less than the minimum NII application size, subject to the availability of Equity Shares in the Non-Institutional Category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

The Allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in Retail category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

**Payment into Anchor Investor Escrow Account**

Our Company, in consultation with the BRLM 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 Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, real time gross settlement ("**RTGS**"), national automated clearing house ("**NACH**") or national electronic fund transfer ("**NEFT**") to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

**Pre-Offer 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-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. 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 ICDR Regulations.

**The information set out above is given for the benefit of the Bidders/applicants. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

In accordance with RBI regulations, Overseas Corporate Body ("**OCB**") cannot participate in the Offer.

**Allotment Advertisement**

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Our Company, the BRLM and the Registrar to the Offer shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Madhya Pradesh, where our Registered Office is located).

**Signing of the Underwriting Agreement and Filing with the RoC**

a) Our Company, the Selling Shareholder and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price but prior to the filing of the Prospectus.

b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer 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, 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.*"

The liability prescribed under Section 447 of the Companies Act, 2013, for fraud involving an amount of at least ₹ 1.00 million or 1% of the turnover of our 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 ₹1.00 million or 1%of the turnover of our 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 ₹5.00 million or with both.

**Undertakings by our Company**

Our Company undertakes the following:

- the complaints received in respect of the Offer 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 Exchanges where the Equity Shares are proposed to be listed are taken within such other time period as may be prescribed by the SEBI or applicable law will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- where release of block on the applicable amount for unsuccessful Bidders or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the applicants;
- adequate arrangements shall be made to collect ASBA applications;
- that if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if our Company and/or the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholder subsequently decide to proceed with the Offer;
- that no further issue of securities shall be made till the securities offered through the Offer Document are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with applicable law; and
- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

**Undertakings by the Selling Shareholder**

The Selling Shareholder in respect of himself as a Selling Shareholder and his portion of the Equity Shares offered in the Offer, specifically undertakes and/ or confirms the following:

- they are the legal and beneficial owners of the Equity Shares offered by him in the Offer for Sale;
- the Offered Shares are free and clear of any encumbrances and shall be transferred to the successful Bidders in the Offer;

- the portion of the Offered Shares offered for sale by the Promoter Selling Shareholder are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations; and
- they shall not have any recourse to the proceeds of the Offer for Sale, which shall be held in escrow in their favour, until final listing and trading approvals have been received from the Stock Exchanges where listing is sought have been received.

**Utilisation of proceeds from the Offer**

Our Board certifies that:

(i) all monies received out of the Offer 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;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised 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 unutilised monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 ("**Industrial Policy**") 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 the 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 RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), issued the Consolidated FDI Policy Circular of 2020 ("**Consolidated FDI Policy**") dated October 15, 2020, which with effect from October 15, 2020 consolidates, subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

In terms of the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEM NDI Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India and/or RBI is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof, within the Bid/Offer Period.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details on the aggregate limit for investments by NRIs and FPIs in our Company, please see *"**Offer Procedure**"* on page 427.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, please see *"**Offer Procedure**"* on page 427.

**Foreign Exchange Laws**

The foreign investment in our Company is governed by, *inter-alia*, the FEMA, as amended, the FEMA NDI Rules, the Consolidated FDI Policy issued and amended by way of press notes.

Pursuant to the Consolidated FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company.

In accordance with the FEM NDI Rules, the total holding by any individual NRI or OCI, on repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall 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. 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. For details of the aggregate limit of investments by NRIs and FPIs in our Company, please see *"**Offer Procedure- Bids by Eligible Non-resident Indians ("NRIs")**"* and *"**Offer Procedure – Bids by Foreign Portfolio Investors ("FPIs")**"* on pages 434 and 434, respectively.

**The Equity Shares have not been, and will not be registered, under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be issued 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 U.S. state securities laws. Accordingly, the Equity Shares are only proposed to be offered and sold outside the United States in "offshore transactions", as defined in and in reliance on Regulation S of the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur/ are made.**

**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 Bids 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 Bidders. Our Company, our Promoter (including Promoter Selling Shareholder), our Directors, 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 Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. No material clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

**(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION**

**OF**

**SARVA FOAM INDUSTRIES LIMITED**

*****_This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013, as amended, and by a special resolution passed at the Extraordinary General Meeting of Sarva Foam Industries Limited of (the "**Company**") held on 01.09.2026. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof._

_The Articles of Association of the Company comprise two parts, Part A and Part B, Until the filing of red herring prospectus with Registrar of Companies, Madhya Pradesh at Gwalior ("**RoC**") in relation to the initial public offering of the Equity Shares of the Company ("**Offer**"), the provisions of Part A shall not come into force and shall not be applicable, and the articles of association of the Company shall be deemed to consist solely of the provisions of Part B. However, upon the filing of the red herring prospectus with RoC in relation to the Offer, Part B shall automatically stand deleted, shall not have any force and shall be deemed to be removed from the articles of association, and the provisions of the Part A shall automatically come into effect and be in force, without any further corporate or other action by the Company or its Shareholders, unless specified otherwise in these Articles._

_No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company unless expressly made applicable in these Articles or by the said Act but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto._

| | | |
|---|---|---|
| 1. (1) | The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles. | **Table 'F' shall apply** |
| (2) | The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. | **Company to be governed by these Articles** |
| **Definitions and Interpretation** | | |
| 2. | In these Articles — | |
| | (a) "Act" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. | **"Act"** |

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| | (b) "Applicable Laws" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, byelaws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time | **"Applicable Laws"** |
| | (c) "Articles" or " means these articles of association of the Company or as altered from time to time. | **"Articles"** |
| | (d) "Board of Directors" or "Board", means the collective body of the Directors of the Company nominated and appointed from time to time in accordance with Articles 84 to 90, herein, as may be applicable. | **"Board of Directors" or "Board"** |
| | (e) "Company" means Sarva Foam Industries Limited, a public company incorporated with limited liability under the Applicable Laws. | **"Company"** |
| | (f) "Lien" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy; | **"Lien"** |
| | (g) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. | **"Rules"** |
| | (h) "Memorandum" means the memorandum of association of the Company or as altered from time to time. | **"Memorandum"** |
| | (i) "Lock-in Period" means the period for which the entire pre-issue capital of the Company held by persons other than the promoters, in case of the initial public offering, is locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations. | **"Lock-in Period"** |
| | (j) "SEBI ICDR Regulations" shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. | **"SEBI ICDR Regulations"** |
| **Construction** | | |
| | In these Articles (unless the context requires otherwise):<br>(i) References to a party shall, where the context permits, include such party's respective successors, legal heirs and permitted assigns.<br>(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.<br>(iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.<br>(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.<br>(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".<br>(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise. | |

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| | (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.<br>(viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).<br>(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.<br>(x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.<br>(xi) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail. | |
| **Share capital and variation of rights** | | |
| 3. | The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in Clause V of Memorandum, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. | **Authorized share capital** |
| 4. | 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 Board who may by sending a letter of offer, 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 (or at a discount subject to the compliance with the provision of section 53 and 54 of the Act) and at such time as they may from time to time think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that the option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the general meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.<br><br>Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Registered shall, for the purpose of these Articles, be a member. | **Shares under control of Board** |

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| | The Board shall observe the restrictions as regards allotment of Shares to the public contained in the Act and other applicable Law, and as regards return on allotments, the Board shall comply with applicable provisions of the Act and other applicable Law.<br><br>The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.<br><br>Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof. | |
| 5. | Subject to the provisions of the Act, these Articles and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting. | **Board may allot shares otherwise than for cash** |
| 5A. | The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws:<br><br>(a) Equity Share capital:<br>(i) with voting rights; and / or<br>(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and<br>(b) Preference share capital, non-convertible into Equity Shares, as permitted and in accordance with Applicable Laws, from time to time. | **Kinds of share capital** |
| 6. | The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country. | **Register and Index of Members** |
| 7. | Every person whose name is entered as a member in the register of members shall be entitled to receive shares in dematerialized form in accordance with Act, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Depositories and Participants) Regulations, 2018 and other applicable law for the time being in force.<br><br>Any Member who subscribes to any shares of the Company (whether by way of private placement or preferential issue or bonus issue or rights issue) shall ensure that all his existing shares are held in dematerialized form before such subscription. | **Issue of shares in dematerialized form** |

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| | Further, the Company shall issue the shares only in dematerialized form. | |
| 8. | If any 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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board.<br><br>Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.<br><br>Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf. | **Issue of new certificate in place of one defaced, lost or destroyed** |
| 8A. | Except as required by Applicable Laws, no person shall be recognized 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 recognize (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 Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. | **Company not compelled to recognize any equitable, contingent interest** |
| 8B. | Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution. | **Terms of issue of debentures** |
| 9. | The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company. | **Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.** |
| 10. (1) | The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. | **Power to pay commission in connection with securities issued** |
| (2) | The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules. | **Rate of commission in accordance with Rules** |
| (3) | 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. | **Mode of payment of commission** |
| 11. (1) | If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by | **Variation of members' rights** |

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| | the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act. | |
| (2) | To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply. | **Provisions as to general meetings to apply mutatis mutandis to each Meeting** |
| 12. | 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. | **Issue of further shares not to affect rights of existing members** |
| 13. | Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.<br><br>On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:-<br><br>(i) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.<br><br>(ii) No such Shares shall be redeemed unless they are fully paid. The period of redemption in case of preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act;<br><br>(iii) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and<br><br>(iv) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.<br><br>Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as | **Power to issue redeemable preference shares** |

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| | to general meetings, shall, mutatis mutandis, apply to every such meeting. | |
| 14. (1) | Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered:<br><br>to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions: -<br><br>the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined<br><br>the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and<br><br>after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or<br><br>to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or<br><br>to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder.<br><br>The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue.<br><br>The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act.<br><br>Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons, if it is authorised by a special resolution, (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed in the Act and the rules made thereunder.<br><br>The notice referred to in above sub-clause hereof shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 (three) days before the opening of the issue. | **Further issue of share capital** |

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| | Nothing in sub-clause above hereof shall be deemed:<br><br>(a) To extend the time within the offer should be accepted; or<br><br>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation. | |
| (2) | Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company.<br><br>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting. | |
| (3) | A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.<br><br>The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act and other applicable provisions of the Act and rules framed thereunder. | **Mode of further issue of shares** |
| | Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws. | **Power to make compromise or arrangement** |
| 15. (1) | The Company shall have a first and paramount Lien –<br><br>(a) on every share (not being a fully paid share), whether held solely or jointly with others, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect; and<br><br>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:<br><br>Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.<br><br>Fully paid-up shares shall be free from all lien. Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares. | **Company's lien on shares** |
| (2) | The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company. However, a member shall exercise any voting rights in respect of the shares in regard to which the Company has exercised the right of Lien. | **Lien to extend to dividends, etc.** |
| (3) | Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien, if any. | **Waiver of Lien in case of registration** |
| 16. | The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: | **As to enforcing Lien by sale** |

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| | Provided that no sale shall be made—<br><br>(a) unless a sum in respect of which the Lien exists is presently payable; or<br><br>(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 to the person entitled thereto by reason of his death or insolvency or otherwise. | |
| 17. (1) | To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof | **Validity of sale** |
| (2) | The purchaser shall be registered as the holder of the shares comprised in any such transfer. | **Purchaser to be registered holder** |
| (3) | The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share. | **Validity of Company's receipt** |
| (4) | 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 with reference to the sale | **Purchaser not affected** |
| 18. (1) | 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. | **Application of proceeds of sale** |
| (2) | 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. | **Payment of residual money** |
| 19. | The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company. | **Provisions as to Lien to apply mutatis mutandis to debentures, etc.** |
| **Calls on shares** | | |
| 20. (1) | 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.<br>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. | **Board may make Calls** |
| (2) | 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. | **Notice of call** |
| (3) | A call may be revoked or postponed at the discretion of the Board | **Revocation or postponement of call** |
| 21. | 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. | **Call to take effect from date of resolution** |
| 22. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. | **Liability of joint holders of shares** |
| 23. (1) | If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board. | **When interest on call or instalment payable** |

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| (2) | The Board shall be at liberty to waive payment of any such interest wholly or in part. | **Board may waive interest** |
| 24. (1) | 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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. | **Sums deemed to be calls** |
| (2) | In case of non-payment of such sum, all the relevant provisions of these Articles 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. | **Effect of nonpayment of sums** |
| (3) | On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt. | **Suit by company for recovery of money against any member** |
| (4) | Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided. | **Enforcing forfeiture of shares by Company** |
| 25. | The Board –<br><br>(a) may, if it thinks fit, subject to the provisions of the Act, 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<br><br>(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 as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.<br><br>The Directors may at any time repay the amount so advanced. | **Payment in anticipation of calls may carry interest** |
| 26. | If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder. | **Instalments on shares to be duly paid** |
| 27. | All calls shall be made on a uniform basis on all shares falling under the same class. | **Calls on shares of same class to be on uniform basis** |

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| | Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class. | |
| 28. | The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company. | **Provisions as to calls to apply mutatis mutandis to debentures, etc.** |
| 29. | Dematerialization | |
| | Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and offer such shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act 1996.<br><br>Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialise the shares, which are in dematerialised form.<br><br>Every Person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Where Person opts to hold any share with the Depository, the Company shall intimate such Depository of details of allotment of the shares to enable the Depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the shares can at any time opt out of a Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act 1996 shall apply.<br><br>If a Person opts to hold his shares with a Depository, the Company shall intimate such Depository the details of allotment of the shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the shares.<br><br>The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of the Act.<br><br>All shares held by a Depository shall be dematerialised and shall be in a fungible form.<br>(a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.<br>(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.<br><br>Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository. The Company shall be further entitled to | **Dematerialization of Securities** |

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| | maintain a register of members with the details of members holding shares both in material and dematerialised form in any medium as permitted by law including any form of electronic medium.<br><br>Notwithstanding anything in the Act or the Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.<br><br>Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository. | |
| **Transfer of shares** | | |
| 30. (1) | Every holder of shares of the Company who intends to transfer such shares shall get such shares dematerialized before the transfer. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered as beneficial owners in the records of the Depository. The Depository participant shall register transfer of shares to or from a beneficial owner's account only on receipt of instructions and requisite documents, if any are received from the beneficial owner and thereafter confirm the same to the beneficial owner in a manner as specified by the depository in its bye-laws.<br><br>Provided further that nothing in this Article shall be prejudicially to any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law. | **Transfer of shares in demat mode** |
| (2) | The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.<br><br>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. | **Register of transfer** |
| 31. | The Board may, subject to the right of appeal conferred by the section 58 of the Act decline to register –<br><br>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or<br><br>(b) any transfer of shares on which the Company has a Lien.<br><br>The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. | **Board may refuse to register transfer** |
| 32. | The Board may decline to recognize any instrument of transfer unless-<br><br>(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act;<br><br>(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<br><br>(c) the instrument of transfer is in respect of only one class of shares. | **Board may decline to recognize instrument of transfer** |

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| | The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. | |
| 33. | On giving of previous notice of at least seven days or such lesser period in accordance with the Act 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:<br><br>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. | **Transfer of shares when suspended** |
| 33A | Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board with sufficient cause, may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused. | **Notice of refusal to register transfer** |
| 34. | The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company. | **Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.** |
| 35. | An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post. | **Application for registration of transfer of shares** |
| **Transmission of shares** | | |
| 36. (1) | 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 recognized by the Company as having any title to his interest in the shares. | **Title to shares on death of a member** |
| (2) | Nothing in clause (1) 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. | **Estate of deceased member liable** |
| (3) | Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced | **Transmission Clause** |

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| | as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –<br><br>(a) to be registered himself as holder of the share; or<br><br>(b) to make such transfer of the share as the deceased or insolvent member could have made. | |
| (4) | 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. | **Board's right unaffected** |
| 37. (1) | 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. | **Right to election of holder of share** |
| (2) | If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. | **Manner of testifying election** |
| (3) | 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. | **Limitations applicable to notice** |
| 38. | 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:<br><br>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. | **Claimant to be entitled to same advantage** |
| 39. | The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company | **Provisions as to transmission to apply mutatis mutandis to debentures, etc.** |
| 39A | No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document | **No fee for transfer or transmission** |
| **Nomination by security holder** | | |
| | (i) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.<br><br>(ii) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.<br><br>(iii) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case | **Manner of nomination by security holder** |

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| | may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.<br><br>(iv) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.<br><br>(i) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –<br><br>(a) to be registered himself as holder of the Share(s); or<br>(b) to make such transfer of the Share(s) as the deceased Shareholder could have made.<br>(ii) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased shareholder.<br><br>(iii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.<br><br>(iv) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his Share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:<br><br>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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with. | |
| **Forfeiture of shares** | | |
| 40. | If a member fails to pay any call, or instalment of a call or any money due in respect of any share, 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 or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. | **If call or instalment not paid notice must be given** |
| 41. | The notice aforesaid shall:<br><br>(a) 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 | **Form of Notice** |

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| | (b) 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. | |
| 42. | 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. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture. | **In default of payment of shares to be forfeited** |
| 43. | When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.<br>But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. | **Entry of forfeiture in register of members** |
| 44. | The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share. | **Effect of forfeiture** |
| 45. (1) | A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. | **Forfeited shares may be sold, etc.** |
| (2) | At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. | **Cancellation of forfeiture** |
| 46. (1) | 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, and shall 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. | **Members still liable to pay money owing at the time of forfeiture** |
| (2) | 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. | **Cesser of liability** |
| 47. (1) | 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; | **Certificate of forfeiture** |
| (2) | The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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 | **Title of purchaser and transferee of forfeited shares** |
| (3) | The transferee shall thereupon be registered as the holder of the share; and | **Transferee to be registered as holder** |
| (4) | 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, re-allotment or disposal of the share | **Transferee not affected** |
| 48. | Upon any sale after forfeiture or for enforcing a Lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person. | **Validity of sales** |

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| 49. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto. | **Cancellation of share certificate in respect of forfeited shares** |
| 50. | The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit. | **Surrender of share certificates** |
| 51. | The provisions of these Articles 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. | **Sums deemed to be calls** |
| 52. | The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company. | **Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.** |
| **Alteration of capital** | | |
| 53. | Subject to the provisions of the Act, the Company may, by ordinary resolution -<br><br>(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;<br><br>(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:<br><br>Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;<br><br>(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;<br><br>(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;<br><br>(e) 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. | **Power to alter share capital** |
| 54. | Where shares are converted into stock:<br><br>(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:<br>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;<br>(b) 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, voting and profits of the Company and in the assets on winding up) | **Right of stockholders** |

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| | shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;<br>(c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/ "member" shall include "stock" and "stock-holder" respectively.<br>The Company, by resolution in general meeting, may convert any paid-up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination.<br>The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act. | |
| 54 A | Share warrants-<br>The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of<br><br>Members and the following particulars shall be entered therein.<br>(i) fact of the issue of the warrant.<br>(ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and<br>(iii) the date of the issue of the warrant.<br><br>A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.<br><br>The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.<br><br>The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company. The Directors may, from time to time, make rules as to the terms on which, | **Issue of share warrants and rights of holder of share warrants** |

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| | if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction. | |
| 55. | The Company may, by special resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —<br><br>(a) its share capital; and/or<br>(b) any capital redemption reserve account; and/or<br>(c) any securities premium account; and/or<br>(d) any other reserve in the nature of share capital. | **Reduction of capital** |
| 56. | Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: | **Joint holders** |
| | (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. | **Liability of Joint holders** |
| | (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. | **Death of one or more joint-holders** |
| | (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. | **Receipt of one Sufficient** |
| | (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders. | **Delivery of certificate and giving of notice to first named holder** |
| | (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. | **Vote of joint holders** |
| | (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders. | **Executors or administrators as joint holders** |
| | (f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names. | **Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.** |
| **Capitalization of profits** | | |
| 57. (1) | The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —<br><br>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and | **Capitalization** |

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| | (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. | |
| (2) | The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards:<br><br>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br><br>(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;<br><br>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B). | **Sum how applied** |
| (3) | Subject to the provisions of the act, securities premium account , a capital redemption reserve account or free reserves , for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; | **Source of issue of bonus issue** |
| (4) | The Board shall give effect to the resolution passed by the Company in pursuance of these Article. | **Articles to be considered at the time of passing of Resolution** |
| 58. (1) | Whenever such a resolution as aforesaid shall have been passed, the Board shall –<br><br>(a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and<br><br>(b) generally do all acts and things required to give effect thereto. | **Powers of the Board for capitalization** |
| (2) | The Board shall have power—<br><br>(a) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and<br><br>(b) to authorize 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 or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares. | **Board's power to issue fractional certificate/ coupon etc.** |
| (3) | Any agreement made under such authority shall be effective and binding on such members. | **Agreement binding on members** |
| (4) | A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital. | **Surplus money to be distributed to the members** |
| **Buy-back of shares** | | |
| 59. | Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Laws for the | **Buy-back of shares** |

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| | time being in force, the Company may purchase its own shares or other specified securities.<br><br>The Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.<br><br>Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the SEBI, Registrar and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time. | |
| **General meetings** | | |
| 60. | All general meetings other than annual general meeting shall be called extraordinary general meeting. | **Extraordinary general meeting** |
| 61. | The Board may, whenever it thinks fit, call an extraordinary general meeting. | **Powers of Board to call extraordinary general meeting** |
| 61A | The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.<br><br>Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.<br><br>Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid. | **Calling of Extra-ordinary General Meeting** |

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| | Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board. | |
| **Proceedings at general meetings** | | |
| 62. | 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. | **Presence of Quorum** |
| 63. | No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. | **Business confined to election of Chairperson whilst chair vacant** |
| 63 (A) | Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held. | **Gap between two Annual General Meetings** |
| 63 (B) | Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting. | **Time for Annual General Meeting** |
| | At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than<br>(i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon<br><br>(ii) the declaration of dividend,<br><br>(iii) appointment of directors in place of those retiring,<br><br>(iv) the appointment of, and fixing the remuneration of, the Auditors,<br><br>is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company. | **Dispatch of documents before Annual General Meeting** |

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| | Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.<br><br>The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.<br><br>No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened. | |
| 64. | The quorum for a general meeting shall be as provided in the Act. | **Quorum for general meeting** |
| 65. | 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, by poll or electronically, choose one of their members to be Chairperson of the meeting. | **Members to elect a Chairperson** |
| 66. | On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote. | **Casting vote of Chairperson at general meeting** |
| 67. (1) | The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. | **Minutes of proceedings of meetings and resolutions passed by postal ballot** |
| (2) | There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –<br>(a) is, or could reasonably be regarded, as defamatory of any person; or<br><br>(b) is irrelevant or immaterial to the proceedings; or<br><br>(c) is detrimental to the interests of the Company. | **Certain matters not to be included in Minutes** |
| (3) | The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. | **Discretion of Chairperson in relation to Minutes** |
| (4) | The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein. | **Minutes to be Evidence** |
| 68. (1) | The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:<br><br>(a) be kept at the registered office of the Company; and<br><br>(b) be open to inspection of any member without charge, during business hours on all working days. | **Inspection of minute books of general meeting** |
| (2) | A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act. | **When body corporate is member of the company** |

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| (3) | Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above. | **Members may obtain copy of minutes** |
| **Adjournment of meeting** | | |
| 69. (1) | The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is situated | **Chairperson may adjourn the meeting** |
| (2) | No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. | **Business at adjourned meeting** |
| (3) | If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such | **Adjournment in case quorum is not present** |
| (4) | 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. | **Notice of adjourned meeting** |
| (5) | Save as aforesaid, and save as provided in 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. | **Notice of adjourned meeting not required** |
| **Voting rights** | | |
| 70. | Subject to any rights or restrictions for the time being attached to any class or classes of shares -<br><br>(a) on a show of hands, every member present in person shall have one vote; and<br><br>(b) 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.<br>(c) every member, not disqualified by these articles shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person<br><br>(d) Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares. | **Entitlement to vote on show of hands and on poll** |
| 71. | A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.<br>(The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company | **Voting through electronic means** |
| 72. (1) | 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. | **Vote of joint holders, proxy** |

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| | The proxy so appointed shall not have any right to speak at the meeting.<br>Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof. | |
| (2) | For this purpose, seniority shall be determined by the order in which the names stand in the register of members.<br>Such person shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. | **Seniority of names** |
| 73. | 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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians. | **How members non compos mentis and minor may vote** |
| 74. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.<br><br>At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.<br><br>If a poll is demanded as aforesaid, the same shall subject to the clause herein with respect to the election of chairman and question of adjournment of meeting hereunder, be taken at such place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situated, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.<br><br>Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinisers, who may or may not be members of the Company to scrutinise the votes given on the poll and to report thereon to him, subject to that one of the scrutinisers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutiniser from office and fill the vacancy so caused in the office of a scrutiniser arising from such removal or from any other cause. | **Voting by poll** |

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| | Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.<br><br>The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.<br><br>On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses<br><br>No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever. | |
| 75. | 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 or in regard to which the Company has exercised any right of Lien. | **Restriction on voting rights** |
| 76. | A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article. | **Restriction on exercise of voting rights in other cases to be void** |
| 77. | Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. | **Equal rights of members** |
| **Proxy** | | |
| 78. (1) | Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.<br><br>A member, present by proxy, shall be entitled to vote only on a poll. | **Member may vote in person or otherwise** |
| (2) | The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized 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, and in default the instrument of proxy shall not be treated as valid.<br>No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution. | **Proxies when to be deposited** |
| 79. | An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting. An instrument appointing a proxy shall be in the form as prescribed in the Rules.<br>Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time | **Form of proxy** |
| 80. | 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 | **Proxy to be valid notwithstanding** |

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| | the proxy was executed, or the transfer of the shares in respect of which the proxy is given:<br>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. | **death of the principal** |
| 80 (A) | Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. | **Manner of appointment of proxy** |
| **Board of Directors** | | |
| 81. | Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than fifteen (fifteen), provided that the Company may appoint more than fifteen directors after passing a special resolution. Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations.<br><br>The Company shall have such number of Independent Directors on the Board or Committees of the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI Listing Regulations or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations. | **Board of Directors** |
| 81A | The Directors shall not be required to hold any qualification shares in the Company. | **Qualification shares** |
| 82. (1) | The Board of Directors shall appoint the Chairperson of the Company.<br><br>The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company. | **Chairperson and Managing Director** |
| (2) | At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors Managing Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.<br><br>If the Managing Director ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.<br><br>Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot. | **Directors liable to retire by rotation** |

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| | A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.<br><br>Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.<br><br>If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.<br><br>If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-<br><br>(a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;<br>(b) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;<br>(c) he is not qualified, or is disqualified, for appointment.<br>(d) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or<br>(e) Section 162 of the Act is applicable to the case. | |
| 83. (1) | The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. | **Remuneration of Directors** |
| (2) | The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting. | **Remuneration to require members' consent** |
| (3) | 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—<br><br>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or<br><br>(b) in connection with the business of the Company.<br><br>(c) and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company. | **Travelling and other expenses** |
| (4) | Subject to the provisions of these Articles and the provisions of the Act, the Board may, decide to pay a Director out of funds of the Company by way of sitting fees, within the ceiling prescribed under the Act, a sum to be determined by the Board for each meeting of the Board or any committee or sub-committee thereof attended by him in addition to his traveling, boarding and lodging and other expenses incurred | **Sitting Fees** |
| **Appointment and Remuneration of Directors** | | |

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| 84. | Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013 and other provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Director or Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission or paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting. The Board shall have the power to pay remuneration to such director for his services rendered.<br><br>Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder | **Appointment** |
| 85. | Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board. | **Independent Director** |
| 86. (1) | Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis. | **Remuneration** |
| (2) | Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director | **Payment for Extra Service** |
| 87. | 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. | **Execution of negotiable instruments** |
| 88. (1) | Subject to the provisions of the Act, 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. | **Appointment of additional directors** |
| (2) | 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. | **Duration of office of additional director** |
| 89. (1) | The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No | **Appointment of alternate director** |

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| | person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. | |
| (2) | An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India | **Duration of office of alternate director** |
| (3) | If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director. | **Re-appointment provisions applicable to Original Director** |
| 90. (1) | If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. | **Appointment of director to fill a casual vacancy** |
| (2) | The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated. | **Duration of office of Director appointed to fill casual vacancy** |
| (3) | The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013<br><br>Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed. | **Manner of vacation of office of director** |
| (4) | If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as "the Debenture Director". A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company. | **Debenture Director** |

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| (5) | (i) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.<br><br>(ii) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.<br><br>(iii) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director. | **Right of Persons Other than retiring Directors to Stand for Directorship** |
| (6) | The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.<br><br>Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013. | **Register of Directors and key Managerial Personnel and their Shareholding** |
| (7) | (iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;<br><br>(a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or<br>(b) by way of commission, if the Company, by a special resolution, authorises such payment.<br>(iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act. | **Remuneration of director who is neither in the Whole-time employment nor a Managing Director** |
| **Powers of Board** | | |
| 91. (1) | The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise | **General powers of the Company vested in Board** |

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| | authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. | |
| (2) | Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power -<br>(i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;<br><br>(ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;<br><br>(iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;<br><br>(iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;<br><br>(v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;<br><br>(vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,<br><br>(vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees; | **Powers of the Board** |

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| | (viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;<br>(ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;<br><br>(x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;<br><br>(xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;<br><br>(xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;<br><br>(xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;<br><br>(xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;<br><br>(xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or | |

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| | other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;<br><br>(xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.<br><br>(xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.<br><br>(xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.<br><br>(xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body | |

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| | of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;<br><br>(xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;<br><br>(xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants. | |
| **Proceedings of the Board** | | |
| 92. (1) | The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.<br><br>Provided, that the Board of Directors shall hold meetings at least once in every three months and at least four times every calendar year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. | **When meeting to be convened** |
| (2) | The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. | **Who may summon Board meeting** |
| (3) | The quorum for a Board meeting shall be as provided in the Act.<br><br>Provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.<br><br>If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.<br><br>A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally. | **Quorum for Board meetings** |
| (4) | The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed. | **Participation at Board meetings** |
| (5) | At least 7 (seven) Days' written notice shall be given in writing to every Director by hand delivery or by speed-post or by registered post or by facsimile or by email or by any other electronic means, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable, to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors. | **Notice of Board meetings** |

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| | Subject to the provisions of section 173(3) meeting may be called at shorter notice. | |
| 93. (1) | Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc. and save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. | **Questions at Board meeting how decided** |
| (2) | In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. | **Casting vote of Chairperson at Board meeting** |
| 94. | 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. | **Directors not to act when number falls below minimum** |
| 95. (1) | The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. | **Who to preside at meetings of the Board** |
| (2) | If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting | **Directors to elect a Chairperson** |
| 96. (1) | 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. | **Delegation of powers** |
| (2) | 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. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board. | **Committee to conform to Board regulations** |
| (3) | The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws. | **Participation at Committee meetings** |
| 97. (1) | A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. | **Chairperson of Committee** |
| (2) | If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | **Who to preside at meetings of Committee** |
| 98. (1) | A Committee may meet and adjourn as it thinks fit. | **Committee to meet** |
| (2) | Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. | **Questions at Committee meeting how decided** |
| (3) | In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote. | **Casting vote of Chairperson at Committee meeting** |
| 99. | The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under these Articles | **Acts of Board or Committee valid notwithstanding defect of appointment** |

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| | 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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. | |
| 100. | Save as otherwise expressly provided in the Act, a resolution in writing, signed and has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution. whether manually or by secure electronic mode, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held. | **Passing of resolution by Circulation** |
| 101.(1) | Subject to the provisions of the Act, -<br><br>A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses. | **Chief Executive Officer, etc.** |
| (2) | A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. | **Director may be chief executive officer, etc.** |
| (3) | The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely<br>(i) Managing Director, and<br>(ii) Manager | |
| (4) | A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, 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, chief financial officer. | **Authorisation of act done in respect of any director, chief executive officer, manager, company secretary, chief financial officer** |
| **Registers** | | |
| 102. | The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.<br><br>The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where | **Statutory registers** |

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| | required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. | |
| 103.(1) | The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. | **Foreign register** |
| (2) | The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members. | |
| **Dividends and Reserve** | | |
| 104. | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend. | **Company in general meeting may declare dividends** |
| 105. | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as in their judgement, the position of the Company justifies. | **Interim dividends** |
| 106.(1) | 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 applied 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, think fit.<br>Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-<br>(i) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;<br><br>(ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act. | **Dividends only to be paid out of profits** |
| (2) | The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | **Carry forward of Profits** |
| 107.(1) | 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. | **Division of profits** |
| (2) | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share and shall not confer a right to dividend or to participate in profits. | **Payments in advance** |

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| (3) | 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. | **Dividends to be apportioned** |
| 108.(1) | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company, either alone or jointly with any other person or persons, on account of calls or otherwise in relation to the shares of the Company. | **No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom** |
| (2) | The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member or where any person under these articles is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company.. | **Retention of dividends** |
| 109.(1) | Any dividend, interest, bonus or other monies payable in cash in respect of shares may be paid by electronic mode or 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 but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments of calls due in respect of such Share and for all incidents otherwise. | **Dividend how remitted** |
| (2) | Every such cheque or warrant or pay- slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. It shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means. | **Instrument of Payment** |
| (3) | Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. | **Discharge to Company** |
| 110. | 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. | **Receipt of one holder sufficient** |
| 111. | No dividend shall bear interest against the Company. | **No interest on dividends** |
| 112. | The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. | **Waiver of dividends** |
| 113. | Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls. | **Setting off dividend against calls** |

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| 114. | Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer. | **When transfer of share shall not pass dividend right** |
| **Unpaid or unclaimed dividend** | | |
| 115.(1) | Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "the Unpaid Dividend Account of Sarva Foam Industries Limited" subject to the applicable provisions of the Act and the Rules made thereunder. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law. | **Transfer of unclaimed dividend** |
| (2) | Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed. | **Transfer to IEPF Account** |
| (3) | No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws. | **Forfeiture of unclaimed dividend** |
| **Accounts** | | |
| 116.(1) | The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules with respect to :-<br><br>(i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;<br>(ii) all sales and purchases of goods by the Company;<br>(iii) the assets and liabilities of the Company;<br>(iv) such particulars, if applicable to this Company, relating to utilisation of material and/or labour or to other items of cost, as may be prescribed by the Central Government.<br><br>Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.<br>The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.<br>Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarised returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the | **Inspection by Directors** |

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| | Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.<br>The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company. | |
| (2) | No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by Applicable Laws or authorized by the Board. | **Restriction on inspection by members** |
| (3) | The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.<br><br>A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.<br><br>The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder. | **Annual Reports, Financial Statements to be laid in Annual General Meeting and sent to members, trustees. Appointment of various auditors** |
| **Borrowing Powers** | | |
| 117. | Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.<br><br>The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves and securities premium of the Company. | **Power of the Board to borrow monies** |

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| | Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company. | |
| **Lock-in of equity shares in connection with initial public offering of the Company** | | |
| 118. (a) | Notwithstanding anything to the contrary contained in these Articles, where any Equity Shares held by persons other than promoters are required to be locked in under Regulation 17 of SEBI ICDR Regulations and such lock-in cannot be created or recorded by Depositories for any reason whatsoever including where such Equity Shares are (i) subject to pledge; or (b) under "freeze balance" or "safe balance", on a day prior to the commencement of the Lock-in Period, the Company shall have the power to issue instructions to the Depositories, directing them to record such Equity Shares as "non-transferable" for the duration of the applicable Lock-in Period. The aforementioned Equity Shares shall be treated as locked-in for the Lock-in Period as specified under the SEBI ICDR Regulations. | **Power to issue instructions to the depositories** |
| (b) | In the event of invocation of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so transferred or received by the pledgee upon such invocation shall continue to remain locked-in in the account of the pledgee for the balance Lock-in Period. | **Invocation of the pledge** |
| (c) | In the event of release of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so released shall continue to remain locked-in in the account of the pledgor for the balance Lock-in Period. | **Release of the pledge** |
| **Winding up** | | |
| 119. | Subject to the applicable provisions of the Act and the Rules made thereunder and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).– | **Winding up of Company** |
| (a) | 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. | |
| (b) | 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. | |

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| (c) | 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 and Insurance** | | |
| 120.(a) | Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively. And it shall include the payment of all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. | **Directors and officers right to indemnity** |
| (b) | Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court. | **Director, Managing director, Manager, Company Secretary or other officer of the Company shall be indemnified** |
| (c) | The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably. | **Insurance** |
| **Secrecy** | | |
| 121. | (i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles or the Memorandum of Association of the Company and the provisions of the Act.<br><br>(ii) Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require inspection of any books of accounts or documents of the Company or discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade | **Directors, manager, auditor, members, etc to maintain secrecy** |

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| | secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose. | |
| **General Power** | | |
| 122. | Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.<br><br>At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI Listing Regulations, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all its obligations as prescribed under the SEBI Listing Regulations, from time to time. | **General power** |

## SECTION IX – OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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 are, or may be deemed material, will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10.00 am and 5.00 pm on all Working Days and will also be available at the website of our Company at https://www.sarvafoam.com/investor-relations.php, from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without notice to the Shareholders, subject to compliance of the provisions contained in the Companies Act, 2013 and other applicable law.

### A. Material Contracts to the Offer

1. Offer Agreement dated September 30, 2026 entered between our Company, the Promoter Selling Shareholder and the BRLM.

2. Registrar Agreement dated September 30, 2026, entered between our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Registrar to the Offer, the Syndicate Members, the Promoter Selling Shareholder, and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholder and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into among our Company, the Promoter Selling Shareholder, the BRLM, the Syndicate Members and the Registrar to the Offer.

6. Underwriting Agreement dated [●] between our Company, the Promoter Selling Shareholder and Underwriters.

7. Monitoring Agency Agreement dated [●] amongst our Company and the Monitoring Agency.

### B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended.

2. Certificate of incorporation dated October 9, 2018 under the name *"Sarva Foam Industries Private Limited"* issued by the Registrar of Companies, Central Registration Centre.

3. Fresh certificate of incorporation dated February 22, 2025 under the name of *"Sarva Foam Industries Limited"* issued by the Registrar of Companies, Central Processing Centre, Manesar, Haryana, pursuant to conversion of our Company to a public limited company.

4. Resolution of our Board dated September 17, 2026 authorising the Offer and other related matters.

5. Shareholders' resolution dated September 21, 2026 authorising the Fresh Issue and other related matters.

6. Resolution of our Board dated September 30, 2026 taking on record the approval for the Offer for Sale by the Promoter Selling Shareholder.

7. Resolution of our Board dated September 30, 2026, approving this Draft Red Herring Prospectus.

8. Resolution dated September 30, 2026 passed by the Board approving the Draft Abridged Prospectus.

9. Copies of annual reports of our Company for the last 3 Fiscals.

10. Examination report on the Restated Consolidated Financial Statements dated September 30, 2026, of our Statutory Auditors, included in this Draft Red Herring Prospectus.

11. Resolution passed by the Board of Directors and the Shareholders dated January 01, 2025, and January 03, 2025, respectively for appointing Kunal Giani as the Chairman and Managing Director of our Company.

12. Resolution passed by the Board of Directors and the Shareholders dated September 17, 2026 and September 21, 2026, respectively for appointing Vijay Pal Singh Parmar as the Executive Director of our Company.

13. Resolution passed by the Board of Directors and the Shareholders dated August 27, 2026, and September 01, 2026, respectively for appointing Vishrut Joshi as an Executive Director of our Company.

14. Resolution passed by the Board of Directors and the Shareholders dated August 27, 2026, and September 01, 2026, respectively for appointing Chirag Sidana as an Executive Director of our Company.

15. Consent letter dated September 30, 2026 from S.L. Chhajed & Co. LLP, our Statutory Auditors for inclusion of their name as an *"expert"* as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 30, 2026 on our Restated Consolidated Financial Information; and (ii) the statement of special tax benefits dated September 30, 2026, included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

16. Consent dated September 30, 2026 from Mittal V. Kothari & Associates, practicing company secretary, to include their name in this Draft Red Herring Prospectus and as an *"expert"* as defined under section 2(38) of the Companies Act, 2013, in respect of the certificate issued by them in their capacity as practising company secretary to our Company.

17. Consent dated September 28, 2026 from Dr. Arvind S Mohite, Independent Chartered Engineer, to include their name in this Draft Red Herring Prospectus and as an *"expert"* as defined under section 2(38) of the Companies Act, 2013, in respect of the certificate dated September 28, 2026 on the proposed biochar gasification plant issued by them in their capacity as Independent chartered engineer to our Company.

18. Consent dated September 29, 2026 from Vishal Sunil Joshi, Independent Chartered Engineer, to include their name in this Draft Red Herring Prospectus and as an *"expert"* as defined under section 2(38) of the Companies Act, 2013, in respect of the certificate dated September 29, 2026 on the Manufacturing Facilities and capacity utilisation issued by them in their capacity as Independent chartered engineer to our Company.

19. Cost Vetting Report dated September 29, 2026 issued by Dun & Bradstreet Information Services India Private Limited;

20. Consents of our Directors, BRLM, Statutory Auditor, Syndicate Members, legal counsel to our Company, Registrar to the Offer, the Bankers to our Company, Chief Financial Officer, Company Secretary and Compliance Officer and practicing company secretary as referred to in their specific capacities.

21. Consent letter from the Promoter Selling Shareholder, authorising his participation in the Offer.

22. Certificate on Key Performance Indicators issued by S.L. Chhajed & Co. LLP, our Statutory Auditors, dated September 30, 2026.

23. Resolution of the Audit Committee dated September 30, 2026, approving the Key Performance Indicators.

24. Industry report dated titled *"Indian Rebonded Polyurethane Foam Market"* dated September 29, 2026, prepared by D&B, commissioned and paid for by our Company, exclusively in relation to the Offer.

25. Consent letter dated September 29, 2026 from D&B to include contents or any part thereof from their report titled *"Indian Rebonded Polyurethane Foam Market"* dated September 29, 2026 in this Draft Red Herring Prospectus.

26. Share Subscription and Shareholders' Agreement dated March 21, 2026 ("**SHA**") between our Company, Kunal Giani, Vijay Pal Singh Parmar, Existing Shareholders and Investors.

27. Waiver cum Amendment Agreement to the Share Subscription and Shareholders' Agreement dated September 30, 2026 by and amongst our Company, Kunal Giani, Vijay Pal Singh Parmar, Existing Shareholders, and Investors.

28. Tripartite agreement between NSDL, our Company and Registrar to the Offer dated December 19, 2024.

29. Tripartite agreement between CDSL, our Company and Registrar to the Offer dated June 5, 2025.

30. Due diligence certificate dated September 30, 2026 addressed to SEBI from the BRLM.

31. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

32. SEBI final observation letter dated [●], bearing reference number [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Kunal Giani**
**DIN: 08215931**
**Chairman and Managing Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Vijay Pal Singh Parmar**
**DIN: 10540388**
**Executive Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

_____
**Vishrut Joshi**
**DIN: 11056144**
**Executive Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Chirag Sidana**
**DIN: 11056139**
**Executive Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

_____
**Milind Sharma**
**DIN: 11106931**
**Independent Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Sumit Shastri**
**DIN: 09742112**
**Independent Director**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Smrati Mehta**
**DIN: 07543470**
**Independent Director**

**Date: Mumbai**
**Place: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF THE COMPANY**

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**Ravi Vaswani**
**DIN: 11878275**
**Independent Director**

**Date: Bhopal**
**Place: September 30, 2026**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India ("**SEBI**"), established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, each as amended, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY**

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**Payal Mishra**
**Chief Financial Officer**

**Place: Bhopal**
**Date: September 30, 2026**

## DECLARATION

I, Kunal Giani, hereby certify that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as the Promoter Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including, any of the statements, disclosures or undertakings made by or confirmed by or relating to the Company or any other persons in this Draft Red Herring Prospectus.

**SIGNED BY THE PROMOTER SELLING SHAREHOLDER**

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**Kunal Giani**

**Place: Bhopal**
**Date: September 30, 2026**