



(Please scan this QR code to view the Draft Red Herring prospectus)



**CRAFTECH PAPER MILLS LIMITED**  
(Formerly Known as Crafttech Paper Mills Private Limited)  
CIN: U21024MH2016PLC285602

Registered Office	Corporate Office	Contact Person	Telephone & Email	Website
Karwa Complex, Opp Panchayat Office, Main Road, NA, Latur – 413512, Maharashtra.	N.A.	Pragya Abhay Mishra (Company Secretary and Compliance Officer)	Email: <a href="mailto:admin@crafttechpaper.com">admin@crafttechpaper.com</a> Contact No.: 02382-299249	<a href="http://www.crafttechpaper.com">www.crafttechpaper.com</a>

**PROMOTERS OF THE COMPANY: SURYAKANT BANSILAL KARWA AND YASH SURYAKANT KARWA**

**DETAILS OF THE OFFER**

TYPE	FRESH ISSUE (₹ In Lakhs)	OFFER FOR SALE SIZE (₹ In Lakhs)	TOTAL OFFER SIZE (₹ In Lakhs)	ELIGIBILITY
<b>Fresh Issue &amp; Offer for Sale</b>	Upto 53,50,000 Equity Shares of face value of ₹10/- each aggregating to ₹ [●] Lakhs	Upto 6,46,000 Equity Shares of face value of ₹10/- each aggregating to ₹ [●] Lakhs	Upto 59,96,000 Equity Shares of face value of ₹10/- each aggregating to ₹ [●] Lakhs	This Offer is being made in terms of Regulation 229(2) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For further details, please refer to the chapter titled " <b>Other Regulatory and Statutory Disclosures - Eligibility for the Offer</b> " beginning on page 212. For details of share reservation among Qualified Institutional Bidders ("QIBs"), Non-Institutional Bidders ("NIBs") and Individual Investors ("IIs") please refer to the section titled " <b>Offer Structure</b> " beginning on page <b>OFFER STRUCTURE</b> 231 of this Draft Red Herring Prospectus.

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

NAME OF THE SELLING SHAREHOLDER	TYPE OF SELLING SHAREHOLDER	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (₹ IN LAKHS)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
<b>Yash Suryakant Karwa</b>	Promoter Selling Shareholder	Up to 6,46,000 Equity Shares of face value of ₹ [●] each aggregating to ₹ [●] Lakhs	6.67

\*As certified by BSMART and Associates, Chartered Accountants, by way of their certificate dated December 15, 2025.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first public Offer of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹10/-. 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, as stated under "**Basis for Offer Price**" on page 100 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 nor regarding the price at which the Equity Shares will be traded after Listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered 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 Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "**Risk Factors**" beginning on page 33 of this Draft Red Herring Prospectus.


**COMPANY'S AND SELLING SHAREHOLDER 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. Further, the Selling Shareholder, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholder assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares Offered through this Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "*in-principle*" approval letter dated [●] from BSE SME for using its name in the Offer Document for listing of our shares on the BSE SME. For the purpose of this Offer, the Designated Stock Exchange will be the BSE SME.

**BOOK RUNNING LEAD MANAGER TO THE OFFER**

Name and Logo	Contact Person	Email & Telephone
 <b>HORIZON MANAGEMENT PRIVATE LIMITED</b>	Narendra Bajaj	Email- <a href="mailto:smeipo@horizon.net.co">smeipo@horizon.net.co</a> Tel.: +91 33 46000607

**REGISTRAR TO THE OFFER**

Name and Logo	Contact Person	Email & Telephone
 <b>MAASHITLA SECURITIES PRIVATE LIMITED</b>	Mukul Agrawal	Email- <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> Tel.: 011-47581432

**BID/OFFER PERIOD**

ANCHOR INVESTOR BID/OFFER PERIOD: [●]*	BID/OFFER OPENS ON [●]*	BID/OFFER CLOSES ON [●]**^
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\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company may in consultation with the BRLM, consider closing the Offer Period for QIBs one Working Day prior to the Offer Closing Date in accordance with the SEBI ICDR Regulations.

^UPI mandate end time and date shall be at 5:00 pm on the Offer Closing Date.



(Please scan this QR code to view the Draft Red Herring prospectus)

**Draft Red Herring Prospectus**

**Dated: December 31, 2025**

**100% Book Built Offer**

**Please read Section 26 and 32 of the Companies Act, 2013**

**(This Draft Red Herring Prospectus will be updated upon filing with ROC)**



**CRAFTECH PAPER MILLS LIMITED**  
(Formerly Known as Crafttech Paper Mills Private Limited)  
CIN: U21024MH2016PLC285602

Our Company was originally incorporated and registered as a private limited company under the Companies Act, 2013 in the name and style of 'Crafttech Paper Mills Private Limited' on September 06, 2016 bearing Corporate Identification Number U21024MH2016PTC285602 Issued by the Registrar of Companies, Central Registration Centre. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed by our members at the Extra Ordinary General Meeting held on August 06, 2025 and consequently the name of our Company was changed to 'Crafttech Paper Mills Limited'. A fresh certificate of incorporation consequent upon conversion from private limited company to public limited company dated August 27, 2025, was issued by Registrar of Companies, Central Processing Centre bearing Corporate Identification Number U21024MH2016PLC285602. For details of incorporation and change in the name of our Company, please refer to the chapter titled "History and Corporate Structure" beginning on page 149 of this Draft Red Herring Prospectus.

**Registered Office** Karwa Complex, Opp. Panchayat Office, Main Road, NA, Latur – 413512, Maharashtra;

**Telephone:** 02382-299249;

**Website:** [www.crafttechpaper.com](http://www.crafttechpaper.com); **E-mail:** [admin@crafttechpaper.com](mailto:admin@crafttechpaper.com) **Contact Person:** Pragna Abhay Mishra (Company Secretary and Compliance Officer); **CIN:** U21024MH2016PLC285602

**PROMOTERS OF OUR COMPANY– SURYAKANT BANSILAL KARWA AND YASH SURYAKANT KARWA**

**DETAILS OF THE OFFER**

**INITIAL PUBLIC OFFER OF UPTO 59,96,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF THE COMPANY AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC OFFER") COMPRISING A FRESH ISSUE OF UPTO 53,50,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 6,46,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH COMPRISING OF UPTO 6,46,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH BY YASH SURYAKANT KARWA ("THE SELLING SHAREHOLDER") ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS, OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF FACE VALUE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER" THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**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), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND ALL EDITIONS OF THE MARATHI DAILY NEWSPAPER, [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, 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 SME PLATFORM OF BSE LIMITED (BSE SME) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").**

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing extend the Bid/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 press release 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 Designated Intermediaries and Sponsor Bank as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229(2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, 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"), 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of such portion was reserved for applicants with Bid cum application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 Lakhs and (b) two-third of such portion was reserved for applicants with Bid cum application size of more than ₹ 10 Lakhs provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations. All Bidders are required to participate in the Offer by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 237 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first Offer of the Company, there has been no formal market for the securities of the Company. The face value of the equity shares is ₹10/-. The Offer Price/Floor Price/Price Band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Company nor regarding the price at which the equity shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered 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 Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on page 33 of this Draft Red Herring Prospectus.

**COMPANY'S AND SELLING SHAREHOLDER 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. Further, each of the Selling Shareholder, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholder assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Draft Red Herring Prospectus.

**LISTING**

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

**BOOK RUNNING LEAD MANAGER TO THE OFFER**



**HORIZON MANAGEMENT PRIVATE LIMITED**

**REGISTRAR TO THE OFFER**



**MAASHITLA SECURITIES PRIVATE LIMITED**

<b>Address:</b> 56E, Hemanta Basu Sarani, Stephen House, 4th Floor, Room No. 62, Kolkata -700001 <b>Tel No.:</b> +91 33 4600 0607 <b>Email:</b> <a href="mailto:smeipo@horizon.net.co">smeipo@horizon.net.co</a> <b>Investor Grievance ID:</b> <a href="mailto:investor.relations@horizon.net.co">investor.relations@horizon.net.co</a> <b>Website:</b> <a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a> <b>Contact Person:</b> Mr. Narendra Bajaj <b>SEBI Registration No.:</b> INM000012926 <b>CIN:</b> U74140WB1996PTC077991	<b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi-110034 <b>Tel No.:</b> 011-47581432 <b>Email:</b> <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> <b>Investor Grievance ID:</b> <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> <b>Contact Person:</b> Mr. Mukul Agrawal <b>SEBI Registration No.:</b> INR000004370 <b>CIN:</b> U67100DL2010PTC208725
<b>BID/OFFER PERIOD</b>	
<b>ANCHOR PORTION BID/OFFER PERIOD*: [●]</b>	<b>BID/OFFER OPENS ON: [●]</b>
	<b>BID/OFFER CLOSES ON^**: [●]</b>

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

\*\*Our Company may in consultation with the BRLM, 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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date

\*Subject to finalization of the Basis of Allotment

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## TABLE OF CONTENTS

<b>SECTION I – GENERAL .....</b>	<b>2</b>
DEFINITIONS AND ABBREVIATIONS .....	2
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND	
CURRENCY OF PRESENTATION .....	19
FORWARD LOOKING STATEMENTS.....	22
<b>SECTION II- SUMMARY OF THE OFFER DOCUMENT.....</b>	<b>24</b>
<b>SECTION III - RISK FACTORS.....</b>	<b>33</b>
<b>SECTION IV – INTRODUCTION .....</b>	<b>55</b>
SUMMARY OF FINANCIAL INFORMATION .....	58
GENERAL INFORMATION .....	61
CAPITAL STRUCTURE .....	72
OBJECTS OF THE OFFER .....	86
BASIS FOR OFFER PRICE.....	100
STATEMENT OF TAX BENEFITS.....	107
<b>SECTION V – ABOUT THE COMPANY .....</b>	<b>111</b>
INDUSTRY OVERVIEW .....	111
BUSINESS OVERVIEW .....	126
KEY INDUSTRY REGULATIONS .....	141
HISTORY AND CORPORATE STRUCTURE.....	149
OUR MANAGEMENT .....	154
PROMOTERS AND PROMOTER GROUP.....	172
DIVIDEND POLICY .....	177
<b>SECTION VI – FINANCIAL INFORMATION OF THE COMPANY .....</b>	<b>178</b>
RESTATED FINANCIAL STATEMENT .....	178
OTHER FINANCIAL INFORMATION .....	179
CAPITALISATION STATEMENT .....	181
STATEMENT OF FINANCIAL INDEBTEDNESS.....	182
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS	
OF OPERATIONS .....	184
<b>SECTION VII – LEGAL AND OTHER INFORMATION.....</b>	<b>195</b>
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS .....	195
GOVERNMENT AND OTHER APPROVALS .....	200
GROUP COMPANIES.....	206
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	207
<b>SECTION VIII – OFFER RELATED INFORMATION .....</b>	<b>220</b>
TERMS OF THE OFFER.....	220
OFFER STRUCTURE.....	231
OFFER PROCEDURE .....	237
RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	260
<b>SECTION IX- PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY .....</b>	<b>263</b>
<b>SECTION X – OTHER INFORMATION .....</b>	<b>276</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	276
DECLARATIONS.....	278

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications, directions or clarifications shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act and the rules and regulations made thereunder, as amended.*

*Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. 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.*

#### CONVENTIONAL OR GENERAL TERMS

Term	Description
Alternative Investment Funds/AIFs	Alternative investment funds as defined in and registered under the SEBI (Alternative Investment Funds) Regulations, 2012, as amended.
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time.
Depositories	NSDL and CDSL.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
Financial Year/ Fiscal Year/FY	The period of twelve months ended March 31 of that particular year
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
Our Company/ the Company/ Company/ Issuer/ Issuer Company/ Craftech	Craftech Paper Mills Limited, a company incorporated under the Companies Act, 2013, having its registered office at Karwa Complex, Opp. Panchayat Office Main Road, Latur, Maharashtra- 413512
Our Promoters	Suryakant Bansilal Karwa and Yash Suryakant Karwa.
Promoter’s Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <b>Promoters and Promoter Group</b> ” beginning on page 172 of this Draft Red Herring Prospectus.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from

Term	Description
	time to time
SEBI LODR Regulations/LODR	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Securities Act	The U.S. Securities Act of 1933, as amended
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India.
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. Person.
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company.
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31.
“you”, “your” or “yours”	Prospective investors in this Offer.

## OFFER RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary(ies) to an Applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Offer pursuant to successful bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	Successful bidder(s) to whom the Equity Shares have been offered.
Anchor Investor	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 ₹ 200 Lakhs.
Anchor Investor Allocation	The price at which Equity Shares will be allocated to the Anchor Investors in



Terms	Description
Price	terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB 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 a bank account maintained by an Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by an Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bid	A Bid made by ASBA Bidder.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Offer who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Offer and which is described in chapter titled “ <b>Offer Procedure</b> ” beginning page 237 of this Draft Red Herring Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form



Terms	Description
	and in the case of Individual Bidders, who applies for minimum application Size and Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Individual Bidder payable by the Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Offer.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI (ICDR) Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi edition of Regional newspaper [●] where the registered office of our Company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date or the QIB Bid/Offer Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/Applicant	Any prospective investor who makes a bid for Equity Shares in terms of Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/Bidding Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, specified locations for Syndicates, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer, in this case being Horizon Management Private Limited
Bankers to the Offer	The banks which are clearing members and registered with SEBI as Banker to an Offer with whom the Public Offer Account will be opened and, in this case, being [●].
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers

Terms	Description
	are available on the websites of the Stock Exchange.
BSE	BSE Limited.
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price will not be finalized and above which no Bids will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	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 Master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository(ies)	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018 as amended from time to time i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Intermediaries/Collecting Agents	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Offer.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.

Terms	Description
Designated Stock Exchange	BSE Limited.
DP ID	Depository Participant's Identity Number.
Draft Red Herring Prospectus/ DRHP	Draft Red Herring Prospectus dated [●] issued in accordance with Section 26 & 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) 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.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(iii) of the SEBI (ICDR) Regulations.
FPI/Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Fresh Issue of up to 53,50,000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (iii) of the SEBI ICDR Regulations.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the Offer document. Provided that any offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the Offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document

Terms	Description
	shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
GIR Number	General Index Registry Number
Individual Bidders/ Individual Investors	Individual Bidders who applies for minimum application size for two lots. Provided that the minimum application size shall be above ₹ 2,00,000/- (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
IPO/ Offer/ Offer Size/ Public Offer	The Initial Public Offer of up to 59,96,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs
Individual Investor Portion	The portion of the Offer being not less than 35% of the Net Offer, consisting of [●] Equity Shares of face value of ₹ 10 each, available for allocation to Individual Bidders.
Listing Agreement	The Equity Listing Agreement to be signed between our Company, Selling Shareholder and BSE Limited.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Market Maker.
Market Maker	The Market Maker to the Offer, in this case being [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 10/- each at an Offer price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Offer.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mld=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mld=43</a> or such other website as may be updated from time to time, which may be used by IIs to submit Bids using the UPI Mechanism.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Minimum Promoters Contribution	Aggregate of 20% of the fully diluted post-Offer equity share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoter that shall be locked-in for a period of three years from the date of Allotment.
NBFC	Non-Banking Financial Company
Net Offer	The Offer excluding the Market Maker Reservation Portion of [●] Equity Shares of Face Value of ₹ 10/-each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further information about use of the Offer Proceeds and the Offer expenses, please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 86.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or Individual Investors and who have Application for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs.)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price or through such other method of allocation as may be introduced under applicable law.

Terms	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
NSE	National Stock Exchange of India Limited
Offer Agreement	The agreement dated December 16, 2025 amongst our Company, the Selling Shareholder and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Offer, which shall be notified in all editions of English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi editions of regional daily newspaper [●] where the registered office of the Company is situated, each with wide circulation as required under the SEBI (ICDR) Regulations.
Offer Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Offer, which shall be the date notified in all editions of English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi editions of regional daily newspaper [●] where the registered office of the Company is situated, each with wide circulation as required under the SEBI (ICDR) Regulations.
Offer Period	The periods between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Offer Price	₹ [●] per Equity Share, the final price (within the Price Band) at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and 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. For further details please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 86 of this Draft Red Herring Prospectus.
Pay-in-Period	The period commencing on the Bid/Offer Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi editions of regional daily newspaper [●] where the registered office of the Company is situated, wide circulation at least two working days prior to the

Terms	Description
	Bid / Offer Opening Date.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, 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.
Pricing Date	The date on which our Company, in consultation with the Managers, will finalize the Offer Price.
Public Offer Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Public Offer Account Agreement	Agreement to be entered into by our Company, the Selling Shareholder, the Registrar to the Offer, the Book Running Lead Manager, and the Public Offer Bank/Banker to the Offer for collection of the Application Amounts.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹ [●] Lakhs which shall be Allotted to QIBs (including Anchor Investors) 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), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Red Herring Prospectus/RHP	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does 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.
Registered Brokers	Stockbrokers 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 and having terminals at any of the Broker Centers and eligible to procure Applications in terms of Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024 and the UPI Circulars issued by SEBI.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar Agreement	The agreement dated December 19, 2025 among our Company, the 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/Registrar to the Offer and/or Share Transfer Agent.	Registrar to the Offer being Maashitla Securities Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. Any of the Bidders are not allowed to withdraw or lower their Bids (in terms



Terms	Description
	of quantity of Equity Shares or the Bid Amount) at any stage.
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018, as amended from time to time.
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System.
SEBI Master Circular	The SEBI Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024.
Securities laws	Refers to the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The list of SCSBs notified by SEBI for the ASBA process is available <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=35</a> ) and updated from time to time.</p> <p>For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=35</a> ) as updated from time to time.</p> <p>In accordance with SEBI Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int_mId=43</a>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public offers using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.</p>
SME Exchange	"SME Exchange" means a trading platform of a recognized stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities offered in accordance with Chapter IX of the SEBI ICDR Regulations and includes a stock exchange granted recognition for this purpose but does not include the Main Board.
Specified Locations	Bidding centers where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form.



Terms	Description
Sponsor Bank	The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars, being [●].
Stock Exchange	BSE Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time, The BRLM shall act as the underwriter to the Offer.
Underwriting Agreement	The Agreement entered into between the Underwriter, our Company and the Selling Shareholder dated [●].
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	<p>Collectively, individual investors applying as (i) Individual Bidders in the Individual Investor Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹500,000 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.</p> <p>Pursuant to circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024, issued by SEBI, all individual investors applying in public offers where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the 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 websites of the stock exchange as eligible for such activity), and (iv) a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).</p>
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID Linked Bank Account	Account of the Individual Investor, applying in the Offer using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.

Terms	Description
UPI Mechanism	The bidding mechanism that may be used by a individual investors to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business: - 1. However, in respect of announcement of price band and Offer Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Red Herring Prospectus are open for business. 2. In respect to the time period between the Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

## COMPANY AND INDUSTRY RELATED TERMS

Term	Description
Articles/Articles of Association/AOA	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company constituted in accordance with Section 177 of the Companies Act, 2013. For details pertaining to the constitution of Audit Committee, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, BSMART and Associates LLP
Bankers to the Company	HDFC Bank Limited
Board of Directors/ The Board/ Our Board	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
BF	Bursting Factor
Boiler	A boiler is a closed vessel in which fluid (generally water) is heated. The fluid does not necessarily boil. The heated or vaporized fluid exits the boiler for use in various processes or heating applications, including water heating, central heating, boiler-based power generation, cooking, and sanitation.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, being Yash Suryakant Karwa.
CIN	Corporate Identification Number of our Company i.e. U21024MH2016PLC285602.
Companies Act/ Act	The Companies Act, 2013 and amendments thereto.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Pragya Abhay Mishra.
CSR Committee/ Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of the Board of Directors constituted in accordance with Section 135 of the Companies Act, 2013. For more details, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
Corrugated Boxes	Corrugated box is industrially prefabricated box made from Kraft paper and other paper, primarily used for packaging goods and materials and can also be recycled.
Depositories Act	The Depositories Act, 1996, as amended from time to time.

Term	Description
DIN	Director Identification Number
Director(s)/our directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
DP ID	Depository’s Participant’s Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Executive Director(s)	Executive Directors shall include Managing Director and Whole-time Directors of our Company, as described in the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FMCG	Fast Moving Consumer Goods.
Group Companies / Group Company	Our group company identified in accordance with SEBI (ICDR) Regulations and in accordance with our Materiality Policy. For details, please refer to the chapter titled “ <b>Group Companies</b> ” beginning on page 206 of this Draft Red Herring Prospectus.
GSM	Grams per Square Meter
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE20RY01011.
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Managerial Personnel/ Key Managerial Employees/KMPs	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus
KW	Kilo Watt
LLP	A limited liability partnership incorporated under the Limited Liability Partnership Act, 2008.
Managing Director/MD	The Managing Director of our Company being Suryakant Bansilal Karwa
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 15, 2025 in accordance with the requirements of the SEBI ICDR Regulations.
Memorandum / Memorandum of Association / MOA	Memorandum of Association of our Company as amended from time to time.
MW	Mega Watt

Term	Description
MM	Mili Meter
MT	Metric Tonne
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For more details, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
Non-Executive Directors / Nominee Director	Non-Executive Director on our Board. For details of our Non-Executive Directors, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
Non-Residents /NRIs	NRIs / Non-Resident Indians A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
OCC	Old Corrugated Cardboards.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the chapter titled “ <b>Promoters and Promoter Group</b> ” beginning on page 172 of this Draft Red Herring Prospectus.
Promoter(s)	Shall mean Promoters of our Company i.e. Suryakant Bansilal Karwa and Yash Suryakant Karwa. For further details, please refer to the chapter titled “ <b>Promoters &amp; Promoter Group</b> ” beginning on page 172 of this Draft Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	The registered office of our Company situated at Karwa Complex, Opp. Panchayat Office Main Road, Latur, Maharashtra- 413512.
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the period ended September 30, 2025 and the financial year ended on March 31, 2025, 2024, and 2023 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, 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 details, please refer to the section titled “ <b>Financial Information of the Company</b> ” beginning on page 178 of this Draft Red Herring Prospectus.
ROC / Registrar of Companies	Registrar of Companies, Mumbai, Maharashtra.
Recycling	Use of recovered wastepaper and board by paper mills to produce paper and boards
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178(5) of the Companies Act, 2013. For details, please refer to the chapter titled “ <b>Management</b> ” beginning on page 154 of this Draft Red Herring Prospectus.
TPD	Tonnes Per Day
ZLD	Zero Liquid Discharge

## ABBREVIATIONS

Term	Description
\$/ U.S. \$/ USD	United States Dollar, the legal currency of the United States of America.
₹/Rs. /Rupees/INR	Indian Rupees, the legal currency of the Republic of India.
AAV	Antyodaya Ann Yojana
AGM	Annual general meeting.
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services (India) Limited.
CPI	Consumer Price Index
CY	Calender Year
DII's	Domestic Institutional Investors
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
DPIIT	Department of Promotion of Industry and Internal Trade
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there- under and as amended from time to time.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
Financial Year/ Fiscal Year/FY	The period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board.
FIs	Financial Institutions.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product
Gov/ Government/GoI	Government of India
GW	Gigawatts
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
IIP	Index of Industrial Production
IMPS	Immediate Payment Service
ITAT	Income Tax Appellate Tribunal
KYC	Know Your Customer

Term	Description
LIC	Low-Income Country
Ltd.	Limited
MCA	Ministry of Corporate Affairs
MOF	Ministry of Finance, Government of India
MoSPI	Ministry of Statistics and Programme Implementation
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
MSP	Minimum Support Price
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NeGD	National E-Governance Division
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NR/ Non-Residents	Non-Resident
NRAI	National Restaurant Association of India
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PE	Private Equity
PESTEL	Political Economic Social Technology Environmental and Legal factors
PHDCCI	PHD Chamber of Commerce and Industry
PHH	Primary Household
PIO	Person of Indian Origin
PLR	Prime Lending Rate
PM-DevINE	Prime Minister's Development Initiative for North Eastern Region
PMGKAY	Pradhan Mantri Garib Kalyan Anna Yojana
Pvt. Ltd.	Private Limited
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RFP	Request for Proposal
RFQ	Request for Quotation
RoNW	Return on Net Worth

Term	Description
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax deduction account number
TCS	Tax Collected at Source
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
UIN	Unique Identification Number
VAT	Value Added Tax
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
w.e.f.	With effect from
WEO	World Economic Outlook
YoY	Year on Year

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## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

### CERTAIN CONVENTIONS

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Craftech Paper Mills Limited. All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Red Herring Prospectus, all references to “India”, unless the context otherwise indicates or implies, refers to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

### USE OF FINANCIAL INFORMATION

Unless stated otherwise or the context otherwise requires, the financial information in this Draft Red Herring Prospectus has been derived from our Restated Financial Statements. Our Company’s financial year commences on April 01 of the immediately preceding calendar year and ends on March 31 of that particular year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that calendar year.

The Restated Financial Statements of our Company for six months period ended September 30, 2025 and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023. These comprises of restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow, together with the notes to the restated summary statements (collectively, the Restated Financial Statements). These statements are compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI, as amended from time to time.

There are significant differences between Ind AS, Indian GAAP, 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 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, Ind AS, the Indian GAAP 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.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Business Overview**” and “**Management Discussion and Analysis of Financial Conditions and Result of Operations**” beginning on pages 33, 126 and 184 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

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 and all the percentage figures have been rounded off to two decimal places including percentage figures in “**Risk Factors**”, “**Industry Overview**” and “**Business Overview**” beginning on pages 33, 111 and 126 respectively, of this Draft Red Herring Prospectus.

### NON-GAAP MEASURES

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial

performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR Net Asset Value per Equity Share, Return on Net worth, Net worth, EBIT, Capital Employed, Return on Capital Employed and others (“Non-GAAP Measures”), have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP 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-GAAP financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures 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. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. These Non-GAAP 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 and hence have limited usefulness as a comparative measure. These Non-GAAP Financial Measures and other statistical and operational information have been reconciled to their nearest GAAP measure in chapters titled “**Business Overview**”, “**Other Financial Information**” and “**Capitalisation Statement**” beginning on pages 126, 179 and 181, respectively of this Draft Red Herring Prospectus.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented 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.

The extent to which the market and industry data used 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “**Basis for Offer Price**” on page 100 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors**” on page 33 of this Draft Red Herring Prospectus.

## EXCHANGE RATES

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations, 2018. 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 Indian Rupee and other foreign currencies:

Currency	Exchange Rate as on:			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	88.79	85.58	83.37	82.21

Source: [www.fbil.org.in](http://www.fbil.org.in) and [www.rbi.org.in](http://www.rbi.org.in)

*Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. Exchange rate is rounded off to two decimal places.*

## CURRENCY OF PRESENTATION

All references to “Rupees”, “Rs”, “INR” or “₹” are to Indian National Rupee, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in thousand and / or Lakhs, except where specifically indicated. One lakh represents 1,00,000. Ten Lakhs represent 10,00,000 and one crore represents 1,00,00,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than Lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand.”

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## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as *“aim”, “anticipate”, “believe”, “are likely”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue”* or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also 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. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

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

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- A portion of our revenue is derived from a limited number of customers, and the loss of any one or more of these customers could impact our business, although our diversified customer base helps mitigate this risk.
- Our Company’s operations are dependent on the availability and cost of recycled fibre and other inputs, and any disruption in supply, increase in costs, or deterioration in quality of such inputs could adversely affect our business and results of operations
- If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.
- Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition.
- Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance. Moreover, information relating to capacity utilization of our production facility included in this Draft Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.
- Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.
- Our business is subject to various statutory approvals, licenses, registrations and permits, certain of which are pending or are yet to be obtained, and any delay, failure or non-compliance in relation thereto may adversely affect our operations.
- Our Company, our Promoters and our Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.
- There have been instances of delays in compliance with the corporate governance requirements within the prescribed timelines provided in the Companies Act by us, and we have filed suo moto compounding applications with the RoC for these non-compliances.
- Instances of non-compliance with regulatory requirements and clerical errors could subject us to regulatory action and penalties

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to the chapters titled *“Risk Factors”, “Business Overview”* and *“Management Discussion and Analysis of Financial Condition and Results of Operations”* beginning on pages 33, 126 and 184 respectively,

of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflects current 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 the Company, the Selling Shareholder, the Directors, the Promoter, the Syndicate 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.

In accordance with the SEBI ICDR Regulations, our Company, the Promoter and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Offer.

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## SECTION II- SUMMARY OF THE OFFER DOCUMENT

*The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the chapters titled “Risk Factors”, “Offer details in brief”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Business Overview”, “Promoters and Promoter Group”, “Restated Financial Information”, “Outstanding Litigation and Material Developments” and “Offer Procedure” beginning on pages 33, 55, 72, 86, 111, 126, 172, 178, 195, and 237, respectively of this Draft Red Herring Prospectus.*

### PRIMARY BUSINESS OF OUR COMPANY

Our Company, Craftech Paper Mills Limited (our “**Company**”) is an integrated kraft paper manufacturer based out of Latur, Maharashtra. Our Company is engaged in the production of recycled kraft paper ranging from 100-300 GSM and BF 18-28 for use in corrugation, industrial packaging, paper bags and allied applications.

Our Company serves a diversified base of dealers, distributors, packaging converters, corrugated box manufacturers and regional trading houses across Western, Southern and Central India. With growing demand for sustainable and recyclable packaging solutions, our product portfolio positions us to capture opportunities arising from the expansion of the domestic packaging ecosystem and the increasing shift towards eco-friendly materials. The Company’s manufacturing process is based on 100% recycled fibre and old corrugated cartons (OCC) and is operated under a Zero Liquid Discharge (“**ZLD**”) framework.

For further details, please refer to the chapter titled “**Business Overview**” beginning on page 126 of this Draft Red Herring Prospectus.

### INDUSTRY IN WHICH OUR COMPANY OPERATES

The Indian Paper and Packaging Industry is positioned for sustained growth, driven by rising domestic consumption, rapid expansion of e-commerce, increasing organized retail penetration, and a structural shift toward sustainable and recyclable packaging solutions. The sector benefits from strong macroeconomic fundamentals, supportive government initiatives such as Make in India, and increasing focus on food safety, environmental compliance, and supply-chain efficiency across FMCG, food processing, pharmaceuticals, and e-commerce industries.

As of FY 2024-25, India’s domestic paper market is estimated at 23.84 million tonnes, growing at a CAGR of approximately 6%, with packaging paper and paperboard forming the largest share at 15.54 million tonnes. The packaging industry, the fifth largest sector of the Indian economy, is expanding at 22–25% annually, supported by over 22,000 packaging units, predominantly MSMEs, and a robust paper manufacturing base of around 850 mills operating at capacity utilisation levels exceeding 95%. With production expected to rise to ~35 million tonnes by FY 2030, 100% FDI permitted under the automatic route, and increasing investments in technology, recycling infrastructure, and sustainable materials, the industry is well positioned for long-term growth and value creation.

For further details, please refer to the chapter titled “**Industry Overview**” beginning on page 111 of this Draft Red Herring Prospectus.

### PROMOTERS

As on the date of this Draft Red Herring Prospectus, our Promoters are Suryakant Bansilal Karwa and Yash Suryakant Karwa. For further details, please refer to the chapter titled “**Promoters and Promoter Group**” beginning on page 172 of this Draft Red Herring Prospectus.

### OFFER SIZE

<b>Offer</b>	Up to 59,96,000 Equity shares of face value of ₹10/- of our Company at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs.
<b>which includes:</b>	
<b>Fresh Issue</b>	Up to 53,50,000 Equity shares of face value of ₹10/- of our Company at a price of

	₹[●] per Equity Share aggregating up to ₹ [●] Lakhs.	
Offer For Sale	<b>Name of Selling Shareholder</b>	<b>No. of Equity Shares Offered</b>
	Yash Suryakant Karwa	6,46,000

#### OBJECTS OF THE OFFER

Particulars	Amount (₹ in Lakhs)
Capital Expenditure towards purchase of Boiler	Up to 750.00
Capital Expenditure towards purchase of a 2 MW Back Pressure Steam Turbine Generator (STG)	Up to 250.00
Funding the Working Capital requirement of our company	Up to 900.00
Prepayment or repayment of all or a portion of certain loans availed by our Company	Up to 550.00
General Corporate Purpose <sup>##</sup>	[●]
Net Offer Proceeds	[●]

<sup>\*</sup>The amount utilized for general corporate purpose shall not exceed fifteen percent of the gross proceeds of the Offer or ₹10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation.

<sup>##</sup>To be updated in the Prospectus prior to filing with the RoC.

For further details, please refer to the chapter titled “*Objects of the Offer*” beginning on page 86 of this Draft Red Herring Prospectus.

#### AGGREGATE PRE-OFFER SHAREHOLDING OF THE PROMOTER, THE PROMOTER GROUP AND THE SELLING SHAREHOLDER, AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

The aggregate pre-Offer shareholding of our Promoters, the Promoter Group and the Selling Shareholder as a percentage of the pre-Offer and post-Offer paid-up equity share capital of our Company is set out below:

Category of Shareholders	No. of Pre-Offer Equity Shares	Pre-Offer Percentage of Paid-up Equity Share Capital (%)	No. of Post-Offer Equity Shares	Post-Offer Percentage of Paid-up Equity Share Capital (%)
<b>Promoters</b>				
Suryakant Bansilal Karwa	92,99,625	67.38%	[●]	[●]
Yash Suryakant Karwa	45,00,000	32.61%	[●]	[●]
<b>Total (A)</b>	<b>1,37,99,625</b>	<b>99.99%</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>				
Brinda Yash Karwa	75	Negligible	[●]	[●]
Shailaja Suryakant Karwa	75	Negligible	[●]	[●]
<b>Total (B)</b>	<b>150</b>	<b>Negligible</b>	<b>[●]</b>	<b>[●]</b>
<b>Public Shareholders</b>				
Alka Karwa	75	Negligible	[●]	[●]
Umakant Karwa	75	Negligible	[●]	[●]
Mukesh Karwa	75	Negligible	[●]	[●]
<b>Total (C)</b>	<b>225</b>	<b>Negligible</b>	<b>[●]</b>	<b>[●]</b>
<b>Grand Total (A+B+C)</b>	<b>1,38,00,000</b>	<b>100%</b>	<b>[●]</b>	<b>[●]</b>

#### SHAREHOLDING OF PROMOTER/PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT

For further details, please refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Draft Red Herring Prospectus.



Sr. No.	Pre-Offer shareholding as at the date of Advertisement			Post-Offer shareholding as at Allotment <sup>(2)</sup>			
	Shareholders	Number of Equity Shares <sup>(1)</sup>	Share Holding (in %) <sup>(1)</sup>	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares <sup>(1)</sup>	Shareholding (in %) <sup>(1)</sup>	Number of Equity Shares <sup>(1)</sup>	Shareholding (in %) <sup>(1)</sup>
Promoters							
1.	Suryakant Bansilal Karwa	92,99,625	67.38%	[●]	[●]	[●]	[●]
2.	Yash Suryakant Karwa	45,00,000	32.61%	[●]	[●]	[●]	[●]
	Sub Total (A)	1,37,99,625	99.99%	[●]	[●]	[●]	[●]
Promoter Group							
1.	Brinda Yash Karwa	75	Negligible	[●]	[●]	[●]	[●]
2.	Shailaja Suryakant Karwa	75	Negligible	[●]	[●]	[●]	[●]
	Sub Total (B)	150	Negligible	[●]	[●]	[●]	[●]
Additional Top 10 Shareholders							
1.	Alka Karwa	75	Negligible	[●]	[●]	[●]	[●]
2.	Umakant Karwa	75	Negligible	[●]	[●]	[●]	[●]
3.	Mukesh Karwa	75	Negligible	[●]	[●]	[●]	[●]
	Sub Total (C)	225	Negligible	[●]	[●]	[●]	[●]
	Grand Total (A+B+C)	1,38,00,000	100%	[●]	[●]	[●]	[●]

(1) Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-Offer and price band advertisement until date of prospectus.

(2) To be updated in Prospectus subject to finalization of the basis of allotment.

#### SUMMARY OF RESTATED FINANCIAL INFORMATION

A summary of the financial information of our Company as derived from the Restated Financial Statements for period ended on September 30, 2025 and for financial years ended on March 31, 2025, 2024 and 2023 are as follows:

(₹ in Lakhs, except per share data)

Particulars	For the period/year ended			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Share Capital	920.00	800.00	800.00	800.00
Net Worth <sup>(1)</sup>	1,817.68	983.33	631.21	603.82
Revenue from Operations	5,940.61	10,069.30	7,996.77	8,748.57
Profit/(loss) after tax	534.35	352.12	27.39	(19.90)
Earnings per Share <sup>(2)</sup>	4.45	2.93	0.23	(0.17)
Net Asset Value per Share <sup>(3)</sup>	15.15	8.19	5.26	5.03

Total Borrowings <sup>(4)</sup>	4,727.94	4,849.52	4,528.61	4,594.67
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1. "Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company;
2. Earnings per share (Basic & diluted) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year/period
3. Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.
4. Total borrowings is equals to Restated Long Term Borrowings Plus Restated Short-Term Borrowings outstanding at the end of the year/period.
5. EPS and NAV have been considered post bonus issue of 46,00,000 equity shares on November 18, 2025.

For further details, please refer to the chapter titled **"Restated Financial Information"** beginning on page 178 of this Draft Red Herring Prospectus.

#### QUALIFICATIONS BY THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

#### SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company, Directors, Promoters and KMPs to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory/Regulatory Proceedings	Disciplinary actions by the SEBI/ Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate Amount Involved
By the Company	Nil	NA	02	NA	Nil	-
Against the Company	Nil	03	Nil	Nil	Nil	0.47
By the Directors	Nil	NA	NA	NA	Nil	-
Against the Directors (other than Promoters)	Nil	01	Nil	Nil	Nil	1.49
By the Promoters	Nil	NA	NA	NA	01	2.07
Against the Promoters	Nil	01	Nil	Nil	Nil	4.59
By the KMPs	Nil	NA	NA	NA	Nil	-
Against the KMPs	Nil	Nil	Nil	Nil	Nil	-

For further details, please refer to the chapter titled **"Outstanding Litigation and Material Developments"** beginning on page 195 of this Draft Red Herring Prospectus.

#### RISK FACTORS

For details regarding risk factors of the Company, please refer to the chapter titled **"Risk Factors"** beginning on page 33 of this Draft Red Herring Prospectus to have an informed view before making an investment decision.

## SUMMARY OF CONTINGENT LIABILITIES

The details of our contingent liabilities as disclosed in the Restated Financial Statement are set forth in the table below:

(₹ in Lakhs)

Particulars	For the period/year ended			
	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>I. Contingent Liabilities</b>				
(a) Bank guarantees	123.25	123.25	118.25	-
<b>II. Commitments</b>				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) other commitments	-	-	-	-

For further details, please refer to the chapter titled “*Restated Financial Information*” beginning on page 178 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions entered into by our Company with related parties and the amount outstanding as disclosed in the Restated Financial Statements for the period ended on September 30, 2025 and financial years ended on March 31, 2025, 2024 and 2023 are as follows:

(₹ in Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of trans action during the period ended September 30, 2025	Amount of trans action during the year ended March 31, 2025	Amount of trans action during the year ended March 31, 2024	Amount of transaction during the year ended March 31, 2023
Yash Karwa	CFO & Whole-time Director	Directors Remuneration	3.60	7.20	7.20	6.00
		Loans & Advances Given	-	4.19	1.05	108.36
		Loans & Advances Repaid	-	9.66	3.04	29.50
		Interest on Loan	5.70	11.06	-	10.54
Suryakant Karwa	Managing Director	Purchases	22.65	65.36	59.66	24.52
		Loans & Advances Given	805.05	1656.42	225.00	139.00
		Loans & Advances Repaid	172.10	1462.59	1.59	95.24
		Interest on Loan	60.98	111.18	-	99.96

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of trans action during the period ended September 30, 2025	Amount of trans action during the year ended March 31, 2025	Amount of trans action during the year ended March 31, 2024	Amount of transaction during the year ended March 31, 2023
Deelip R Mane	Director (Resigned on May 26, 2025)	Loans & Advances Repaid	475.12	-	-	-
		Loans & Advances Given	-	-	-	50.00
		Interest on Loan	-	-	-	5.62
Ritesh D. Mane	Director (Resigned on May 26, 2025)	Loans & Advances Repaid	8.56	-	-	-
		Loans & Advances Given	-	-	-	2.22
		Salary	-	-	3.08	3.08
		Interest on Loan	-	-	-	0.18
Brinda Yash Karwa	Non- Executive Director	Loans & Advances Repaid	20.14	0.16	-	-
		Interest on Loan	0.84	1.61	-	1.10
		Loans & Advances Given	-	-	-	4.00
Shailaja Karwa	Spouse of Suryakant Karwa	Loans & Advances Given	-	24.00	-	12.00
		Loans & Advances Repaid	155.02	0.85	-	-
		Interest on Loan	6.48	8.45	-	8.72
Mukesh Karwa	Brother of Suryakant Karwa	Loans & Advances Repaid	131.89	1.05	-	7.52
		Interest on Loan	5.52	10.52	8.76	8.14
Aparna Karwa	Brother's Spouse of Suryakant Karwa	Loans & Advances Repaid	67.46	1.54	18.48	3.00
		Interest on Loan	2.82	5.38	-	6.03
Sai Developers	Suryakant Karwa is a Partner.	Loans & Advances Given	250.00	17.24	235.00	115.00
		Loans & Advances Repaid	267.24	-	230.95	119.05

For further details, please refer to the the chapter titled “**Restated Financial Information**”, beginning on page 178 of this Draft Red Herring Prospectus.

#### FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the relevant financing entity, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS AND SELLING SHAREHOLDER IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

The details of the weighted average price of the Equity Shares acquired by our Promoters and Selling Shareholder in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Shareholder	Number of Shares Held	Weighted Average Price (in ₹) *
<b>Promoters</b>		
Suryakant Bansilal Karwa	66,99,625	11.99
Yash Suryakant Karwa <sup>#</sup>	15,00,000	Nil

\*As certified by the BSMART and Associates, Chartered Accountants pursuant to their certificate dated December 15, 2025.

<sup>#</sup>Also the Promoter Selling Shareholder.

**Weighted average cost of acquisition of all Equity Shares transacted by the shareholders in the three years, eighteen months and one year preceding the date of this Draft Red Herring Prospectus**

Particulars*	Weighted Average Cost of Acquisition (WACA) (in ₹)	Cap Price is ‘X’ times the Weighted Average Cost of Acquisition	Range of acquisition price (Lowest Price- Highest Price) (in ₹)
<b>Last 3 years</b>	9.80	[●]	[●]
<b>Last 18 months</b>	9.80	[●]	[●]
<b>Last 1 year</b>	9.80	[●]	[●]

\*As certified by the BSMART and Associates, Chartered Accountants pursuant to their certificate dated December 15, 2025

For further details, please refer to the chapter titled “**Capital Structure**” beginning on page 72 of this Draft Red Herring Prospectus.

#### AVERAGE COST OF ACQUISITION OF EQUITY SHARES OF THE PROMOTERS AND SELLING SHAREHOLDER

The average cost of acquisition of Equity Shares held by our Promoters and Selling Shareholder set forth in the table below:

Name of Shareholders	No. of Shares Held	Average Price (in ₹)*
<b>Promoters</b>		
Suryakant Bansilal Karwa	92,99,625	11.44
Yash Suryakant Karwa <sup>#</sup>	45,00,000	6.67

\*As certified by the BSMART and Associates, Chartered Accountants pursuant to their certificate dated December 15, 2025.

<sup>#</sup>Also the Promoter Selling Shareholder

**DETAILS OF THE PRICE AT WHICH EQUITY SHARES WERE ACQUIRED IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS BY OUR PROMOTERS AND PROMOTER GROUP**

Except as stated below, none of our Promoters any Equity Shares in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of Shareholder	Date of Acquisition	Number of Equity Shares acquired*	Face Value (₹)	Acquisition price per Equity Share (in ₹)	Nature of Transaction
<b>Promoters</b>					
Suryakant Bansilal Karwa	May 16, 2025	23,99,750	10	21	Acquisition
	May 16, 2025	(250)	10	21	Transfer
	September 30, 2025	12,00,000	10	25	Right Issue
	November 18, 2025	30,99,875	10	Nil	Bonus Issue
Yash Suryakant Karwa	November 18, 2025	15,00,000	10	Nil	Bonus Issue

\*As certified by our Statutory Auditor BSMART and Associates, Chartered Accountants pursuant to their certificate dated December 15, 2025.

**DETAILS OF PRE-IPO PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares in this Offer until the listing of the Equity Shares.

**ISSUE OF EQUITY SHARES MADE IN THE LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH**

Except as set out below, our Company has not issued Equity Shares for consideration other than cash in one year preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	Name of Allottee	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
November 18, 2025	Bonus Issue of 46,00,000 equity shares was allotted to 7 allottees i.e. Yash Suryakant Karwa (15,00,000 equity shares), Suryakant Bansilal Karwa (30,99,875 equity shares), Brinda Yash Karwa (25 equity shares), Alka Umakant Karwa (25 equity shares), Shailaja	46,00,000	10	Nil	Other than Cash	Bonus Issue

	Suryakant Karwa (25 equity shares) and Umakant Bharatlal Karwa (25 equity shares) and Mukesh Chandrakant Karwa (25 equity shares)					
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*\*The bonus issue was approved by the shareholders of the Company on November 18, 2025, pursuant to which the Board, in its meeting held on November 18, 2025, allotted the equity shares to the shareholders.*

For further details regarding Offer of Shares, please refer to the chapter titled “**Capital Structure**” beginning on page 72 of this Draft Red Herring Prospectus.

#### **SPLIT/CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken split or consolidation of its equity shares in one year preceding the date of this Draft Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

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### SECTION III - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Prospective 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 our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. 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 and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider immaterial to our operations.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Draft Red Herring Prospectus 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. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including the merits and the risks involved. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “**Business Overview**”, “**Industry Overview**” and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 126, 111 and 184 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.*

#### **Materiality**

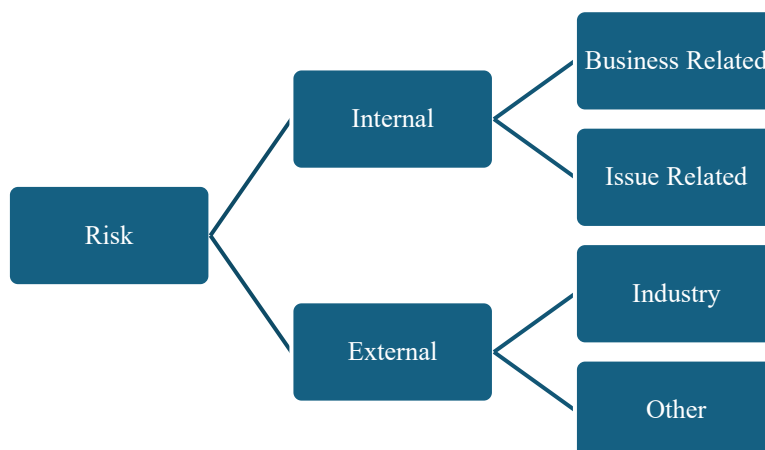
*The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:*

- 1. Some events may not be material individually but may be found material collectively.*
- 2. Some events may have material impact qualitatively instead of quantitatively.*
- 3. Some events may not be material at present but may be having material impact in future.*

*The financial and other related implications of the risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. For capitalized terms used but not defined in this chapter, refer to the chapter titled “**Definitions and Abbreviations**” beginning on page 02 of this Draft Red Herring Prospectus.*

### Classification of Risk Factors

The risk factors are classified as Internal and External for clarity and better understanding.



### INTERNAL RISK FACTORS

1. *A portion of our revenue is derived from a limited number of customers, and the loss of any one or more of these customers could impact our business, although our diversified customer base helps mitigate this risk.*

A significant portion of our revenue is derived from a limited number of customers, primarily operating in the packaging and corrugated paper segment. Our sales to these customers are generally based on purchase orders and do not involve long-term contractual commitments. Procurement decisions by such customers may change based on pricing, quality, delivery timelines, internal sourcing strategies or market conditions. Any loss of, reduction in business from, or deterioration in relationships with one or more of our significant customers, or delays or defaults in payments by customers, could adversely affect our revenues, cash flows, working capital position and results of operations.

For the six months period ended September 30, 2025, our top 1 customer accounted for 16.96%, our top 5 customers accounted for 48.55% and our top 10 customers accounted for 70.46% of our revenue from operations. In addition, our top 10 customers accounted were 75.37%, 75.89% and 76.23% of our revenue from operations for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Such concentration of our business on a limited number of customers increases the potential volatility of our results and exposes us to customer-specific risks.

The contribution of our top 10 customers as a percentage of revenue from operations for the six months period ended September, 2025, during Fiscal 2025, during Fiscal 2024 and during Fiscal 2023 is disclosed hereunder:

(₹ in lakhs)

Category*	For the period/Fiscal year ended							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation
<b>Top 1</b>	985.08	16.96	1,426.70	14.56	1,186.13	15.27	1,879.05	22.32
<b>Top 5</b>	2,820.43	48.55	5,362.26	54.71	4,047.64	52.10	5,156.12	61.25
<b>Top 10</b>	4,092.27	70.46	7,388.44	75.37	5,895.23	75.89	6,417.39	76.23

\*As Certified by BSMART and Associates LLP, Chartered accountants, Statutory auditor of our company, by way of their certificate dated December 15, 2025.

Our reliance on a limited number of customers exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, inability to negotiate favorable commercial terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition results of operations, cash flows and future prospects of our Company.

Our reliance on a limited number of customers exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, inability to negotiate favorable commercial terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition results of operations, cash flows and future prospects of our Company.

**2. Our Company's operations are dependent on the availability and cost of recycled fibre and other inputs, and any disruption in supply, increase in costs, or deterioration in quality of such inputs could adversely affect our business and results of operations.**

Our Company is an integrated manufacturer of recycled kraft paper, and our manufacturing operations are primarily dependent on the continuous availability of recycled fibre, including old corrugated cartons ("OCC"), which constitutes the principal raw material for our kraft paper manufacturing process. In addition, we procure certain ancillary inputs such as chemicals, adhesives, additives, and consumables from third-party suppliers for the efficient operation of our manufacturing facilities. We do not have long-term or exclusive supply arrangements with these suppliers.

We do not have long-term contracts or exclusive arrangements with these vendors. For the six months period ended September 30, 2025, our top 1 supplier accounted for 11.29%, our top 5 suppliers accounted for 31.98% and our top 10 suppliers accounted for 47.72% of our purchases. In addition, our top 10 suppliers accounted were 48.40%, 37.88% and 45.73% of our purchase for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

(₹ in Lakhs)

Name of Supplier*	For the period/ financial year ended on							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Supplier 1</b>	484.52	11.29	797.97	10.46	697.64	10.99	762.32	10.12
<b>Supplier 5</b>	1,371.96	31.98	2,403.84	31.50	1,684.15	26.53	2,403.62	31.92
<b>Supplier 10</b>	2,047.37	47.72	3,694.26	48.40	2,404.98	37.88	3,442.99	45.73

\*As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated December 15, 2025.

Any disruption in the supply of recycled fibre or OCC, deterioration in quality, or significant increase in procurement costs could adversely affect our production volumes, operating efficiency, and cost structure. While we seek to manage input cost volatility through procurement planning and operational efficiencies, there can be no assurance that we will be able to pass on increases in input costs to our customers without affecting demand. Any inability to procure adequate quantities of raw materials on commercially acceptable terms may materially and adversely affect our business, financial condition and results of operations.

**3. Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our manufacturing facility may have a material adverse effect on our business, results of operations and financial condition.**

Our manufacturing facility is exposed to operating risks, such as unavailability of spare parts of the machinery, break-down, obsolescence or failure of the machinery, labour unrest, industrial accidents, disruption in power supply or processes, performance below expected levels of efficiency, any local social unrest, natural disaster, regulatory non-compliance or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition. Spiraling cost of living around our unit may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. In addition to the above if our manufacturing unit suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our customer commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities, could adversely affect our business, prospects, financial condition, cash flows and results of operations.

**4. Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance. Moreover, information relating to capacity utilization of our production facility included in this Draft Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.**

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facilities as well as on the market demand of the products sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labour, industry/ market conditions and procurement practice followed by our customers. For the six months period ended September 2025 and the Fiscals 2025, 2024 and 2023, our overall capacity utilization is detailed below:

Process*	Period ended September 30, 2025#			for Fiscal year 2025			for Fiscal year 2024			for Fiscal year 2023		
	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %
<b>Main Process</b>												
Kraft Paper Manufacturing	24000	20000	83.33	48000	33350	69.48	48000	29180	60.80	48000	26690	55.60
<b>Sub Process involved</b>												
Pulping (in MT)	25000	22000	88.00	50000	36685	73.37	50000	32100	64.20	50000	29360	58.72
Steam Generation (in TPH)	14	14	100	14	14	100	14	14	100	14	14	100

\*As certified by Arup Kumar Ghosh, Chartered Engineer, through certificate dated December 23, 2025.

# Not Annualized

In the event we face prolonged disruptions at our facility including due to interruptions in the supply of power or as a result of labour unrest, or are unable to procure sufficient raw materials, or decline in demand, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies and increased per-unit costs which could have a material adverse effect on our business and financial condition. However, during the last three financial years, we have not experienced any significant disruptions at our manufacturing facility that have materially impacted our capacity utilization; however, we cannot assure you that we shall not experience any such instances in the future.

**5. Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.**

Our manufacturing operations are carried out through our facilities concentrated at Latur Maharashtra, which serve as a key production hub for our business. For further details, please refer to the chapter titled “**Business Overview– Immovable Properties**” beginning on page 141 of this Draft Red Herring Prospectus. Due to the geographical concentration of our manufacturing operations in these regions, our business is exposed to local, regional, and environmental factors such as social or civil unrest, regional conflicts, economic instability, adverse weather conditions, natural disasters, demographic changes, and other unforeseen events. Any such disruptions could lead to damage or destruction of manufacturing facilities, delays in transportation of raw materials or finished goods, or temporary interruption of operations, which may adversely affect our business, financial condition, and results of operations.

While there have been no such disruptions during the six-month period ended September 30, 2025, and Fiscals 2025, 2024, and 2023, there can be no assurance that such events will not occur in the future. In addition, a significant portion of our domestic revenue is derived from customers located in Maharashtra which results in geographical concentration of sales. Accordingly, any adverse economic, competitive, or demographic developments in these regions may have a material adverse effect on our business operations, financial condition, and growth prospects.

The following table sets forth the bifurcation of revenue (geography-wise) for the six months period ended September 2025, and fiscal years 2025, 2024 and 2023:

(₹ in Lakhs)

Name of State/city/region/country	For the period/ financial year ended on							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Total Revenue	% of Revenue	Total Revenue	% of Revenue	Total Revenue	% of Revenue	Total Revenue	% of Revenue
Maharashtra	4338.19	74.68	7,657.43	78.12	4,893.02	62.98	6,174.48	73.35
Telangana	1348.48	23.21	2,066.85	21.09	2,959.16	33.40	1,777.23	21.11
Karnataka	84.26	1.45	44.13	0.45	187.56	2.41	28.13	0.33
Gujarat	-	-	-	-	0.52	0.01	117.45	1.40
Export	38.45	0.66	33.55	0.34	92.98	1.20	320.32	3.81
Total	<b>5,809.38</b>	<b>100.00</b>	<b>9,801.96</b>	<b>100.00</b>	<b>7,769.24</b>	<b>100.00</b>	<b>8,417.62</b>	<b>100.00</b>

As Certified by BSMART & Associates LLP Chartered Accountants, Statutory auditor of our company, by way of their certificate dated December 15, 2025.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence and are more familiar with local business practices and have stronger relationships with local customers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

**6. Our business is subject to various statutory approvals, licenses, registrations and permits, certain of which are pending or are yet to be obtained, and any delay, failure or non-compliance in relation thereto may adversely affect our operations.**

Our Company is required to obtain and maintain various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals (“Approvals”) under applicable laws to carry out its business and operations. A majority of these Approvals are granted for limited periods and are required to be renewed from time to time. There can be no assurance that such Approvals will be obtained, renewed or maintained in a timely manner or at all. Any delay or failure in obtaining, maintaining or renewing the requisite Approvals may result in interruptions to our business operations and could adversely affect our business, financial condition, results of operations and cash flows.

As of the date of this Draft Red Herring Prospectus, our Company has applied for a Fire No-Objection Certificate (“Fire NOC”) for its factory premises, which is yet to be received. In addition, our Company has applied for (i) the Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975, and (ii) the registration of establishment for its registered office under the Maharashtra Shops and Establishment (Regulations of Employment and Conditions of Service) Act, 2017. For further details, see the section titled “Government and Other Approvals” on page 200 of this Draft Red Herring Prospectus.

There can be no assurance that the relevant authorities will grant the aforesaid Approvals, registrations or certificates within the expected timelines or without imposing additional conditions. Any failure or delay in obtaining or renewing these Approvals, or any non-compliance with the applicable laws, may expose us to regulatory actions, including penalties, fines, suspension of operations or other enforcement measures, which may disrupt our business activities and adversely impact our reputation and financial performance.

Further, any Approvals, registrations or certificates that are granted to us in the future may be suspended, cancelled or revoked due to actual or alleged non-compliance with applicable laws or pursuant to regulatory actions. If we

are unable to obtain, maintain or renew such Approvals in a timely manner or at all, our business operations and growth prospects may be materially and adversely affected.

**7. Our Company, our Promoters, our Directors and KMP are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Our Company, our Promoters and our Directors are parties to certain legal proceedings. These legal proceedings are pending at different stages before various courts, tribunals and forums. The outcomes of these legal proceedings are uncertain and could lead to adverse orders against our Company, its subsidiaries, Promoters, Directors, KMP. Legal expenses, regulatory challenges, and potential sanctions arising from these proceedings may put a strain on our financial resources and impact our profitability. In the event of adverse rulings in these proceedings or levy of penalties / fines by courts, tribunals and forums, our Company may need to make payments or make provisions for future payments. Furthermore, adverse publicity and negative perceptions associated with criminal litigations can affect our reputation, leading to potential loss of customer trust and business opportunities. It may also impact our ability to secure contracts, licenses, or permits required for our operations. A summary of the pending criminal and tax proceedings and other material litigations involving our Company, Promoters, Directors, KMP has been provided below:

**A. Litigations involving our Company:**

(₹ in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in disputed/ demanded to the extent ascertainable
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings filed by our Company	Nil	Nil
Civil proceedings against our Company	Nil	Nil
Civil proceedings filed by Company	Nil	Nil
Statutory or regulatory proceedings against our Company	Nil	Nil
Statutory or regulatory proceedings filed by our Company	02	-
<b>Tax proceedings:</b>		
Direct Tax	03	0.47
Indirect Tax	Nil	Nil
<b>Total</b>	<b>05</b>	<b>0.47</b>

**B. Litigations involving our Promoters and Directors (Other than Promoters):**

(₹ in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in disputed/ demanded to the extent ascertainable
Criminal proceedings against the Promoters & Directors (Other than Promoters)	Nil	Nil
Criminal proceedings filed by the Promoters & Directors (Other than Promoters)	Nil	Nil
Civil proceedings against the Promoters & Directors (Other than Promoters)	Nil	Nil
Civil proceedings filed by the Promoters & Directors (Other than Promoters)	01	2.07
Actions by statutory or regulatory authorities	Nil	Nil
<b>Tax proceedings:</b>		
Direct Tax	02	6.08
<b>Total</b>	<b>03</b>	<b>8.15</b>



We cannot assure you that any of the aforementioned litigations will be settled in our favor, or that no further liability will arise out of these proceedings. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. The amounts claimed in these proceedings have been disclosed to the extent ascertainable. All of the above ongoing matters could result in financial losses, reputational damage, and disruptions to our Company's business operations, in the event any adverse orders are passed against our Company/directors.

While we have not incurred any material penalties / fines due to any adverse rulings during the six-month period ended September 30, 2025 and in the last three Fiscals. Such payments or provisions may increase our expenses and current or contingent liabilities and also, adversely affect our reputation, business, financial condition and results of operation in future. For further details, please refer to the chapter titled "**Outstanding Litigation and Material Developments**" beginning on page 195 of this Draft Red Herring Prospectus.

**8. *There have been instances of delays in compliance with the corporate governance requirements within the prescribed timelines provided in the Companies Act by us, and we have filed suo moto compounding applications with the RoC for these non-compliances.***

Our Company has, on its own initiative, on December 11, 2025, filed two compounding applications before the Registrar of Companies, Mumbai ("RoC") under Section 39 read with Section 441 of the Companies Act, 2013, seeking compounding of certain non-compliances relating to returns of allotment filed in Form PAS-3. These non-compliances inter alia relate to: (a) a return of allotment filed vide SRN G78390275 in respect of a rights issue, wherein the rights issue was inadvertently kept open beyond the statutorily permissible period of 30 days; and (b) a return of allotment filed vide SRN T70730734 in respect of conversion of an existing loan into equity shares, which was inadvertently reported as an allotment for cash instead of an allotment otherwise than for cash. The Company has submitted that the aforesaid non-compliances were inadvertent, unintentional and without any malafide intent, and has prayed that the said offences be compounded pursuant to Section 441 of the Companies Act, 2013 and that the penalty, if any, be adjudicated in accordance with the applicable provisions of the Companies Act, 2013, including Section 454 relating to adjudication of penalties. These compounding applications are currently pending before the RoC and the outcome remains uncertain, and the RoC may impose monetary penalties or direct other corrective actions as it deems appropriate under the Companies Act, 2013. There can be no assurance that the RoC will accept the compounding applications or that the penalties, if imposed, will be minimal, and any adverse decision could impact the Company's reputation, financial position and compliance standing, which may, in turn, affect investor confidence and the Company's business operations.

**9. *Instances of non-compliance with regulatory requirements and clerical errors could subject us to regulatory action and penalties.***

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax ("GST") and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for late payments or non-payments for any previous year and current year will affect the financial position of the Company. For instance, our Company in the past had delayed filing of GST Returns due to operational reasons and accordingly paid late fees and penalties on the same. Any demand or penalty raised by the concerned GST authority for such late filing may have a material adverse effect on our business, financial condition, and results of operations.

**10. *Our operations involve inherent risks of industrial and fire accidents at our manufacturing facilities, which may adversely affect our business, results of operations and financial condition.***

Our manufacturing activities involve the use of heavy machinery, material handling by workers, operation of cranes, boiler-based heating systems, and storage of kraft paper, corrugated boards and other combustible materials. Due to the nature of these operations, risks related to industrial accidents, including fire hazards, equipment malfunction, electrical short circuits or human error, cannot be completely eliminated. Any such incident could result in injury to employees or other personnel, damage to plant and machinery, loss of inventory, temporary disruption of operations, regulatory actions, financial losses and adverse reputational impact, thus, there can be no assurance that such accidents will not occur in the future or that they would not materially and adversely affect our business operations, financial condition, results of operations and profitability.



**11. Our registered office is leased from our Promoter, and any issues relating to such lease arrangement may adversely affect our operations.**

Our registered office premises is not owned by our Company and is leased from our Promoter, Suryakant Bansilal Karwa, who has leased the property to the Company. Accordingly, our continued use of the registered office premises is dependent upon the validity, renewal, and compliance with the terms and conditions of the lease arrangement with the Promoter.

The registered office is used for administrative and statutory purposes, including maintenance of corporate records and regulatory filings. Any non-renewal, termination, or dispute in relation to the lease arrangement may require us to relocate our registered office, which could result in administrative disruptions, delays in statutory compliances, additional costs, and operational inconvenience until suitable alternative premises are identified and made operational.

There can be no assurance that the lease arrangement will be renewed on the same or similar terms, or that we will be able to secure alternative premises on commercially acceptable terms or within a reasonable timeframe. Any inability to renew such lease arrangement or to relocate the registered office without disruption could adversely affect our administrative functions, compliance framework, and business continuity, which in turn may have a material adverse effect on our business, financial condition, and results of operations.

**12. Our business involves usage of manpower and any unavailability of our employees or shortage of casual labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.**

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes with subcontractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such labourers, limitations on the number of hours of work or provision of improved facilities. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with subcontractors or casual labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

**13. We are dependent upon the experience and skill of our Promoters and Key Managerial Personnel for conducting our business and undertaking our day-to-day operations. The loss of or our inability to retain, such persons could materially and adversely affect our business performance. In addition, excess rate of attrition amongst the personnel engaged by our Company may have an adverse impact on our business operations.**

Our business is dependent upon our Promoters and Key Managerial Personnel, who oversee our day-to-day operations and strategize the growth of the business. For details pertaining to the profile of our Directors and Key Management Personnel of our Company and their respective functions, please refer to chapter titled “**Management**” beginning on page 154 of this Draft Red Herring Prospectus.

In the event, any of our Promoters or one or more members of our Key Managerial Personnel are unable or unwilling to continue in their present positions, it would be challenging for us to replace such person in a timely and cost-effective manner or at all. There can be no assurance that we will be able to retain or replace these personnel. The loss of any of such personnel or our inability to replace them may restrict our growth prospects, affect our ability to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows.

Additionally, certain members of our Board of Directors and key managerial personnel have comparatively limited experience in operating and managing a listed company environment. While they possess relevant industry and functional expertise, any inability to effectively adapt to the enhanced governance, compliance and disclosure requirements applicable to a listed company could adversely affect our corporate governance practices and operational oversight.

Our Company's ability to maintain productivity and ensure smooth operations depends significantly on retaining skilled personnel across functions. For period ended March 31, 2025, March 31, 2024 and March 31, 2023 our attrition rate was 11.11% , 6.28% and 6.50%, respectively, reflecting a relatively moderate level of employee turnover. Such attrition may result in loss of experienced personnel, increased recruitment and training costs, disruption of operations, and dilution of organizational knowledge. Any future rise in attrition, particularly among key personnel and skilled workforce, could impact our operations, productivity and overall business performance. Additionally, challenges in hiring and retaining qualified employees may result in higher recruitment and training costs, which could adversely affect our financial condition and growth prospects.

The following table outlines the attrition rate of employees for the specified periods:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Attrition rate	11.11%	6.28%	6.50%

**14. Changes in technology may render our current technologies obsolete or require us to make substantial investments**

Modernization and technology up gradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the kraft paper manufacturing industry, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

However, during the six months period ended September 2025 and in the last three financial years, we have not encountered any instances where outdated technology or lack of modernization has materially disrupted our operations or impacted our financial condition; however, we cannot assure you that we shall not experience any such instances in the future.

**15. Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company's business, financial condition, results of operation and cash flows.**

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions as indicated in the tables below. The table below sets forth the details of the statutory dues paid by our Company, including in relation to our employees for the periods indicated below:

Details of Delayed Filings of Returns:

Form	Date of Event/Period	Due Date	Date of Filing	Delay
AOC-4 XBRL	30/09/2024	29/10/2024	28/11/2024	30 days
AOC-4 XBRL	30/09/2023	29/10/2023	16/11/2023	18 days
AOC-4 XBRL	30/09/2022	29/10/2022	30/11/2022	32 days
MGT-7	30/09/2023	29/11/2023	06/12/2023	7 days
MGT-7	30/09/2022	29/11/2022	01/12/2022	2 days
ADT-1	30/09/2025	14/10/2025	14/11/2025	31 days
ADT-1	30/06/2025	15/07/2025	16/07/2025	1 day
ADT-1	30/09/2022	14/10/2022	01/12/2022	47 days
ADT-1	29/09/2017	13/10/2017	26/11/2017	43 days
CHG-1	04/01/2022	02/02/2022	14/02/2022	12 days
CHG-1	20/08/2024	19/09/2024	26/09/2024	7 days
DIR-12	30/09/2019	30/10/2019	11/11/2019	12 days
DIR-12	26/05/2025	25/06/2025	14/07/2025	19 days
MGT-14	18/09/2025	17/10/2025	25/10/2025	8 days
MGT-14	24/09/2025	23/10/2025	27/11/2025	35 days

Form	Date of Event/Period	Due Date	Date of Filing	Delay
MGT-14	30/09/2025	30/10/2025	27/11/2025	28 days
PAS-6	Half-year ended 30/09/2025	29/11/2025	29/12/2025	30 days

Any delay or non-compliance in payment of our statutory dues in future may result in penalties, interest or regulatory action, which could adversely affect our financial condition and results of operations.

**16. Our Company had negative cash flows in the past, details of which are given below. Sustained negative cash flow could impact our growth and business.**

We have experienced negative cash flows from Investing/Financing activities in the past which have been set out below:

(₹ in Lakhs)				
Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Net cash flow from/ (used in) Investing activities	(146.05)	(145.69)	(548.86)	(297.22)
Net Cash introduced/ (used in) financing activities	24.43	17.19	(270.30)	(16.56)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer to chapters titled “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 178 and 184 respectively of this Draft Red Herring Prospectus.

**17. We have certain contingent liabilities as on date of this Draft Red Herring Prospectus that have not been provided for in our Company’s financials which if materialized, could adversely affect our financial condition.**

The following is a summary table of our company’s contingent liabilities as:

(₹ in Lakhs)				
Particulars	For the period/year ended			
	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>I. Contingent Liabilities</b>				
(a) Bank guarantees	123.25	123.25	118.25	-
<b>II. Commitments</b>				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) other commitments	-	-	-	-

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further information, please refer to chapter titled “*Restated Financial Information*” beginning on page 178 of this Draft Red Herring Prospectus.

**18. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.**

Brand recognition is important to attract and retain customers, and therefore, for the success of our business, establishing and maintaining our brand name in the industry or for people relying on our Company is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

**19. Any negative publicity regarding our Company, brand or products, whether substantiated or not, could adversely affect our reputation, consumer confidence and business prospects.**

Our business is significantly dependent on brand reputation, consumer trust and the perceived quality of our products. Any negative publicity, whether founded or not, relating to product quality, misbranding, vendor inconsistencies, customer service issues or operational failures could harm our credibility, reduce demand and adversely impact our revenues and profitability. In particular, adverse consumer feedback on social media and other digital platforms can spread rapidly and amplify reputational risks. Allegations of misleading claims, defective products or quality lapses may also lead to legal proceedings, regulatory scrutiny, penalties, recalls or warranty claims. Negative publicity could further strain relationships with customers, suppliers and business partners, and deter potential investors. While we have quality control systems in place, there can be no assurance that such events will not occur in the future or that they will not materially and adversely affect our business, financial condition and results of operations.

**20. We have not obtained the registration of our trademarks used in our businesses and our inability to obtain or maintain these registrations may adversely affect our competitive business position.**

Our Company logo, as adopted by us after change of name of our Company to Craftech Paper Mills Limited



is not yet registered but we have filed application for the logo of our Company with the Trade Marks Registry at Mumbai, for registration under class 16 bearing application no. 7409152 dated December 19, 2025. Additionally, another application under class 16 bearing application no. 7409151 dated December 19, 2025 for



has been made by our Company. These applications are currently pending registration and under process of check pass of formalities for the new trademark application. For further details, please refer to chapter titled “**Business–Intellectual Property**” beginning on page 140 of this Draft Red Herring Prospectus.

The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business.

Further, if any of our unregistered trademarks are registered in favor of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospects and results of operations. For details of other trademark applications, kindly refer to chapter titled “**Government and Other Approvals**” beginning on page 200 of this Draft Red Herring Prospectus.

**21. Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.**

The Government of India and state authorities may implement new laws, rules, regulations or policies, or amend or reinterpret existing laws, that could affect the manufacturing industry or the sectors we serve. Such changes may result in additional compliance requirements, increased costs, operational restrictions or changes to our business practices, which could adversely affect our business, financial condition and results of operations.

Further, the manner in which new or existing regulations are enforced or interpreted by regulatory authorities may be uncertain and subject to change, which could create compliance challenges and operational uncertainty. Any unexpected, onerous or inconsistent regulatory requirements, or changes in the legal or regulatory framework, may have a material adverse effect on our business, financial condition and results of operations.

**22. Our operations involve the use of boilers and other industrial equipment, which expose us to operational, occupational and regulatory risks that may adversely affect our business, financial condition and results of operations.**

Our Company is engaged in the process of manufacturing of kraft paper, which requires steam generation through a boiler plant operating on steam coal as fuel. The operation and maintenance of such boiler and other industrial equipment are subject to various statutory approvals, safety norms, and environmental regulations. Any deviation from prescribed operational standards, mechanical failure, leakage, pressure build-up, or fire incident may result in injury to personnel, damage to property, or adverse environmental impact, which could lead to regulatory penalties, temporary suspension of operations, or litigation.

Further, our operations are inherently exposed to occupational and industrial hazards such as equipment malfunction, electrical faults, collisions, or workplace accidents. Any such incident could lead to disruption of production, reputational loss, or financial liabilities arising from compensation or repair costs. Additionally, any significant damage to the boiler or other machinery may require substantial expenditure for replacement or restoration, which may not always be fully covered by insurance.

While no major accidents, severe injuries, or fatalities have occurred in our operations during Fiscals 2025, 2024 and 2023 and for the six months period ended September 30, 2025, any future occurrence of such events could materially and adversely affect our business operations, financial condition and results of operations. For a description of the laws and regulations applicable to our Company in this regard, please refer to the chapter titled “**Key Industry Regulations and Policies**” beginning on page 141 of this Draft Red Herring Prospectus and for details of the licenses and approvals obtained by our Company, please refer to the chapter titled “**Government and Other Approvals**” beginning on page 200 of this Draft Red Herring Prospectus.

**23. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards trade receivables, inventories and payment to creditors. The working capital requirements of our Company (based on restated financial statements) is as under:

(₹ in Lakhs)				
Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Current Assets (excluding cash and cash equivalents)	4,875.68	4,341.75	3,250.68	3,227.40
Current Liabilities (excluding short term borrowings)	881.39	1,053.69	869.40	574.30
Working Capital	3,994.29	3,288.06	2,381.28	2,653.10

For further details, please refer to the chapter titled “**Objects of the Offer- Funding for Working Capital Requirements**” beginning on page 86 of this Draft Red Herring Prospectus.

Our growing scale and expansion may result in increase in the quantum of current assets, leading to higher working capital requirements. Our inability to maintain adequate cash flow, secure credit facilities, or arrange other sources of funding in a timely manner, or at all, could adversely impact our financial condition and business operations.

However, we intend to utilize net proceeds of Upto 900 lakhs towards working capital requirements which will support our operational needs and help sustain our growth. For further details regarding the utilization of funds, please refer to the chapter titled “**Objects of the Offer- Funding for Working Capital Requirements**” beginning on page 86 of this Draft Red Herring Prospectus. However, there can be no assurance that our estimated working capital requirements will not increase in the future or that we will not require additional financing and any inability to secure such financing on commercially acceptable terms, or at all, may adversely impact our business, financial condition and results of operations.



**24. *As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.***

The future success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including expansion in product base, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital initiatives. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations.

Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

**25. *We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members/entities. These transactions, inter-alia includes, sales, purchase, loans and remuneration. For details, please refer to “**Financial Information of the Company**” beginning on page 178 and Chapter titled “**Capital Structure**” beginning on page 72 of this Draft Red Herring Prospectus.

While our Company trust that all such transactions have been conducted on an arm’s length basis and are accounted as per AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties.

Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**26. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds for capital expenditure towards purchase of Boiler, purchase of a 2 MW back pressure steam turbine generator, funding working capital requirements, prepayment or repayment of all or a portion of certain loans availed by our company, and general corporate purposes. For further details of the proposed objects of the Offer, refer to the chapter titled “**Objects of the Offer**” beginning on page 86 of this Draft Red Herring Prospectus.

At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders’ approval by way of a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the 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 Promoters 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 such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to

the variation of 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 Promoters 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 undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, 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 Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***27. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Draft Red Herring Prospectus.***

While facts and other statistics in the Draft Red Herring Prospectus relate to India, the Indian economy and the industry in which we operate has been based on various governmental and organizational web site data that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "**Industry Overview**" beginning on page 111 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

***28. We are dependent on third party vendors for delivery of materials required to us from our suppliers and delivery of our products to our clients. Any failure on part of such vendors to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

We are engaged in the business of manufacturing kraft paper and paper packaging products. We also required certain materials which we source from third party vendors. Our success depends on the smooth supply and transportation of the various materials required for our projects delivering to our customers which are subject to various uncertainties and risks. In addition, these materials may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials which may also affect our business and our results of operation adversely. A failure to maintain a continuous supply of materials in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

***29. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected. While we have not experienced any such instance in the past there can be no assurance that we will not experience any such adverse event in future.

***30. Shortage or non-availability of power may adversely affect our business, results of operations and financial condition.***

Our business operations are dependent on the continuous availability of power for the functioning of our manufacturing units and other facilities. The nature and scale of our operations require a stable and uninterrupted power supply, and any material disruption or shortage of power may adversely impact our production schedules and operational efficiency. The power requirements of our operations are such that reliance on alternative or independent sources of power may not be feasible on a cost-effective basis, as such alternatives typically involve significant capital expenditure and higher per-unit costs of electricity. While we supplement our power requirements through captive and renewable energy sources, we continue to rely on external power supply to meet our overall electricity needs.



Any interruption, reduction, or inconsistency in the availability of power, whether due to supply constraints, technical failures, regulatory changes, or other factors beyond our control, could disrupt our operations, lead to production delays, increase operating costs, and adversely affect our profitability, cash flows, results of operations, and financial condition.

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

The proposed fund requirement as detailed in the chapter titled “**Objects of the Offer**” beginning on page 86 of this Draft Red Herring Prospectus, is to be funded from the proceeds of this Offer. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the chapter titled “**Objects of the Offer**” beginning on page 86 of this Draft Red Herring Prospectus.

**32. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows and working capital requirements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the chapter titled “**Dividend Policy**” beginning on page 177 of this Draft Red Herring Prospectus.

**33. *General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

**34. *We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.***

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Borrowings and other banking facilities, refer to chapter titled “**Statement of Financial Indebtedness**” beginning on page 182 of this Draft Red Herring Prospectus.

**35. *We continue to explore the diversification of our business and the implementation of new products. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or starting new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

**36. *There is no monitoring agency appointed by our Company to monitor the utilization of the Offer proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Offer size above ₹5,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer proceeds as the Offer size does not mandate such appointment. However, the audit committee of our Board will monitor the utilization of Offer proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Offer proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**37. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, which could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

**38. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Offer Price.***

Our Promoters average cost of acquisition of Equity Shares in our company is lower than the Offer Price which may be decided by the company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Draft Red Herring Prospectus.

**39. *Our operating expenses include overheads in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

**40. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Offer which will allow them to determine the outcome of matters submitted to shareholders for approval.**

Post this Offer, our Promoters and Promoter Group will collectively own [●] of our post Offer Equity Share Capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**41. Our insurance coverage may not adequately protect us against certain losses, and uninsured risks or claims exceeding policy limits could harm our results of operations and financial position.**

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations, including for fire and theft, with our current policy covering 100% of our assets (up from 91% under the previous policy). Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as terrorism, because insurance is not available to us on acceptable terms.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage, or the occurrence of uninsured events such as terrorism, could result in loss of assets, business interruption, increased costs, or other adverse consequences that we would bear fully. Any such event, or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance, results of operations and cash flows. There can be no assurance that we will be able to obtain insurance coverage for terrorism or other uninsured risks on commercially acceptable terms in the future or at all.

**42. The discontinuance or non-availability of subsidies availed by us may adversely affect our business, results of operations, financial condition and cash flows.**

We avail subsidies such as those as those available to us under the Maharashtra Industrial Promotion Subsidy Policy 2013, as detailed in the table below in the table below for the period/years indicated:

Particulars	For the six months ended September 30, 2025	For the Financial Year ended on		
		31.03.2025	31.03.2024	31.03.2023
Subsidies recognised (pursuant to the Maharashtra Industrial Promotion Subsidy Policy 2013) (₹ in lakhs)	101.45	202.90	162.30	162.30
Total subsidies recognised, as a percentage of revenue from operations (%)	1.746	2.069	2.089	1.928

If these subsidies which are currently availed by us are discontinued or become unavailable to us in the future for any reason, our business, results of operations, financial condition and cash flows may be adversely affected.

**43. The Company has incurred losses in few of the previous financial years, which may adversely affect its financial condition and results of operations.**

The Company has incurred losses in few of the previous financial years. In particular, the Company reported a loss after tax amounting ₹ (19.90) Lakhs during the financial year ended March 31, 2023. Although the Company has reported profits in subsequent periods, there can be no assurance that such profitability will be sustained in the future.

***44. Industry information included in this Draft Red Herring Prospectus has been prepared by the Book Running Lead Manager based on publicly available sources and may not be reliable or complete.***

Certain information contained in this Draft Red Herring Prospectus relating to the industry in which our Company operates has been derived from the Industry Overview section of this Draft Red Herring Prospectus. The Industry Overview section has been prepared by the Book Running Lead Manager based on information obtained from publicly available sources, industry publications, government publications and other independent industry sources, and includes internal analysis.

Such information has not been independently verified by the Company, and no representation or warranty, express or implied, is made as to the accuracy, completeness, adequacy or reliability of such information. Publicly available industry information may be based on assumptions, estimates or methodologies that are subject to change, and may not be specific to our Company or directly comparable with other data.

In addition, industry data may be subject to limitations, including differences in definitions, collection methods and reporting practices. As a result, such information may be inaccurate or may not reflect current industry conditions. Prospective investors are cautioned not to place undue reliance on such industry-related information and are advised to consider the information contained in this Draft Red Herring Prospectus as a whole before making an investment decision.

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

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 will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under the chapter titled “***Basis for the Offer Price***” beginning on page 100 of this Draft Red Herring Prospectus 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 securities markets in jurisdictions other than India, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, 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. Consequently, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

***46. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been offered and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result,

management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

## EXTERNAL RISK FACTORS

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

Our kraft paper manufacturing business and industry are subject to extensive regulation by various laws, rules and regulations prescribed by the Central and State Governments, including the Environment (Protection) Act, 1986, Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981, and state-level industrial policies applicable to our Latur facility. Such laws and regulations, and their interpretation or enforcement, may be amended or modified from time to time, including at short notice, at the discretion of relevant authorities. Any failure to comply, or adverse changes such as stricter zero-liquid discharge norms or BIS standards, may result in increased compliance costs, penalties, restrictions on operations or shutdowns, materially and adversely affecting our business, financial condition and results of operations.

### ***49. A slowdown in economic growth in India could adversely affect our business, results of operations, and financial condition.***

The Indian economy and securities markets are influenced by economic developments and volatility in securities markets in other countries across the globe. Adverse economic conditions or market volatility in one or more countries may negatively impact investor sentiment and result in adverse effects on market prices of securities of companies operating in India. Negative developments such as trade deficits, decline in foreign exchange reserves, or financial instability in emerging markets may adversely affect investor confidence, increase volatility in Indian securities markets and negatively impact the economy, particularly demand for kraft paper packaging. Global financial instability may also cause fluctuations in exchange rates and interest rates, materially adversely affecting our business, financial condition, results of operations and Equity Share price.

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

The Government of India continues to exercise significant influence over the economy through policies on industrial licensing, waste paper imports, production linked incentive schemes and taxation. Our business and Equity Share price may be affected by changes in interest rates, government policies, political developments, social unrest and other factors in India, particularly Maharashtra. The pace of liberalization may vary, and laws relating to paper sector, foreign investment and environmental clearances may be amended. Significant policy changes could adversely affect the economy, raw material availability and our operations, materially impacting financial condition, results of operations and Equity Share price.

### ***51. Malpractices by some players in the industry affect overall performance of emerging Companies***

The industry in which our Company operates is exposed to risks arising from unethical business practices, including unethical marketing, misleading or dishonest advertising, questionable pricing practices and inaccurate or unsubstantiated claims regarding product safety or efficacy. Such practices have contributed to heightened consumer scepticism and increased regulatory scrutiny, resulting in stricter entry barriers, enhanced compliance requirements and the introduction of codes of conduct governing industry participants.

Unethical conduct or malpractices by certain industry participants or intermediaries may adversely affect the reputation and perception of the industry as a whole. Since regulatory standards and industry norms are generally applicable to all participants on an equal basis, such developments may disproportionately impact emerging companies such as ours, notwithstanding our own compliance efforts. Any unethical business practices by any participant in the industry could adversely affect our business, financial condition and results of operations.



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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

Pursuant to the Finance Act, 2018, the exemption under section 10(38) of the Income-tax Act, 1961 in respect of long-term capital gains arising from the transfer of listed equity shares has been withdrawn with effect from April 1, 2018. Such long-term capital gains are taxable under section 112A of the Income-tax Act at the rate of 10% (without indexation), on the amount exceeding ₹1,25,000 in a financial year, subject to fulfillment of the prescribed conditions.

In the case of non-resident shareholders, capital gains arising from the transfer of shares of an Indian company may be taxable in India, subject to the provisions of the applicable tax treaty between India and the country of residence of the shareholder. While several Indian tax treaties permit India to tax such capital gains, the availability of any exemption or relief from double taxation would depend on the specific provisions of the relevant tax treaty or the tax laws of the shareholder’s country of residence.

**53. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.**

As stated in the auditors’ reports included in this Draft Red Herring Prospectus under the section titled “**Restated Financial Statements**” beginning on page 178, the financial statements included herein are derived from our audited financial statements, which have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (“Indian GAAP”) and restated in compliance with the SEBI ICDR Regulations, 2018, as amended. No attempt has been made to reconcile the financial information contained in this Draft Red Herring Prospectus with any other accounting principles or standards.

Indian GAAP differs in certain material respects from accounting principles and auditing standards that prospective investors may be familiar with in other jurisdictions, including U.S. GAAP and International Financial Reporting Standards (“IFRS”). Accordingly, significant differences may exist between Indian GAAP and such other accounting standards, which could be material to the financial information presented in this Draft Red Herring Prospectus. The extent to which the financial information included herein provides meaningful information to prospective investors depends on their familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Investors who are not familiar with Indian GAAP should therefore exercise caution in relying on the financial disclosures contained in this Draft Red Herring Prospectus.

**54. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Draft Red Herring Prospectus.**

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics

included in the chapter titled “**Industry Overview**” beginning on page 111 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Global economic and political factors beyond our control influence economic forecasts and may directly affect our business performance. Such factors include changes in interest rates, economic growth rates, fiscal and monetary policies of governments, inflation or deflation, fluctuations in foreign exchange rates, availability of consumer credit, volatility in commodity markets, levels of consumer indebtedness, unemployment trends and other factors affecting consumer confidence, spending patterns and tourism. Increased volatility in global and domestic financial markets may cause these factors to change more frequently and with greater magnitude, which could adversely affect our business, financial condition, results of operations and the market price of our Equity Shares.

**56. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the Foreign Exchange Management Act, 1999 and regulations currently in force in India, transfers of shares between residents and non-residents are generally permitted, subject to compliance with applicable pricing guidelines, reporting requirements and specified exceptions prescribed by the Reserve Bank of India (“RBI”). Where such transfers do not comply with the applicable pricing or reporting requirements, or fall within any of the specified exceptions, prior approval of the RBI may be required.

In addition, shareholders seeking to convert the proceeds from the sale of shares denominated in Indian Rupees into foreign currency and to repatriate such foreign currency outside India are required to obtain a no-objection certificate or tax clearance from the relevant income tax authorities. There can be no assurance that any approvals, permissions or clearances required from the RBI or any other governmental authority will be obtained in a timely manner, on acceptable terms, or at all, which could adversely affect the ability of shareholders to transfer or repatriate the proceeds from their investments, limit foreign investor participation in our BSE SME listing, and impact liquidity and market price of Equity Shares.

**57. *Natural calamities could have a negative impact on the Indian economy and cause our Company’s business to suffer.***

India has experienced, and may continue to experience, natural disasters and extreme weather events, including earthquakes, tsunamis, floods, cyclones, droughts and other natural calamities. The frequency, intensity and geographic spread of such events have varied in recent years, and their impact on the Indian economy depends on their severity, duration and location. Prolonged periods of abnormal rainfall, extreme temperatures or other adverse climatic conditions may disrupt economic activity, damage infrastructure, affect agricultural output, strain public resources and negatively impact supply chains and consumer demand.

Such natural disasters and climatic events could adversely affect economic conditions in India and may result in disruptions to our operations, supply chains, workforce availability and customer demand. Any of these factors could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows, as well as the market price and liquidity of our Equity Shares. In addition, the occurrence of such events may lead to increased insurance costs, uninsured losses or delays in recovery, which could further adversely affect our business.

**58. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or neighboring countries, geopolitical tensions, acts of terrorism, civil unrest, strikes, or other incidents of violence beyond our control could have a material adverse effect on the Indian economy and our business. Such events, whether occurring in India, or in other parts of the world, may adversely affect investor confidence, disrupt financial markets, and negatively impact the Indian securities markets on which our Equity Shares are proposed to be listed, as well as global equity markets generally. Acts of terrorism, armed conflicts, political instability, or similar incidents may also adversely affect business sentiment, cross-border trade,



logistics for finished goods, capital flows, and overall economic activity. These developments could lead to increased market volatility, reduced liquidity, a decline in the market prices of securities of Indian companies including ours, production disruptions, or escalated security costs. Any such events could materially and adversely affect our business, profitability, financial condition, results of operations, and the market price and liquidity of our Equity Shares.

***59. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revision or downgrade of India's sovereign credit ratings for domestic or international debt by international credit rating agencies could negatively affect investor sentiment, increase borrowing costs for capital-intensive sectors like paper manufacturing, and adversely impact our ability to raise additional debt or equity financing for capacity expansion, effluent upgrades, or working capital. Such developments may result in higher interest rates, more restrictive commercial terms or reduced availability of capital. These factors could limit our growth plans, strain liquidity, increase finance costs as a percentage of revenue, and materially and adversely affect our business, future financial performance, ability to fund capital expenditures, and the market price and liquidity of our Equity Shares.

***60. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and future earnings may be affected by changes in Indian law, or changes in the Government of India's regulations or their interpretation thereof. Uncertainty or changes in the enforcement of laws, or changes in the regulations governing our business, including labor, environment, health and safety laws, may have a material adverse effect on our business. In addition, the Government of India has enacted four labor 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, to replace various existing labor laws. Such regulatory developments could impact compliance requirements and cost structures for our operations. Furthermore, frequent amendments in taxation and corporate laws in India create additional compliance challenges. Any inability to adapt to such legal and regulatory changes may materially and adversely affect our business, financial condition, and results of operations.

***61. Increase in Indian inflation may lead to increased costs and a decline in profits.***

India has experienced periods of high inflation in the past, and there can be no assurance that inflationary pressures will not recur or persist in the future. An increase in inflation in India, or prolonged periods of elevated inflation, could adversely affect our business and results of operations. Inflationary conditions may lead to higher costs relating to transportation, labour and raw materials. In particular, inflation may result in an increase in the cost of kraft paper, which is our key raw material, thereby adversely affecting our production costs and operating margins.

Significant volatility in inflation rates may also impair our ability to accurately forecast and manage costs and could reduce consumers' purchasing power, which may negatively impact demand in the packaging sector. Any of these factors could materially and adversely affect our business, financial condition, results of operations and cash flows.

***62. Currency fluctuations and changes in import duties could raise our input costs and disrupt supply chains.***

Volatility in the Indian Rupee against major currencies like the US Dollar directly impacts the cost of imported waste paper and chemicals, which form a substantial portion of our raw material basket under the Export Promotion Capital Goods scheme ("EPCES") and open general license imports. Depreciation of the INR increases landed costs, squeezes margins, and may delay procurement if hedging is inadequate. Additionally, changes in customs duties, anti-dumping measures on paper imports/exports, or revisions to EPCES duty exemptions by the Directorate General of Foreign Trade could disrupt supply availability, force reliance on costlier domestic alternatives, or trigger inventory pile-ups. Geopolitical events affecting global pulp trade may compound these risks. Such fluctuations or policy shifts could materially and adversely affect our production continuity, cost structure, profitability, financial condition, and the market price of our Equity Shares.

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## SECTION IV – INTRODUCTION

## OFFER DETAILS IN BRIEF

(₹ in Lakhs except share data)

PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
<b>Equity Shares Offered through Public Offer</b> <sup>(1)(2)</sup>	Up to 59,96,000 Equity shares of face value of ₹10/- of our Company at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs
<b>Consisting of:</b>	
<b>Fresh Issue</b>	Up to 53,50,000 Equity shares of face value of ₹10/- of our Company at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs.
<b>Offer for Sale</b>	Up to 6,46,000 Equity shares of face value of ₹10/- of our Company at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs
<b>Out of which:</b>	
<b>Offer Reserved for the Market Maker</b>	Offer of [●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Shares aggregating to ₹ [●] Lakhs.
<b>Net Offer to the Public</b> <sup>(3)</sup>	Offer of [●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Shares aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
<b>A. QIB Portion</b> <sup>(4) (5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Of which</b>	
i. Anchor Investor Portion	[●] Equity Shares aggregating up to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Of which</b>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares aggregating up to ₹ [●] Lakhs
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>B. Non-Institutional Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Of which</b>	
i. One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size more than 3 lots and up to such lots such that the value of the application is not more than ₹10 Lakhs	[●] Equity Shares aggregating up to ₹ [●] Lakhs
ii. Two-third of the Non-Institutional Portion, available for allocation to Bidders with an application size more than ₹10 Lakhs	[●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>C. Individual Investor Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post – Offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	1,38,00,000 Equity Shares of face value of ₹10/- each
<b>Equity Shares outstanding after the Offer</b>	[●] Equity Shares of face value ₹10/- each
<b>Use of Net Proceeds by Our Company</b>	Please see the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 86 for further information about the use of the Net Proceeds.

\*Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Offer price.

**Notes:**

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer is being made by our Company in terms of Regulation of 229(2) of SEBI (ICDR) Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Offer paid up equity share capital of our Company are being offered to the public for subscription.
- 2) The present Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 18, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on November 29, 2025. Further, our Board has taken on record the consents of the Selling Shareholder to participate in the Offer for Sale in its meeting held on December 18, 2025. Selling Shareholder have consented to the inclusion of their respective portion of the Offered Shares in the Offer for Sale as follows:

S. No.	Name of the Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Aggregate amount of Offer for Sale (₹ in Lakhs)	Date of Consent Letter
1.	Yash Suryakant Karwa	6,46,000	[•]	December 16, 2025

*The Equity Shares being offered by the Promoter Selling Shareholder(s) have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI (ICDR) Regulations and that Selling Shareholder have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholder have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

- 3) The SEBI (ICDR) Regulation, 2018, permit the Offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e., not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Individual Investors and not less than 15% of the Net Offer shall be available for allocation to non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10,00,000, and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹10,00,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) Regulations.
- 4) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being

received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the 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 5% of the Net QIB Portion, 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. For further details, please refer to the chapter titled “**Offer Procedure**” beginning on page 237 of this Draft Red Herring Prospectus.

- 5) Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, please refer to the chapters titled “**Offer Structure**” and “**Offer Procedure**” beginning on pages 231 and 237, respectively of this Draft Red Herring Prospectus. For details of the terms of the Offer, please refer to the chapter titled “**Terms of the Offer**” beginning on page 220 of this Draft Red Herring Prospectus.

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## SUMMARY OF FINANCIAL INFORMATION

The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections “*Restated Financial Statement*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” on pages 178 and 184 respectively.

## STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	<b>EQUITY AND LIABILITIES</b>					
<b>1)</b>	<b>Shareholders' Funds</b>					
	a. Share Capital	01	920.00	800.00	800.00	800.00
	b. Reserves & Surplus	01	897.68	183.33	(168.79)	(196.18)
<b>2)</b>	<b>Non - Current Liabilities</b>					
	a. Long-term Borrowings	02	3010.52	3156.75	2737.20	2885.75
	b. Deferred Tax Liabilities (Net)	03	160.22	146.11	24.81	-
	c. Long-term Provisions	04	8.19	5.37	3.51	1.61
<b>3)</b>	<b>Current Liabilities</b>					
	a. Short Term Borrowings	05	1717.41	1692.77	1791.41	1708.92
	b. Trade Payables	06				
	- Due to Micro and Small Enterprises		195.85	74.61	4.06	96.96
	- Due to Others		260.63	679.15	676.29	314.12
	c. Other Current Liabilities	07	238.73	291.35	185.26	159.86
	d. Short Term Provisions	08	186.17	8.58	3.80	3.36
	<b>TOTAL</b>		<b>7,595.41</b>	<b>7,038.02</b>	<b>6,057.54</b>	<b>5,774.40</b>
	<b>ASSETS</b>					
<b>1)</b>	<b>Non-Current Assets</b>					
	a. Property, Plant & Equipment and Intangible Assets	09				
	- Property, Plant & Equipment		2691.43	2668.15	2774.04	2488.16
	- Intangible Assets		-	-	-	-
	- Capital work-in-progress		-	-	-	-
	b. Non-Current Investments		-	-	-	-
	c. Deferred Tax Assets (net)	03	-	-	-	-
	d. Long-term Loans & Advances		-	-	-	-
	e. Other Non-Current Assets	10	25.83	25.83	30.66	10.41
<b>2)</b>	<b>Current Assets</b>					
	a. Current Investments		-	-	-	-
	b. Inventories	11	1619.79	1578.86	1655.00	1625.02
	c. Trade Receivables	12	2327.58	2299.10	1318.36	964.48
	d. Cash and Bank Balances	13	2.47	2.29	2.16	2.46
	e. Short term loan and advances	14	558.00	123.03	45.77	293.91
	f. Other current assets	15	370.32	340.76	231.55	343.99
	<b>TOTAL</b>		<b>7,595.41</b>	<b>7,038.02</b>	<b>6,057.54</b>	<b>5,774.40</b>

**STATEMENT OF STANDALONE PROFIT AND LOSS AS RESTATED***(₹ in Lakhs)*

Sr. No.	Particulars	Note No.	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A</b>	<b>INCOME</b>					
	Revenue from Operations	16	5940.61	10069.30	7996.77	8748.57
	Other Income	17	17.57	2.94	7.16	10.53
	<b>Total Income (A)</b>		<b>5958.18</b>	<b>10072.24</b>	<b>8003.94</b>	<b>8759.10</b>
<b>B</b>	<b>EXPENDITURE</b>					
	Cost of Materials Consumed	18	4180.18	7716.43	6307.51	7104.01
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	69.07	(8.06)	11.70	(87.01)
	Employee benefit expenses	20	40.35	63.68	66.11	57.10
	Finance costs	21	160.14	310.57	204.23	385.16
	Depreciation and amortisation expense	22	123.75	258.59	243.57	226.71
	Other expenses	23	659.29	1257.62	1072.63	1087.54
	<b>Total Expenses (B)</b>		<b>5232.76</b>	<b>9598.83</b>	<b>7905.76</b>	<b>8773.51</b>
<b>C</b>	<b>Profit before tax (A-B)</b>		<b>725.42</b>	<b>473.42</b>	<b>98.18</b>	<b>(14.41)</b>
<b>D</b>	<b>Tax Expense:</b>					
	(i) Tax Expense for current year		176.96	-	-	-
	(ii) Short Provision		-	-	-	-
	(iii) Deferred tax		14.11	121.30	70.79	5.49
	<b>Total Expenses (D)</b>		<b>191.07</b>	<b>121.30</b>	<b>70.79</b>	<b>5.49</b>
<b>E</b>	<b>Profit for the year (C-D)</b>		<b>534.35</b>	<b>352.12</b>	<b>27.39</b>	<b>(19.90)</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>					
	<b>i. Basic</b>		<b>4.45</b>	<b>2.93</b>	<b>0.23</b>	<b>-0.17</b>
	<b>ii. Diluted</b>		<b>4.45</b>	<b>2.93</b>	<b>0.23</b>	<b>-0.17</b>

**STATEMENT OF STANDALONE CASH FLOW AS RESTATED***(₹ in Lakhs)*

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash Flow from Operating Activities:</b>				
Net Profit before tax as per Profit and Loss A/c	725.42	473.42	98.18	(14.41)
<b>Adjustments for:</b>				
Depreciation	123.75	258.59	243.57	226.71
Interest income	(0.98)	(2.18)	(0.85)	(0.26)
Interest expense	153.99	303.72	204.23	385.16
Gratuity Provision	3.74	2.69	2.03	1.64
Discount Received	-	-	(0.02)	(1.04)
Balances written off/ Discount allowed	-	-	6.92	1.89
Opening adjustment reserves	-	-	-	106.59

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Operating Profit Before Working Capital Changes</b>	1005.92	1036.24	554.05	706.27
<b>Adjusted for (Increase)/Decrease in operating assets/liabilities</b>				
Trade Receivables	(28.48)	(980.73)	(360.80)	892.26
Inventories	(40.93)	76.14	(29.98)	(512.66)
Short term loans and advances	(434.97)	(85.01)	252.21	(288.37)
Other Current Assets	(29.56)	(109.21)	112.44	(342.92)
Trade Payable	(297.28)	73.41	269.29	(138.16)
Other Current Liabilities	(52.63)	106.10	25.40	159.86
Short term provisions and long-term provisions	3.13	3.95	0.31	(167.44)
<b>Cash Generated from Operations Before Extra-Ordinary Items</b>	125.22	120.89	822.92	308.84
Net Income Tax (paid)/ refunded	(3.43)	7.75	(4.07)	1.67
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>121.79</b>	<b>128.63</b>	<b>818.85</b>	<b>310.51</b>
<b>Cash Flow from Investing Activities:</b>				
Purchase of fixed assets including CWIP	(147.03)	(152.71)	(529.46)	(296.39)
Increase/(Decrease) in non-Current Assets	-	-	(0.04)	(1.13)
Interest income on FD	0.98	2.18	0.85	0.26
Investment in FD	-	4.84	(20.21)	0.04
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(146.05)</b>	<b>(145.69)</b>	<b>(548.86)</b>	<b>(297.22)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from Short Term Borrowings	24.64	(98.64)	82.49	356.76
Repayment of Long-Term Borrowings	(146.22)	419.55	(148.56)	11.84
Interest paid	(153.99)	(303.72)	(204.23)	(385.16)
Right issue of shares	300.00	-	-	-
<i>*Long Term borrowings include current maturity</i>				
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>24.43</b>	<b>17.19</b>	<b>(270.3)</b>	<b>(16.56)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.18</b>	<b>0.14</b>	<b>(0.31)</b>	<b>(3.27)</b>
Cash & Cash Equivalents as At Beginning of the Year	2.29	2.16	2.46	5.74
<b>Cash &amp; Cash Equivalents as At End of the Year</b>	<b>2.47</b>	<b>2.29</b>	<b>2.16</b>	<b>2.46</b>
<b>Cash and Cash Equivalents comprise of</b>				
Cash-in-Hand	1.47	1.29	0.79	0.95
Bank Balance	1.00	1.00	1.37	1.51
FD with Bank	-	-	-	-
<b>Total</b>	<b>2.47</b>	<b>2.29</b>	<b>2.16</b>	<b>2.46</b>

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## GENERAL INFORMATION

Our Company was originally incorporated and registered as a private limited company under the Companies Act, 2013 in the name and style of 'Craftech Paper Mills Private Limited' vide certificate of incorporation dated September 06, 2016 bearing Corporate Identification Number U21024MH2016PTC285602 issued by the Deputy Registrar of Companies, Central Registration Centre. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed by our members at the Extra Ordinary General Meeting held on August 06, 2025 and consequently the name of our Company was changed to 'Craftech Paper Mills Limited'. A fresh certificate of incorporation consequent upon conversion from private limited company to public limited company dated August 27, 2025, was issued by Registrar of Companies, Central Processing Centre bearing Corporate Identification Number U21024MH2016PLC285602.

For details of incorporation and change in the name of our Company, please refer to the chapter titled “*History and Corporate Matters*” beginning on page 149 of this Draft Red Herring Prospectus.

### REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

**Craftech Paper Mills Limited**

Karwa Complex, Opp Panchayat Office,  
Main Road, NA, Latur – 413512, Maharashtra.

**Corporate Identity Number:** U21024MH2016PLC285602

**Company Registration Number:** 285602

**Telephone:** 02382-299249

**Website:** [www.craftechpaper.com](http://www.craftechpaper.com)

**Email ID:** [admin@craftechpaper.com](mailto:admin@craftechpaper.com)

### ADDRESS OF THE REGISTRAR OF COMPANIES WHERE THE COMPANY IS REGISTERED

**Registrar of Companies, Mumbai**

100, Everest, Marine Drive,  
Mumbai – 400002, Maharashtra.

**Telephone:** 022-22812627

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

**Email ID:** [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

### BOARD OF DIRECTORS OF THE COMPANY

Name of Director	Designation	Address	DIN
Suryakant Bansilal Karwa	Chairman & Managing Director	Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra – 413512	02903619
Yash Suryakant Karwa	Whole-Time Director	Karwa Complex, Main Road, Mitra Nagar, Latur, Tilaknagar, Maharashtra –	07103770
Brinda Yash Karwa	Non-Executive Director	Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra – 413512	11226000
Avinash Ashok Mandhana	Independent Director	1432, Shrivishnu Banglow, Lale Plot, Near Venkatesh Mandir, Venkatesh Nagar, Sangli, Maharashtra – 416416	11300327
Pawan Balkisan Daga	Independent Director	Flat No. 301, Tulip, Gulmohar Parkview, Kharadi Bypass, Pune City, Pune, Maharashtra – 411014	11300345

#### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Name:** Pragya Abhay Mishra  
**Address:** Karwa Complex, Opp Panchayat Office,  
Main Road, NA, Latur – 413512, Maharashtra.  
**Telephone No.:** 02382-299249  
**Email:** [admin@craftechpaper.com](mailto:admin@craftechpaper.com)

#### **CHIEF FINANCIAL OFFICER**

**Name:** Yash Suryakant Karwa  
**Address:** Karwa Complex, Opp Panchayat Office,  
Main Road, NA, Latur – 413512, Maharashtra.  
**Telephone No.:** 02382-299249  
**Email:** [cfo@craftechpaper.com](mailto:cfo@craftechpaper.com)

#### **INVESTOR GRIEVANCES**

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer and/or the Book Running Lead Manager, in case of any pre-offer or post-offer related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Individual Bidders. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Offer related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

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

**Horizon Management Private Limited**  
**Address:** 56E, Hemanta Basu Sarani,  
Stephen House, 4<sup>th</sup> Floor, Room No. 62,  
Kolkata - 700 001  
**Tel No.:** +91 33 4600 0607  
**Email:** [smeipo@horizon.net.co](mailto:smeipo@horizon.net.co)  
**Website:** [www.horizonmanagement.in](http://www.horizonmanagement.in)  
**Investor Grievance ID:** [investor.relations@horizon.net.co](mailto:investor.relations@horizon.net.co)  
**Contact Person:** Narendra Bajaj  
**SEBI Registration No:** INM000012926

#### **LEGAL ADVISOR TO THE OFFER**

**Legacy Law Offices LLP**  
**Address:** Legacy House, D-18, Kalkaji, New Delhi- 110019.  
**Tel No.:** +91-9988198262

**Website:** [www.legacylawoffices.com](http://www.legacylawoffices.com)  
**Email Id:** [anand@legacylawoffices.com](mailto:anand@legacylawoffices.com)  
**Contact Person:** Advocate Gagan Anand  
**Enrolment no:** D/317/1996 (R)

#### REGISTRAR TO THE OFFER

**Maashitla Securities Private Limited**  
**Address:** 451, Krishna Apra Business Square,  
Netaji Subhash Place, Pitampura, Delhi – 110034.  
**Tel No.:** 011-45781432  
**Email Id:** [investor.ipo@maashitla.com](mailto:investor.ipo@maashitla.com)  
**Website:** [www.maashitla.com](http://www.maashitla.com)  
**Investor Grievance Email:** [investor.ipo@maashitla.com](mailto:investor.ipo@maashitla.com)  
**Contact Person:** Mukul Agrawal  
**SEBI Registration Number:** INR000004370  
**CIN:** U67100DL2010PTC208725

#### BANKER TO THE COMPANY

**HDFC Bank Limited**  
**Address:** Shri-Prabha Arcade, 31-1 MG Road,  
Near Nagar Parishad, Opp Town Hall, Latur,  
Maharashtra – 413 512  
**Tel No.:** +91 8668231750  
**Contact Person:** Dayanand Ram More  
**Email:** [Dayanand.more@hdfc.bank.in](mailto:Dayanand.more@hdfc.bank.in)

#### BANKER(s) TO THE OFFER & SPONSOR BANK

**Name:** [●]  
**Address:** [●]  
**Tel No.:** [●]  
**Contact Person:** [●]  
**Email:** [●]  
**Website:** [●]  
**SEBI Registration No.:** [●]

#### STATUTORY AND PEER REVIEW AUDITOR OF THE OFFER

**Name:** BSMART and Associates LLP  
**Address:** Ground Floor, Swayambhu Building,  
Sujay Garden, Mukund Nagar, Pune, Maharashtra - 411037  
**Tel No.:** 020-24211131; 020-24211141; 020-24211151  
**Contact Person:** Krishna Prasad Sah  
**Membership Number:** 052393  
**Email:** [info@bsmartpartners.com](mailto:info@bsmartpartners.com)  
**Website:** [bsmartpartners.com](http://bsmartpartners.com)  
**ICAI Firm Registration Number:** 121181W/W100011  
**Peer Review Number:** 016571

#### MARKET MAKER TO THE OFFER

**Name:** [●]  
**Address:** [●]  
**Tel No.:** [●]  
**Contact Person:** [●]  
**Email:** [●]  
**Website:** [●]  
**SEBI Registration No.:** [●]

## DESIGNATED INTERMEDIARIES

### **Self-Certified Syndicate Banks (SCSB's)**

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and updated from time to time. For more information on the Designated Branches of SCSBs collecting Bid-cum-Application Forms, Forms, see the above-mentioned SEBI link

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path: Home >> Intermediaries / Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he / she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list

### **Self-Certified Syndicate Banks Eligible as Issuer Banks for UPI**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, Applicants using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (<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.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors and Individual Bidders) submitted under 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 <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=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. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?DoRecognized=yes&intmId=35>, as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

### **Registered Brokers**

Applicants (other than IIs) can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers. The list of the Registered Brokers including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.bseindia.com>, as updated from time to time and on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the Registrar to Offer and Share Transfer Agents (RTAs) eligible to accept Application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### **Collecting Depository Participants (CDP's)**

The list of the CDPs eligible to accept eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **BROKERS TO THE OFFER**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Offer.

### **EXPERTS OPINION**

Except as disclosed below, our Company has not obtained any Expert opinion:

Our Company has received written consent dated December 15, 2025 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated December 15, 2025 on our restated financial information; and (ii) its report dated December 15, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has also received written consent dated December 23, 2025 from Chartered Engineer, Arup Kumar Ghosh to include his name in this Draft Red Herring Prospectus and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consents have 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.

### **INTER-SE ALLOCATION OF RESPONSIBILITIES**

**Horizon Management Private Limited** is the sole Book Running Lead Manager to the Offer, and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Offer.

### **APPRAISING ENTITY**

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

### **IPO GRADING**

Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, no credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

### **CREDIT RATING**

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

### **DEBENTURE TRUSTEE**

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

## FILING OF OFFER DOCUMENT WITH THE DESIGNATED STOCK EXCHANGE/SEBI/ROC

The Draft Red Herring Prospectus is being filed on BSE SME platform situated at 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

The Draft Red Herring Prospectus shall not be filed with SEBI, nor shall SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations and amendments thereto and SEBI Master Circular Number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, a copy of the Red Herring Prospectus / Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 and Section 26 of the Companies Act, 2013 would be filed with the Registrar of Companies, situated at Mumbai, at least three (3) days prior from the date of opening of the Offer.

## BOOK BUILDING PROCESS

Book Building Process, in the context of the Offer, refers to the process of collection of Bids from bidders based on the Red Herring Prospectus, the Bid cum Application Forms, and the Revision Forms, if any, within the Price Band and the minimum Bid Lot. The Price Band shall be decided by our Company in consultation with the BRLM and shall be advertised in all editions of [●], the English national newspaper, all editions of [●], the Hindi national newspaper and all editions of [●], the Marathi edition of regional daily newspaper, where our Registered office is situated, each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLM after the Bid/Offer Closing Date. For more details, please refer to the chapter titled “*Offer Procedure*” beginning on page 237 of this Draft Red Herring Prospectus. Principal parties involved in the book building process are:

- Our Company
- The Book Running Lead Manager in this case being Horizon Management Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer
- The Escrow Collection Banks/ Bankers to the Offer and
- The Designated Intermediaries and Sponsor bank.

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders in the following manner: (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 Lakhs (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 Lakhs and the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI (ICDR) Regulations and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required



to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

**All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company may, in consultation with the Book Running Lead Manager and the Designated Stock Exchange.**

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in case of UPI Bidders, by alternatively using the UPI Mechanism. 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 Investors are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Bidders (subject to the Bid Amount being up to ₹5 Lakh) can revise their Bids during the Bid/ Offer Period and withdraw their Bids on or before the Bid/ Offer Closing Date. Except for Allocation to Individual Bidders, Non-Institutional Investors, and the Anchor Investors, allocation in the Offer will be on a proportionate basis. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

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

In terms of SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, as per the above-mentioned Master Circular, Individual Bidders applying in a public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Offer Procedure*” beginning on page 237 of this Draft Red Herring Prospectus.

The process of Book Building under the SEBI (ICDR) Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer. For further details on the method and procedure for Bidding, please refer to the chapters titled “*Terms of the Offer*”, “*Offer Structure*”, “*Offer Procedure*” beginning on pages 220, 231 and 237 respectively, of this Draft Red Herring Prospectus.

Bidders should note that the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

## **WITHDRAWAL OF THE OFFER**

In accordance with the SEBI (ICDR) Regulations, Our Company in consultation with the BRLM, reserves the right not to proceed with the Offer at any time before the Bid/ Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any time after the Bid/ Offer Opening Date but before the allotment of Equity

shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Offer through the Prospectus, which our Company will apply for only after Allotment; and (ii) filing of Red Herring Prospectus/Prospectus with the Registrar of Companies.

## UNDERWRITING

Our Company and Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% underwritten by [●] in the capacity of Underwriter to the Offer.

The Underwriting Agreement is dated [●] and pursuant to the terms of the Underwriting Agreement; obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter has indicated its intention to underwrite following number of Equity Shares being issued through this Offer.

Details of the Underwriter (Name, address, telephone number and email address)	Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the Offer Size Underwritten
[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]

In accordance with Regulation 260(2) of the SEBI (ICDR) Regulations and amendments thereto, the Book Running Lead Manager to the Offer shall underwrite at least 15% of the total Offer Size. In the opinion of the Board of Directors of our Company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full.

## CHANGES IN AUDITORS

Following are the changes in Statutory Auditor of our Company in last three years prior to the date of this Draft Red Herring Prospectus:

Details of Auditors	Date of Change	Reason for Change
<b>AST and Co.</b> <b>Address:</b> Shop No. 23, Opp. Shoppers Stop, Hatte Corner, Latur, Maharashtra – 413512 <b>Tel No.:</b> 02382-250490 <b>E Mail:</b> camahesh Toshniwal@gmail.com <b>Firm Registration No.:</b> 136583W <b>Membership No:</b> 145199 <b>Contact Person:</b> Mahesh C. Toshniwal	September 06, 2016 (Date of appointment)	Appointed as Statutory Auditor till conclusion of AGM held in 2021
	April 01, 2022 (Date of re-appointment)	Re-appointed as Statutory Auditor till conclusion of AGM held in the year 2027
	June 18, 2025 (Date of resignation)	Resignation due to professional constraints
<b>BSMART and Associates LLP</b> <b>Address:</b> BSMART, Ground Floor, Swayambhu Building, Sujay Garden,	June 30, 2025 (Date of Appointment)	Appointed in case of causal vacancy for FY 2024-25

Details of Auditors	Date of Change	Reason for Change
Mukund Nagar, Market Yard, Pune, Maharashtra - 411037 <b>Tel No.:</b> 080-25585443/080-25597494 <b>E Mail:</b> info@bsmartpartners.com <b>Peer review No.:</b> 016571 <b>Firm Registration No.:</b> 121181/W100011 <b>Membership No:</b> 118693 <b>Contact Person:</b> Bhushan Chandrakant Shah	September 30, 2025 (Date of re-appointment)	Appointment for a period of 5 years

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THE OFFER

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

<b>Name</b>	[●]
<b>Correspondence Address</b>	[●]
<b>Tel No.</b>	[●]
<b>E-Mail Id</b>	[●]
<b>Website</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]
<b>Market Maker Registration No.</b>	[●]

*The Market Maker shall be appointed prior to filing of the Red Herring Prospectus with the ROC.*

[●], registered with BSE, will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

#### FOLLOWING IS A SUMMARY OF THE KEY DETAILS PERTAINING TO THE MARKET MAKING ARRANGEMENT

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE (BSE SME platform) and SEBI from time to time.
3. The investors with holdings less than the minimum lot size shall be allowed to issue their holding to the Market Maker (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Based on the IPO price of ₹[●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE from time to time.
5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity

Shares of the Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by the SEBI and BSE from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at BSE SME platform and Market Maker will remain present as per the guidelines mentioned under the BSE and SEBI circulars.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
13. The Market Maker shall have the right to terminate said arrangement by giving a (3) three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
14. In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 10.00 a.m. to 5.00 p.m. on working days.
15. **Risk containment measures and monitoring for Market Makers:** BSE SME platform will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
16. **Punitive Action in case of default by Market Makers:** The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not

present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

17. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
18. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the Offer size and as follows:

Offer size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 crores to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

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

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## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate value at face value (in ₹)	Aggregate value at Offer Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,50,00,000 Equity Shares of face value of ₹10/- each	2,500.00	[●]
<b>B.</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Offer</b>		
	1,38,00,000 Equity Shares of face value of ₹10/- each	1,380.00	[●]
<b>C.</b>	<b>Present Offer in terms of this Draft Red Herring Prospectus</b> <sup>(1)(2)(3)</sup>		
	Upto 59,96,000 Equity Shares of face value of ₹10/- each at an Offer Price of ₹ [●] per Equity share	[●]	[●]
	<b>consisting of:</b>		
	Fresh Issue of up to 53,50,000 Equity Shares of face value of ₹10/- each at a Premium of ₹ [●] per share	[●]	[●]
	Offer for Sale of up to 6,46,000 Equity Shares of face value of ₹10/- each at a Premium of ₹ [●] per share	[●]	[●]
	<b>Of which:</b>		
<b>D.</b>	<b>Reservation for Market Maker Portion</b> [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] per share as Market Maker Portion	[●]	[●]
<b>E.</b>	<b>Net Offer to Public</b> Net Offer to Public of [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] per share to the Public	[●]	[●]
	<b>Of which:</b>		
	i. At least [●] Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs will be available for allocation to Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds	[●]	[●]
<b>F.</b>	<b>Issued, subscribed and paid-up Equity Share capital after the Offer*</b>		
	Up to [●] Equity Shares of face value of ₹ [●]/- each*	[●]	[●]
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Offer (as on the date of this Draft Red Herring Prospectus)		Nil
	After the Offer		[●]

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

<sup>(1)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated November 18, 2025, and pursuant to a special resolution of our Shareholders passed in an extraordinary general meeting dated November 29, 2025 under Section 62(1)(c) of the Companies Act, 2013

<sup>(2)</sup> The Equity Shares being offered by the Selling Shareholder have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on Consent of the Selling Shareholder



in relation to their portion of Offered Shares, please refer to the chapters titled “**Offer details in brief**” and “**Other Regulatory and Statutory Disclosures**” beginning on pages 55 and 207 respectively of this Draft Red Herring Prospectus.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis, subject to valid Applications received at or above the Offer Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations, and guidelines

## CLASSES OF SHARES

Our Company has one class of share capital, i.e., Equity Shares of face value of ₹10/- each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

### Notes to the Capital Structure:-

#### 1. Details of changes in the Authorized Equity Share Capital of our Company

Since incorporation of our Company, the Authorised Equity Share Capital of our Company has been changed in the manner set forth below:

Sr. No.	Date of Shareholders Meeting	Particulars of Change	Whether AGM/ EGM
1.	*Incorporation	On Incorporation the Authorised Share Capital of the Company was ₹4,00,00,000/- divided into 40,00,000 Equity Shares of ₹10/- each.	NA
2.	September 01, 2021	The Authorised Share Capital increased from ₹4,00,00,000/- divided into 40,00,000 Equity Shares of ₹10/- each to ₹95,00,00,000/- divided into 95,00,000 Equity Shares of ₹10/- each.	EGM
3.	November 15, 2025	The Authorised Share Capital increased from ₹9,50,00,000/- divided into 95,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹10/- each.	EGM

\*Our Company was incorporated vide Certificate of Incorporation dated September 06, 2016

For further details in relation to the changes in the Authorized Share Capital of our Company, please refer to section titled “**History and Corporate Structure- Amendments to the Memorandum of Association**” beginning on page 152 of this Draft Red Herring Prospectus.

#### 2. History of Issued and Paid-Up Share Capital of our Company

##### a) Equity Share Capital

The history of the Equity Share Capital of our Company is set forth below:

Date of allotment	Nature of Allotment	Details of Allotees/shareholders and equity shares allotted	No. of equity shares allotted	Face value per equity share	Issue price per equity share	Nature of Consideration	Cumulative No. of Equity Shares
Upon Incorporation*	Subscription to the MOA	10,000 equity shares were allotted to 4 allottees i.e., Yash Suryakant Karwa (2,500 equity shares), Suryakant Bansilal	10,000	10	10	Cash	10,000

Date of allotment	Nature of Allotment	Details of Allotees/shareholders and equity shares allotted	No. of equity shares allotted	Face value per equity share	Issue price per equity share	Nature of Consideration	Cumulative No. of Equity Shares
		Karwa (2,500 equity shares), Deelip Mane (2,500 equity shares) and Dinesh Mane (2,500 equity shares)					
March 02, 2018	Rights Issue on a proportionate basis	39,90,000 equity shares were allotted to 4 allottees i.e., Yash Suryakant Karwa (14,97,500 equity shares), Suryakant Bansilal Karwa (7,97,500 equity shares), Deelip Mane (6,97,500 equity shares) and Dinesh Mane (9,97,500 equity shares)	39,90,000	10	10	Cash	40,00,000
January 04, 2022	Conversion of Loan into Equity Shares	40,00,000 equity shares were allotted to 4 allottees i.e., Yash Suryakant Karwa (15,00,000 equity shares), Suryakant Bansilal Karwa (18,00,000 equity shares), Deelip Mane (6,00,000 equity shares) and Ritesh Mane (1,00,000 equity shares)	40,00,000	10	10	Other than cash	80,00,000
September 30, 2025	Rights Issue in proportion of 3 (Three) new equity shares for every 20 (Twenty) equity shares	12,00,000 equity shares to Suryakant Bansilal Karwa.	12,00,000	10	25	Cash	92,00,000
November 18, 2025	Bonus Issue in the ratio one (1) Equity Shares for every two (2) Equity Shares on November 17, 2025*	Bonus Issue of 46,00,000 equity shares was allotted to 7 allottees i.e., Yash Suryakant Karwa (15,00,000 equity shares), Suryakant Bansilal Karwa (30,99,875 equity shares), Brinda Yash Karwa (25 equity shares), Alka Umakant Karwa (25 equity shares), Shailaja	46,00,000	10	Nil	Other than Cash	1,38,00,000

Date of allotment	Nature of Allotment	Details of Allotees/shareholders and equity shares allotted	No. of equity shares allotted	Face value per equity share	Issue price per equity share	Nature of Consideration	Cumulative No. of Equity Shares
		Suryakant Karwa (25 equity shares) and Umakant Bharatlal Karwa (25 equity shares) and Mukesh Chandrakant Karwa (25 equity shares)					

*\*The bonus issue was approved by the shareholders of the Company on November 15, 2025, pursuant to which the Board, in its meeting held on November 18, 2025, allotted the equity shares to the shareholders.*

**b) Preference Share Capital**

3. As on the date of the filing of this Draft Red Herring Prospectus our Company has not issued Preference Shares.
  - i. As on the date of this Draft Red Herring Prospectus, our Company has not issued Equity Shares for consideration other than cash.
  - ii. Our Company since inception has not revalued its assets since inception and have not issued any Equity Shares by capitalizing the revaluation reserves.
4. As on the date of this Draft Red Herring Prospectus, our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 230-234 of the Companies Act, 2013, as applicable.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our Company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed Offer. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
6. All transactions in Equity Shares by our Promoters and 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.
7. Except as set out below, our Company has not issued any Equity Shares at a price lower than the Offer price during the period of one year preceding the date of this Draft Red Herring Prospectus:-

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (in ₹)	Issue price (in ₹)	Benefits accrued to our Company
September 30, 2025	Rights Issue in a proportion of 3 (Three) new equity shares for every 20 (Twenty) equity shares	12,00,000 equity shares to Suryakant Bansilal Karwa.	10	25	Cash
November 18, 2025	Bonus Issue in the ratio one (1) Equity Shares for every two (2) Equity Shares on	46,00,000	10	Nil	Capitalization of reserves and surplus

	November 17, 2025*				
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*The bonus issue was approved by the shareholders of the Company on November 15, 2025, pursuant to which the Board, in its meeting held on November 18, 2025, allotted the equity shares to the shareholders.*

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## 8. Shareholding Pattern of our Company:

Set forth is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. of Equity Shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR,1957) (VIII) as a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Class (Others)	Total								
(A)	Promoter and Promoter Group	4	1,37,99,775	-	-	1,37,99,775	99.99	1,37,99,775	-	1,37,99,775	99.99	-	-	-	-	-	-	1,37,99,775
(B)	Public	3	225	-	-	225	0.01	225	-	225	0.01	-	-	-	-	-	-	225
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	1,38,00,000	-	-	1,38,00,000	100	1,38,00,000	-	1,38,00,000	100	-	-	-	-	-	-	1,38,00,000

## 9. Other details of Shareholding of our Company

(a) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share Capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Offer Equity Share Capital (%)
1.	Suryakant Bansilal Karwa	92,99,625	67.38%
2.	Yash Suryakant Karwa	45,00,000	32.61%
	<b>Total</b>	<b>13,799,625</b>	<b>99.99%</b>

(b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share Capital of our Company as of ten days prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Offer Equity Share Capital (%)
1.	Suryakant Bansilal Karwa	92,99,625	67.38%
2.	Yash Suryakant Karwa	45,00,000	32.61%
	<b>Total</b>	<b>13,799,625</b>	<b>99.99%</b>

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share Capital of our Company as of one year prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Yash Suryakant Karwa	30,00,000	37.50%
2.	Suryakant Bansilal Karwa	26,00,000	32.50%
3.	Deelip Mane	13,00,000	16.25%
4.	Dinesh Mane	11,00,000	13.75%
	<b>Total</b>	<b>80,00,000</b>	<b>100.00%</b>

(d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share Capital of our Company as of two years prior to filing this Draft Red Herring Prospectus

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Yash Suryakant Karwa	30,00,000	37.50%
2.	Suryakant Bansilal Karwa	26,00,000	32.50%
3.	Deelip Mane	13,00,000	16.25%
4.	Dinesh Mane	11,00,000	13.75%
	<b>Total</b>	<b>80,00,000</b>	<b>100.00%</b>

10. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of this Draft Red Herring Prospectus.

11. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the issue by way of split/consolidation of the denomination of Equity



Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by our Board of Directors to be in the interest of our Company.

## 12. Shareholding of Promoters and Promoter Group:

Name	Pre-Offer		Post-Offer	
	No. of equity Shares	As a % of Issued Capital	No. of equity shares	As a % of Offered Capital
<b>Promoters</b>				
Suryakant Bansilala Karwa	92,99,625	67.38%	[●]	[●]%
Yash Suryakant Karwa	45,00,000	32.61%	[●]	[●]%
<b>Total (A)</b>	<b>1,37,99,625</b>	<b>99.99%</b>	<b>[●]</b>	<b>[●]%</b>
<b>Promoter Group</b>				
Brinda Yash Karwa	75	Negligible	[●]	[●]%
Shailaja Suryakant Karwa	75	Negligible	[●]	[●]%
<b>Total (B)</b>	<b>150</b>	<b>Negligible</b>	<b>[●]</b>	<b>[●]%</b>
<b>Public</b>				
Alka Karwa	75	Negligible	[●]	[●]%
Umakant Karwa	75	Negligible	[●]	[●]%
Mukesh Karwa	75	Negligible	[●]	[●]%
<b>Total (C)</b>	<b>225</b>	<b>Negligible</b>	<b>[●]</b>	<b>[●]%</b>
<b>Total (A+B+C)</b>	<b>1,38,00,000</b>	<b>100.00%</b>	<b>[●]</b>	<b>[●]%</b>

## 13. Capital Build-up in respect of Shareholding of our Promoters:

As on the date of this Draft Red Herring Prospectus, Our Promoters cumulatively hold 1,37,99,625 Equity Shares of our Company. None of the Equity Shares held by our Promoters is subject to any pledge.

Set forth below is the build-up of the Shareholding of our Promoters in our Company since incorporation.

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Nature of Consideration	Cumulative no. of Equity Shares	% of the Pre- Offer Equity Share Capital (%)	% of the Post- Offer Capital (%)
<b>SURYAKANT BANSILAL KARWA</b>								
Upon Incorporation	Subscriber to MoA	2,500	10	10	Cash	2,500	0.02	[●]%
March 02, 2018	Further Issue	7,97,500	10	10	Cash	8,00,000	5.80	[●]%
January 04, 2022	Further Issue	18,00,000	10	10	Cash	26,00,000	18.84	[●]%

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Nature of Consideration	Cumulative no. of Equity Shares	% of the Pre- Offer Equity Share Capital (%)	% of the Post- Offer Capital (%)
May 16, 2025	Transfer of shares from Deelip Mane via Share Purchase Agreement	13,00,000	10	21	Cash	39,00,000	28.26	[●]%
May 16, 2025	Transfer of shares from Ritesh Mane via Share Purchase Agreement	11,00,000	10	21	Cash	50,00,000	36.23	[●]%
May 16, 2025	Transfer of Shares to Brinda Yash Karwa	(50)	10	10	Cash	49,99,950	36.23	[●]%
May 16, 2025	Transfer of Shares to Alka Karwa	(50)	10	10	Cash	49,99,900	36.23	[●]%
May 16, 2025	Transfer of Shares to Shailaja Suryakant Karwa	(50)	10	10	Cash	49,99,850	36.23	[●]%
May 16, 2025	Transfer of Shares to Umakant Karwa	(50)	10	10	Cash	49,99,800	36.23	[●]%
May 16, 2025	Transfer of Shares to Mukesh Karwa	(50)	10	10	Cash	49,99,750	36.23	[●]%
September 30, 2025	Rights Issue	12,00,000	10	15	Cash	61,99,750	44.93	[●]%
November 18, 2025	Bonus Issue	30,99,875	10	Nil	Other than Cash	92,99,625	67.38	[●]%
<b>Total</b>		<b>92,99,625</b>					<b>67.38</b>	
<b>YASH SURYAKANT KARWA</b>								
Upon Incorporation	Subscriber to MoA	2,500	10	10	Cash	2,500	0.02	[●]%
March 02, 2018	Further Issue	14,97,500	10	10	Cash	15,00,000	10.87	[●]%
January 04, 2022	Further Issue	15,00,000	10	10	Cash	30,00,000	21.74	[●]%

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Nature of Consideration	Cumulative no. of Equity Shares	% of the Pre- Offer Equity Share Capital (%)	% of the Post- Offer Capital (%)
November 18, 2025	Bonus Issue	15,00,000	10	Nil	Other than Cash	45,00,000	32.61	[●]%
<b>Total</b>		<b>45,00,000</b>					<b>32.61</b>	

14. Except as disclosed in “*Shareholding of our Promoters*”, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

**15. Details of Promoter’s Contribution locked-in for three (3) years**

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post- Offer Capital held by our Promoters shall be considered as Promoter’s Contribution (“**Promoter’s Contribution**”) and shall be locked in for a period of three years from the date of allotment of Equity Shares pursuant to this Offer. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,37,99,625 Equity Shares constituting [●] % of the Post- Offered, subscribed and Paid up Equity Share Capital of our Company, which are eligible for the Promoters Contribution.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter’s Contribution are set forth in the table below:

Date of allotment/ Transfer of the Equity Shares <sup>*(1)(2)(3)</sup>	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition / Transfer price per Equity Share (₹)	Nature of transaction	Post-Offer Shareholding (%)	Lock in Period
SURYAKANT BANSILAL KARWA						
	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]					
YASH SURYAKANT KARWA						
	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]					

\* Subject to finalisation of Basis of Allotment.

<sup>(1)</sup> For a period of three years from the date of allotment.

<sup>(2)</sup> All Equity Shares have been fully paid-up at the time of allotment.

<sup>(3)</sup> All Equity Shares held by our Promoters are in dematerialized form.

Our Promoters shall give a written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter’s Contribution constituting 20% of the post- Offer Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s Contribution, for a period of three years from the date of Allotment in the Offer.

**Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI ICDR Regulations**

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

**16. Details of Promoters Contribution locked-in for two year and once year one year:**

In addition to [●] of the post-Offer capital of our Company held by the Promoters, which will be locked - in for three years, the balance [●] Equity Shares held by the Promoters shall be released in a phased manner i.e., [●]% of the fully diluted post-Offer capital (equivalent to [●] Equity Shares), shall be locked in for a period of two years from the date of allotment in the Offer and the remaining 50% of the Promoters holding in excess of the Minimum Promoters Contribution, i.e., [●]% of the fully diluted post-Offer capital (equivalent to [●] Equity Shares), shall be locked in for a period of one year from the date of allotment in the Offer.

**17. Details of pre-Offer equity shares held by persons other than the promoters locked-in for one year**

In terms of Regulation 239 of the SEBI ICDR Regulations, in addition to the Minimum Promoters Contribution as per regulation 238(a) and 238(b) of the SEBI ICDR Regulations, the entire pre-Offer capital held by persons other than the promoters’ holding constituting [●] Equity Shares of face value of ₹10/- each shall be locked in for a period of one year from the date of allotment of Equity Shares in this Offer

**18. Inscription or Recording of non-transferability**

In terms of Regulation 241 of the SEBI ICDR Regulations, the Equity Shares which are subject to lock- in shall carry inscription ‘**non-transferable**’ along with the Ratio of specified non-transferable period mentioned in the

face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

### **19. Transferability of Locked-In Equity Shares:**

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

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

### **20. Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

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 to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 243 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

21. Neither we, nor our Promoters, Promoter Group, Directors and the BRLM to this Offer have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the Offer from any person.
22. All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
23. We further confirm that our Promoters Contribution of 20.00% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies

24. All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
25. The BRLM i.e., Horizon Management Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. We have Seven (7) shareholders as on the date of filing of this Draft Red Herring Prospectus.
26. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
27. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.
28. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
29. An over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the post-Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3-year lock-in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
30. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 of SEBI ICDR Regulations, and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Offer Price. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. BSE Limited. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
31. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
32. There are no Equity Shares against which depository receipts have been issued.
33. As per RBI regulations, OCBs are not allowed to participate in this Offer.
34. Our Promoter and the members of our Promoter Group will not participate in the Offer.
35. This Offer is being made through Book Building Method.
36. All Equity Shares held by our Promoters and Promoter Group are in Dematerialised Form. Hence, pre-Offer paid up capital of our Company is 100% Dematerialised.
37. No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, or our Directors, 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.
38. As on the date of this Draft Red Herring Prospectus, the BRLM and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in



commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

**39.** Details of Equity Shares held by our Directors, Key Managerial Personnel, Promoter, Promoter Group as on the date of filling this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of Director / KMP/ Promoters/ Promoter Group</b>	<b>Category</b>	<b>Number of Equity</b>	<b>% of the Pre – Offer Equity Share Capital</b>
1.	Suryakant Bansilal Karwa	Promoter	92,99,625	67.38%
2.	Yash Suryakant Karwa	Promoter	45,00,000	32.61%
3.	Brinda Yash Karwa	Director	75	Negligible
4.	Shailaja Suryakant Karwa	Promoter Group	75	Negligible

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

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## OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to 53,50,000 Equity Shares for cash at a price of ₹[●] per equity shares (including premium of ₹[●] per equity share) aggregating up to ₹[●] lakhs by our Company and an Offer for Sale of up to 6,46,000 Equity Shares for cash at a price of ₹[●] per equity shares (including premium of ₹ [●] per equity share) aggregating up to ₹ [●] lakhs by the Selling Shareholders.

### OFFER FOR SALE

Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale shall be received by the Selling Shareholders and will not form part of the Net Proceeds. The Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its respective proportion of the Offer expenses and relevant taxes thereon. For further details, please see *“Objects of the Offer”* on page 86.

### FRESH ISSUE

We intend to utilize the Proceeds of the Offer, after deducting the Offer related expenses, as estimated to be ₹[●] Lacs (the **“Net Proceeds”**).

Our Company proposes to utilize the Net Proceeds from the Offer towards the following objects:

1. Funding Capital Expenditure towards purchase of Boiler.
2. Funding Capital Expenditure towards purchase of a 2 MW Back Pressure Steam Turbine Generator (STG)
3. Funding the Working Capital requirement of our company
4. Prepayment or repayment of all or a portion of certain loans availed by our Company
5. General Corporate Purposes.

(Collectively, referred to herein as the **“Objects”**)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental & ancillary to the main objects as set out in the Memorandum of Association of our Company enable our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

### OFFER PROCEEDS

The details of the proceeds of the Offer are set out in the following table:

(₹ in Lakhs)

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds from the Offer	[●]
(Less) Offer related expenses	[●]
<b>Net Proceeds</b>	[●]

<sup>(1)</sup> To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

**Requirement of Funds and Utilization of Net Proceeds** the Net Proceeds are proposed to be used in the manner set out in in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated amount
1.	Capital Expenditure towards purchase of Boiler	Up to 750.00
2.	Capital Expenditure towards purchase of a 2 MW Back Pressure Steam Turbine Generator (STG)	Up to 250.00
3.	Funding the Working Capital requirement of our company	Up to 900.00
4.	Prepayment or repayment of all or a portion of certain loans availed by our Company	Up to 550.00
5.	General corporate purposes <sup>(1)(2)</sup>	[•]

<sup>(1)</sup> To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup> The amount to be utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Offer or Rs 10.00 Cr whichever is lower.

#### SCHEDULE OF IMPLEMENTATION AND MEANS OF FINANCE

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

(₹ in Lakhs)

Sr. No.	Particulars	Total estimated cost	Amount which will be financed from Net Proceeds <sup>(1)</sup>	Amount to be funded from internal accruals/ Borrowings	Estimated Utilisation of Net Proceeds	
					FY 2025-26	FY 2026-27
1.	Capital Expenditure towards purchase of Boiler.	1,305.00	750.00	555.00	750.00	Nil
2.	Capital Expenditure towards purchase of a 2 MW Back Pressure Steam Turbine Generator (STG)	285.00	250.00	35.00	250.00	Nil
3.	Funding the Working Capital requirement of our company	4,758.00	900.00	3,858.00	500.00	400.00
4.	Prepayment or repayment of all or a portion of certain loans availed by our Company	1,666.56	550.00	1116.56	550.00	Nil
5.	General corporate purposes <sup>(1)</sup>	[•]	[•]	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]	[•]	[•]

<sup>(1)</sup> To be finalised upon determination of Offer Price. The amount to be utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Offer or Rs 10.00 Cr whichever is lower.

Given the dynamic nature of the industry and specifically that of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and taxes and duties, interest and finance charges, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of 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 utilized towards general corporate purposes will not exceed 15% of the Gross Proceeds or Rs 10.00 Cr whichever is lower as per the SEBI ICDR guidelines.

In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details refer to section titled **Risk Factors** on page 33 of this Draft Red Herring Prospectus.

The fund requirements mentioned above are based on the internal management estimates of our Company and quotation received from third parties. The fund requirements mentioned above except for purchase of machineries are based on the internal management estimates of our Company, and have not been verified by the Book Running Lead Manager or appraised by any bank or financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details refer to section titled **Risk Factors** on page 33 of this Draft Red Herring Prospectus.

The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds and internal accruals. In view of above, we confirm that, with respect to the Objects, our Company is not required to make firm arrangement of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations, through verifiable means towards 75% of the stated means of finance for the Project.

## Details of the Object

The details of the Objects of the Offer are set out below:

### 1. Funding Capital Expenditure towards purchase of Boiler.

Craftech Paper Mills Limited (the “Company”) is an integrated kraft paper manufacturer based in Latur, Maharashtra, engaged in the production of recycled kraft paper ranging from 100–300 GSM and BF 18-28 for use in corrugation, industrial packaging, paper bags and allied applications. Our manufacturing process is based on 100% recycled fibre and old corrugated cartons (OCC) and is operated under a Zero Liquid Discharge (“ZLD”) framework. Our Company serves a diversified base of dealers, distributors, packaging converters, corrugated box manufacturers and regional trading houses across Western, Southern and Central India. With growing demand for sustainable and recyclable packaging solutions, our product portfolio positions us to capture opportunities arising from the expansion of the domestic packaging ecosystem and the increasing shift towards eco-friendly materials.

In order to cater the ongoing demand, we are proposing to install a new boiler by allocating Upto 750.00 lakhs for the said installation. This proposed capex would increase the overall capacity to 72,000MT from 48,000 MT per annum thereby enabling us to meet the increased demand.

**Quotation**

Sr No .	Particulars	Purpose of the Machinery	Price Per Unit (₹ in Lakh)	Gross Amount (₹ in Lakhs)	Amount of GST (₹ in Lakhs)	Total Estimated Cost (₹ in Lakhs)	Quotation Reference & Validity
<b>CHEEMA BOILERS LIMITED</b>							
1.	Design, Engineering, Manufacturing, Supply of One NO. 21 TPH, 45 KG/CM <sup>2</sup> (G) PRESSURE, 450±5°C SUPERHEATED STEAM TEMPERATURE, BIDRUM WATER TUBE TYPE AFBC BOILER	The boiler is installed to generate high-pressure and high-temperature steam required for various stages of the kraft paper manufacturing process. The steam is primarily used for pulping operations, chemical processing, and drying of paper, ensuring consistent product quality.	570.00	570.00	102.60	672.60	CBL/2717/2025-26  (Valid till: March 20, 2026)
2.	Design, Engineering, Manufacturing, Supply of BOILER ACCESSORIES	Accessories forming part of BOILER	215.00	215.00	38.70	253.70	CBL/2717/2025-26  (Valid till: March 20, 2026)
3.	Design, Engineering, Manufacturing, Supply of ESP	The Electrostatic Precipitator (ESP) is installed as a	250.00	250.00	45.00	295.00	CBL/2717/2025-26

Sr No .	Particulars	Purpose of the Machinery	Price Per Unit (₹ in Lakh)	Gross Amount (₹ in Lakhs)	Amount of GST (₹ in Lakhs)	Total Estimated Cost (₹ in Lakhs)	Quotation Reference & Validity
<b>CHEEMA BOILERS LIMITED</b>							
	(<50MG/Nm <sup>3</sup> , 3 Fields)	pollution control equipment to capture and remove particulate matter from flue gases generated during boiler operations.					(Valid till: March 20, 2026)
4.	Erection and Commissioning	-	180.00	180.00	32.40	212.40	CBL/2717/2025-26 (Valid till: March 20, 2026)
5.	Transportation and Transit Insurance	-	90.00	90.00	16.20	106.20	CBL/2717/2025-26 (Valid till: March 20, 2026)
	<b>Total</b>			<b>1,305.00</b>	<b>234.90</b>	<b>1,539.90</b>	

We confirm that the machineries/equipment mentioned in the objects of the offer does not include any second-hand machineries.

We hereby confirm that any of the Promoter(s), Promoter Group, Director (s), Key managerial Personnel or Senior Managerial personnel have no interest or are related to vendor in any capacity.

In this regard, we clarify that the cost of machinery and equipment mentioned under the Objects of the Offer does not include applicable Goods and Services Tax (GST). The GST payable on such procurement will be funded through the Company's internal accrual, and not from the proceeds of the Offer.

Furthermore, the GST incurred on the purchase of Boiler and equipment will be eligible for input tax credit, and the same shall be set off against the Company's output GST liability, in accordance with applicable provisions of the Goods and Services Tax laws.

## 2. Capital Expenditure towards purchase of a 2 MW Back Pressure Steam Turbine Generator (STG)



**Quotation**

Sr No.	Particulars	Purpose of the Machinery	Price Per Unit (₹ in Lakhs)	Gross Amount (₹ in Lakhs)	Amount of GST (₹ in Lakhs)	Total Estimated Cost (₹ in Lakhs)	Quotation Reference & Validity
<b>TRIVENI TURBINES LIMITED</b>							
1.	2 MW back pressure STG along with its auxiliaries:	The 2 MW back pressure Steam Turbine Generator, along with its auxiliaries, is installed to utilize high-pressure steam generated from the boiler and recover energy before the steam is used in the manufacturing process.	285.00	285.00	51.30	336.30	WEQ2511938-R1  (Valid till: March 23, 2026)
	<b>Total</b>			<b>285.00</b>	<b>51.30</b>	<b>336.30</b>	

We confirm that the machineries/equipment mentioned in the objects of the offer does not include any second-hand machineries.

We hereby confirm that any of the Promoter(s), Promoter Group, Director (s), Key managerial Personnel or Senior Managerial personnel have no interest or are related to vendor in any capacity.

In this regard, we clarify that the cost of machinery and equipment mentioned under the Objects of the Offer does not include applicable Goods and Services Tax (GST). The GST payable on such procurement will be funded through the Company's internal accrual, and not from the proceeds of the Offer.

Furthermore, the GST incurred on the purchase of Boiler and equipment will be eligible for input tax credit, and the same shall be set off against the Company's output GST liability, in accordance with applicable provisions of the Goods and Services Tax laws.

**3. Funding the Working Capital requirement of our company**

Our Company proposes to utilize up to ₹ 900.00 lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2026 and Fiscal 2027.

We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company.

Our Company intends to strengthen its position in existing markets by increasing penetration within its current dealer and customer network. We propose to focus on deeper engagement with mid-sized corrugators, packaging manufacturers, and repeat customers to support stable order volumes. Our Company plans to optimise its product mix by introducing lightweight and higher yield grades that are aligned with cost sensitive and efficiency driven

applications. In order to capitalize the increase in demand and the opportunity in the Kraft paper industry, our Company has decided to fund its working capital requirement.

#### **Basis of estimation of working capital requirement**

The details of our existing Company's working capital as at September 30, 2025 and the source of funding, derived from the standalone financial statements of our Company, as certified by our Statutory Auditor through their certificate dated December 15, 2025 are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated December 15, 2025 has approved the estimated working capital requirements for Fiscals 2026 and 2027 as set forth below:

(₹ In Lakhs)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2024	As at March 31, 2025	As at September 30, 2025	As at March 31, 2026	As at March 31, 2027
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Estimated)	(Projected)
<b>(A)</b>	<b>Current assets</b>						
(a)	Inventories	1,625.02	1,655.00	1,578.86	1,619.79	1,915.00	2,425.00
(b)	Trade receivables	964.48	1,318.36	2,299.10	2,327.58	2,601.00	3,184.00
(c)	Short Term loans and Advances	293.91	45.77	123.03	558.00	250.00	260.00
(d)	Other Current Assets	343.99	231.55	340.76	370.32	400.00	420.00
	<b>Total current assets (A)</b>	<b>3,227.40</b>	<b>3,250.68</b>	<b>4,341.75</b>	<b>4,875.69</b>	<b>5,166.00</b>	<b>6,289.00</b>
<b>(B)</b>	<b>Current liabilities</b>						
(a)	Trade payables	411.09	680.35	753.76	456.49	728.00	869.00
(b)	Short Term Provisions and other current liabilities	163.21	189.05	299.93	424.90	546.00	652.00
	<b>Total current liabilities (B)</b>	<b>574.30</b>	<b>869.40</b>	<b>1,053.69</b>	<b>881.39</b>	<b>1,274.00</b>	<b>1,521.00</b>
<b>(C)</b>	<b>Total working capital requirements (C = A – B)</b>	<b>2,653.10</b>	<b>2,381.28</b>	<b>3,288.06</b>	<b>3,994.30</b>	<b>3,892.00</b>	<b>4,768.00</b>
<b>(D)</b>	<b>Funding pattern</b>						
(a)	IPO proceeds	-	-	-	-	500.00	400.00
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals	2,653.10	2,381.28	3,288.06	3,994.30	3,392.00	4,368.00

S. No.	Particulars	As at March 31, 2023	As at March 31, 2024	As at March 31, 2025	As at September 30, 2025	As at March 31, 2026	As at March 31, 2027
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Estimated)	(Projected)
	<b>Total</b>	<b>2,653.10</b>	<b>2,381.28</b>	<b>3,288.06</b>	<b>3,994.30</b>	<b>3,892.00</b>	<b>4,768.00</b>

Note: Pursuant to the certificate dated December 15, 2025 issued by the Statutory Auditor.

**Assumptions for our estimated working capital requirement**

Particulars	Holding Level for year/period ended					
	March 31, 2023 (Actual-Restated)	March 31, 2024 (Actual-Restated)	March 31, 2025 (Actual-Restated)	September 30, 2025 (Actual-Restated)	March 31, 2026 (Estimated)	March 31, 2027 (Projected)
Inventory	68	76	57	50	56	56
Trade Receivables	40	60	83	72	76	73
Trade Payables	20	39	36	19	27	27

**Key assumptions for working capital requirements**

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventory	Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We had inventory turnover days of 68 days, 76 days, 57 days and 50 days in Fiscal 2023, Fiscal 2024, Fiscal 2025 and Six-months period ended September 30, 2025 respectively. We expect the same to be around 56 days for Fiscal 2026 and Fiscal 2027 respectively.
2	Trade Receivables	Our Company's general credit terms vary across export sales and domestic sales. We had debtors holding days of 40 days, 60 days, 83 days and 72 days in Fiscal 2023, Fiscal 2024, Fiscal 2025 and Six-months period ended September 30, 2025 respectively. We expect debtors holding days to be around 76 days and 73 days for Fiscal 2026 and Fiscal 2027 respectively.
<b>Current Liabilities</b>		
1	Trade Payables	Over the past few years, there was an increase in the payment cycle to vendors. We had creditors payment cycle of 20 days, 39 days, 36 days and 19 days in Fiscal 2023, Fiscal 2024, Fiscal 2025 and Six-months period ended September 30, 2025 respectively. However, we expect our creditors payments days to 27 days for Fiscal 2026 and Fiscal 2027 respectively, resulting in an expansion of the working capital needed. Quicker settlements enable us to leverage cash discounts from suppliers, enhancing our profitability.

**4. Prepayment or repayment of all or a portion of certain loans availed by our Company**

Our Company has entered into financing arrangement with bank during the period ended September 30, 2025. The financing arrangement availed by our Company includes secured loans. For further details, please refer "**Financial Indebtedness**" on page 182.

As at September 30, 2025, our total outstanding borrowings from our Secured lenders amounted to ₹ 1,666.56 Lacs. Our Company proposes to utilise an estimated amount of up to ₹ 550.00 Lacs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract

prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of loans and facilities as at September 30, 2025, which are proposed to be fully repaid by our Company from the Net Proceeds and Internal accruals:

(₹ in Lakhs)

S. N o.	Name of Lender and date of sanction	Nature of Borrowings	Interest rate (%) p.a.	Repayment Terms	Prepayment penalties, if any	Amount Outstanding as on September 30, 2025	Date of Sanction	Security
1.	HDFC Bank Limited	Cash Credit	9.00 %	Repayable on Demand (Annual Renewal)	Nil Charges if the Borrower is foreclosing or prepaying the Facility/ies to reduce business liabilities.	1,666.56	May 19, 2025	Cash Credit from HDFC Bank is secured by Hypothecation of Book Debtors, Stock of the Company and FD for Bank Guarantee & Collateral security of Factory Land & Building and Karwa Complex Property owned by the Directors of Company
	<b>Total</b>					<b>1,666.56</b>		

(i) The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated December 15, 2025

(ii) Our Statutory Auditors by way of their certificate dated December 15, 2025 have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters issued by the respective lenders.

For further details in relation to our borrowings, please refer to chapter titled “**Statement of Financial Indebtedness**” beginning on page 182 of this Draft Red Herring Prospectus.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹550.00 Lacs.

If the actual utilization towards the above object is lower than the proposed deployment, such balance will be used either for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 15% of the Gross Proceeds or Rs 10.00 Cr whichever is lower, from the Offer in accordance with the SEBI ICDR Regulations.

## 5.. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] lacs towards general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds or Rs 10.00 Cr whichever is lower, of the Offer, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strategic initiatives;
- general procurement;
- brand building and strengthening of marketing activities; and
- ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

## PUBLIC OFFER EXPENSES

The total expenses for this Offer are estimated to be approximately ₹ [●] Lakhs, which is [●] % of the Offer Size. All the Offer related expenses shall be proportionately met out from proceeds of the Offer as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Amount in ₹ Lakhs)*	As a % of total estimated Offer related expenses	As a % of the total Offer Size
Fees payable to the BRLM (inclusive underwriting commission)	[●]	[●]	[●]
Fees Payable to the Registrar to the Offer	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to the Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others, if any (Fees payable for Marketing & distribution expenses, Sponsor Bank/Banker(s) to the Offer, Selling Commission, Brokerage, depositories, Independent Chartered Engineers, Depository Participant, Industry Report, Monitoring Agency, Peer Review Auditors and Processing Fees).	[●]	[●]	[●]

<b>Total Estimated Offer Expenses</b>	[●]	[●]	[●]
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\* Offer expenses will be finalized on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses including applicable taxes, where applicable. Offer expenses are estimates and are subject to change.

(1) Selling commission payable to the SCSBs on the portion for Individual Investors who applies for minimum application size, Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows

Portion for Individual Investors who applies for minimum application size*	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for non-institutional Investors*	[●] % 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 SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE.

(2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Individual Investors who applies for minimum application size and Non-Institutional Investors which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Individual Investors who applies for minimum application size*	[●] per valid Bid cum Application Form (plus applicable taxes)
Portion for non-institutional Investors*	[●] per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total processing fees exceeds [●] (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(3) The processing fees for applications made by Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	[●] per valid application (plus applicable taxes)
Sponsor Bank - [●]	[●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

\*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by Individual Investors who applies for minimum application size (up to two lots), Non-Institutional Investors (for an application size of more than two lots and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds [●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(4) Selling commission on the portion for Individual Investors who applies for minimum application size and Non- Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their



Sub-Syndicate Members) would be as follows:

Portion for Individual Investors who applies for minimum application size*	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Investors*	[●] % of the Amount Allotted* (plus applicable taxes)

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

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing would be as follows:

Portion for Individual Investors who applies for minimum application size*	[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Investors*	[●] % of the Amount Allotted* (plus applicable taxes)

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds [●] (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum 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 Bid cum 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. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for Individual Investors who applies for minimum application size and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

## MEANS OF FINANCE OF THE PROJECT

Since, the entire fund requirement is to be funded from the proceeds of the Fresh Issue and existing identifiable internal accruals, and bridge financing, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance. In case of a shortfall in the Proceeds from the Fresh Issue 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. For further details on the risks involved in our business plans and executing our business strategies, please refer to the section titled “**Risk Factors**” beginning on page **Error! Bookmark not defined.** of the Draft Red Herring Prospectus.

**APPRAISAL**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Offer are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**SHORTFALL OF FUNDS**

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

**BRIDGE FINANCING FACILITIES**

[•].

**MONITORING UTILIZATION OF FUNDS**

Since our Offer size does not exceed ₹ 50.00 Crore, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer and as per regulation 262(5) of SEBI ICDR Regulations 2018, we shall submit a certificate of the statutory auditor for utilization of money raised through the public offer to exchange while filing the half yearly financial results, till the offer proceeds are fully utilized.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis, disclose to the Audit Committee the use and application of the Net Proceeds. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the actual utilization of the Net proceeds of the Offer from the objects of the Offer as stated above, until such time as the proceeds of the Offer have been fully utilized or the purpose for which the proceeds have been raised have been achieved.

**INTERIM USE OF PROCEEDS**

Pending utilization of the Offer proceeds of the Offer for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**VARIATION IN OBJECTS**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer 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 shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Senior Management, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or key managerial personnel or senior management personnel except in the normal course of business and in compliance with the applicable laws.

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## BASIS FOR OFFER PRICE

Investors should read the following summary with the sections titled “**Risk Factors**”, beginning on page 33 of this Draft Red Herring Prospectus and the details about the company under the section titled “**Business Overview**” and its financial statements under the section titled “**Restated Financial Statements**” beginning on pages 126 and 178 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

The Offer Price of ₹ [●] per Equity Share is determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI (ICDR) Regulations, as amended in 2025. This includes key financial ratios such as Price/Earnings (P/E), Earnings per Share (EPS), and Return on Net Worth (RoNW) for the stub period (September 30, 2025) and the latest financial year (March 31, 2025), as derived from “**Restated Financial Statements**” beginning on page 178 of this Draft Red Herring Prospectus. These ratios shall be disclosed in all Issue-related advertisements.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Product Spectrum & Portfolio;
- Strong Promoters and Board of Directors;
- Experienced and Skilled Execution Team;
- Ensuring Satisfactory Customer Experience through high quality products;

For further details, see “**Business Overview –Strengths**” on page 130 of the Draft Red Herring Prospectus.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “**Restated Financial Statements**” on page 178 of the Draft Red Herring Prospectus.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

#### I. Basic and Diluted Earnings per share (“EPS”)

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2025	2.93	2.93	3
March 31, 2024	0.23	0.23	2
March 31, 2023	(0.17)	(0.17)	1
<b>Weighted Average</b>	<b>1.51</b>	<b>1.51</b>	<b>6</b>
September 30, 2025 <sup>#</sup>	4.45	4.45	-

Based on restated standalone financial statement

<sup>#</sup> Not Annualised

#### Notes:

- (1) 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
- (2) Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above
- (3) Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above
- (4) Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-
- (5) The figures disclosed above are based on the Restated Financial Statements.

## II. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times) *	P/E at the Cap Price (number of times) *
Based on basic EPS for Fiscal 2025	[●]	[●]
Based on diluted EPS for Fiscal 2025	[●]	[●]

\*Will be included in the Prospectus

### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	13.70
Lowest	13.70
Average	13.70

#### Notes:

- (1) The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above.
- (2) All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2025, as available on the websites of the NSE and BSE.

## III. Return on Net worth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2025	35.81%	3
March 31, 2024	4.34%	2
March 31, 2023	(3.30%)	1
<b>Weighted Average</b>	<b>18.80%</b>	<b>6</b>
September 30, 2025 <sup>#</sup>	29.40%	-

Based on restated standalone financial statement

<sup>#</sup> Not Annualised

#### Notes:

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.
- (3) ‘Net worth’: Equity Share capital and other equity less capital reserves

## IV. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)
As on March 31, 2025	12.29
As on September 30, 2025 <sup>#</sup>	7.89
<b>After the Completion of the Issue:</b>	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price <sup>(2)</sup>	[●]

<sup>#</sup> Not Annualised

#### Notes:

- (1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.
- (2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

## COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe the following is our peer group, which has been determined on the basis of listed public companies operating in a similar line of business as our Company, i.e. manufacturing and processing of paper and paper-based products, whose business segments, in part or in full, may be comparable with that of our Company. However, such companies may not be exactly comparable in terms of size or overall business portfolio.

Following is the comparison with our peer company listed in India:

Name of the company	Consolidated / Standalone	Face value (₹ per share)	Closing price on December 29, 2025 (₹ per share)	Revenue from Operations (₹ in Lakhs)	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)
					Basic	Diluted				
Craftech Paper Mills Limited	Standalone	10.00	N.A.	10,069.30	2.93	2.93	8.19	[•]	43.62	8.99
<b>Peer Group</b>										
Subam Papers Limited	Standalone	10.00	199.00	44,813.31	14.62	14.62	13.42	13.70	3.93	5.04

\*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2025.

#Will be updated in the Prospectus.

**Source:** All the financial information for listed industry peer mentioned above is sourced from the annual report of the relevant companies for Fiscal 2025, as available on the websites of the BSE.

### Notes for peer group:

1. P/E figures for the peer are computed based on closing market price as on December 15, 2025, divided by diluted EPS (on standalone basis) declared by the peers available from respective Annual Report for the Financial Year ended March 31, 2025.
2. NAV is computed as the Total Equity of the Company as on March 31, 2025 divided by the outstanding number of equity shares as on March 31, 2025.
3. RoNW is computed as net profit after tax divided by closing net worth as on March 31, 2025. Net worth has been computed as the aggregate of share capital and reserves and surplus. In case the net worth is negative for a particular year, the same has not been considered.
4. PAT Margin has been considered for the period ended September 30, 2025.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “**Risk Factors**” beginning on page 33 of this Draft Red Herring Prospectus and any other factors that may arise in the future and you may lose all or part of your investments.

## KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Consolidated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 15, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. BSMART & Associates LLP, Chartered Accountants, by their certificate dated December 15, 2025.



The KPIs of our Company have been disclosed in the sections “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” starting on pages 126 and 184, respectively. We have described and defined the KPIs, as applicable, in “**Definitions and Abbreviations**” beginning on page 02 of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

**Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:**

(₹ in lakhs except percentages and ratios)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	5,940.61	10,069.30	7,996.77	8,748.57
EBITDA	985.58	1,032.79	537.77	583.68
EBITDA margin	16.59%	10.26%	6.72%	6.67%
Restated profit for the year	534.35	352.12	27.39	(19.90)
Restated profit for the year as % of Revenue (PAT margin)	8.99%	3.50%	0.34%	(0.23%)
ROE	38.15%	43.62%	4.44%	(3.71%)
ROCE	13.11%	13.00%	5.81%	7.13%
Net Debt/ EBITDA	4.79	4.69	8.42	7.87

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated December 15, 2025.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 15, 2025.

#### Explanation for the Key Performance Indicators

1. Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
2. EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortization expense less other income.
3. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
4. Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information.
5. PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.
6. Return on Equity (%) is calculated as restated profit for the year divided by average total equity.
7. Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed.
8. Net Debt/EBITDA, Net debt is Total Borrowings less Cash and bank balances

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.

### Comparison the Key Performance Indicators with our listed peers:

(₹ in lakhs) (As on March 31, 2025)

Key Performance Indicators	Craftech Paper Mills Limited		Subam Papers Limited	
	September 30, 2025	March 31, 2025	September 30, 2025	March 31, 2025
Revenue from Operations	5,940.61	10,069.30	24,668.29	44,813.31
EBITDA <sup>(1)</sup>	985.58	1,032.79	2445.29	5861.98
EBITDA Margin <sup>(3)</sup>	16.59%	10.26%	9.91%	13.08%
Profit After Tax for the Year	534.35	352.12	1243.78	2556.42
PAT Margin <sup>(4)</sup>	8.99%	3.50%	5.04%	5.70%
ROE <sup>(5)</sup>	38.15%	43.62%	3.91%	10.13%
ROCE <sup>(2)(6)</sup>	13.11%	13.00%	4.95%	12.01%
Net Debt/EBITDA	4.79	4.69	4.11	1.91

**Source:** Annual Reports of the company / [www.nseindia.com](http://www.nseindia.com)

# As certified by the Statutory Auditor vide their certificate dated December 15, 2025.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 15, 2025.

### Explanation for the Key Performance Indicators

1. Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
2. EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortization expense less other income.
3. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
4. Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information.
5. PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.
6. Return on Equity (%) is calculated as restated profit for the year divided by average total equity.
7. Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed.
8. Net Debt/EBITDA, Net debt is Total Borrowings less Cash and bank balances

**OPERATIONAL KPIs OF THE COMPANY:**

(₹ in lakhs)

Category	September 30, 2025	As a % of total Revenue	March 31, 2025	As a % of total Revenue	March 31, 2024	As a % of total Revenue	March 31, 2023	As a % of total Revenue
Top five customers	2,820.43	48.55	5,362.23	54.71	4,047.64	52.10	5,156.12	61.25
Top ten customers	4,092.27	70.46	7,388.44	75.37	5,895.23	75.89	6,417.39	76.23

**Explanation for KPI metrics**

KPI	Explanations
Contribution to revenue from operations of top 5 / 10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

**COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEER:**

The operational KPIs of the listed peer are not publicly available.

**WEIGHTED AVERAGE COST OF ACQUISITION:**

- a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

There has been issuance of Equity Shares, including shares issued as bonus shares, 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 the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days. (“**Primary Issuance**”). The details of the same are covered in as per paragraph (c) below.

- b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).**

There have been acquisitions of Equity Shares or convertible securities, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue 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**”). The details of the same are covered in as per paragraph (d) below.

- c) Price per share based on the Primary Transactions in the last 18 months;**

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)	Weighted average cost of acquisition after Bonus shares adjustment (₹ per equity shares)
Weighted average cost of primary/new issue acquisition	5.17	NIL
Weighted average cost of secondary acquisition	21.00	NIL

**d) Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap Price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	5.17	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	21.00	NA^	NA^

\* To be updated in the Prospectus.

Explanation for offer price / cap price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of equity shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the offer.

Post-filing of this Prospectus with the Registrar of Companies, our Company shall issue an advertisement regarding the Offer program, as required under Regulation 43(1) of the SEBI ICDR Regulations, prior to the opening of the Offer.

*(The remainder of this page has been intentionally kept blank)*

## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to the Company, its Subsidiary and its Shareholders Independent Auditor's Report on Statement of Special Tax Benefits

To,  
**The Board of Directors**  
**Craftech Paper Mills Limited**  
Karwa Complex,  
Opp Panchayat Office Main Road,  
Latur, Maharashtra - 413512

Dear Sir(s),

**Sub: Proposed initial public offering of equity shares of ₹10 each (the "Equity Shares") of Craftech Paper Mills Limited (the "Company" and such offering, the "Issue")**

---

We report that the enclosed statement in **Annexure**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 ('Act'), as amended by the Finance Act, 2024 i.e. applicable for FY 2024-25 and AY 2025-26, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to 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 his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither we are suggesting nor advising the investor to invest money based on this statement.

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

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus/Draft Prospectus/Red Herring Prospectus and the Prospectus and submission of this certificate as may be necessary, to the SME Platform of Bombay Stock Exchange Limited where the Equity Shares are proposed to be listed ("**Stock Exchange**") and the Registrar of Companies, Maharashtra at Mumbai ("**ROC**"), SEBI or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law.

Terms capitalised and not defined herein shall have the same meaning as described to them in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.

#### Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Yours sincerely,

**For, B S M A R T And Associates LLP**

*Chartered Accountants*

FRN: 121181W/W100011

SD/-

**CA K. P. Sah**

Partner

M.No.: 052393

Place: Pune

Date: 15/12/2025

UDIN: 25052393BMLKXM7959

Peer Review No.: 016571

**Enclosed as above: Annexure – A**

CC:

Book Running Lead Manager/Lead Manager  
to the Offer  
Horizon Management Private Limited  
19 R.N Mukherjee Road,  
2<sup>nd</sup> Floor, Kolkata-700001  
West Bengal, India.

Legal counsel to the Offer  
M/s Legacy Law Offices LLP  
Legacy House, D-18, Kalkaji  
New Delhi - 110019



## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

### **ANNEXURE - A**

The information provided below sets out the possible special tax benefits available to the Company and the Shareholders under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOURSOWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOURS PARTICULAR SITUATION

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits being enjoyed by the company.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. We hereby give my consent to include our above referred opinion regarding the special tax benefits available to the Company, to its shareholders in the Draft Red Herring Prospectus /Prospectus.
3. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
4. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
6. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act:

-

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).

- Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC
- Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2021-22 and onwards.

7. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.

8. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

*(The remainder of this page has been intentionally kept blank)*

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites, industry reports, government publications, and other publicly available documents from independent industry sources. The data presented herein may have been re-classified, re-arranged, or re-computed by us for the purpose of presentation and comparison. Neither the Company nor any other person connected with the Offer has independently verified the information contained in this section, and no representation or warranty, express or implied, is made regarding the accuracy, completeness, adequacy, reasonableness or reliability of such information. Industry sources and publications referred to in this section generally state that the information contained therein has been obtained from sources believed to be reliable; however, their accuracy, completeness, underlying assumptions and estimates cannot be guaranteed and their reliability cannot be assured.

All information sourced from third-party publications and industry reports remains the proprietary information of the respective publishers and authors, and such information has been reproduced herein with appropriate acknowledgements solely for informational purposes. The Company does not claim any proprietary rights over such third-party information.

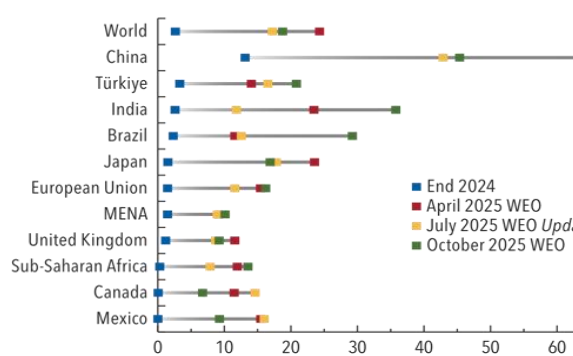
Accordingly, prospective investors are advised not to place undue reliance on such information, and investment decisions should not be based solely on the data and analysis presented in this section.

## 1. GLOBAL MACROECONOMIC SCENERIO

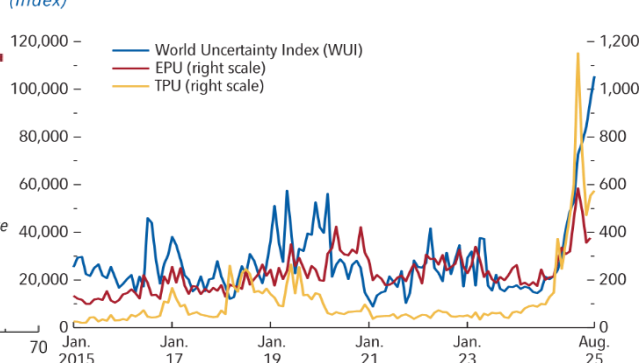
### 1.1 Introduction

The year 2025 has been fluid and volatile, with much of the dynamics driven by a reordering of policy priorities in the United States and the adaptation of policies in the other economies to new realities. Trade news has dominated the headlines, and, along with them, perceived prospects for the global economy have fluctuated. As observed in the April 2025 World Economic Outlook (WEO), a series of new tariff measures by the United States lifted tariff rates to levels not seen in a century. Countermeasures by US trading partners were limited, barely moving the effective tariff rate on US exports. A flurry of announcements followed, including trade deals between the United States and several of its trading partners and a reset to higher tariff rates for countries without a trade deal (see the WTO-IMF Tariff Tracker for a summary). As a whole, the announcements brought down the US effective tariff rates from their April highs, gravitating toward a range between 10 percent and 20 percent for most countries (Figure 1.1). Nonetheless, tariffs are very far from falling back to their 2024 levels. Trade policy uncertainty remains elevated in the absence of clear, transparent, and durable agreements among trading partners—and with attention starting to shift from the eventual level of tariffs to their impact on prices, investment,

**Figure 1.1. US Effective Tariff Rates by Country**  
(Percent)



**Figure 1.2. Overall, Economic Policy, and Trade Policy Uncertainty**  
(Index)



Sources: US International Trade Commission; WTO-IMF Tariff Tracker; and IMF staff calculations.

Note: The effective tariff rate is a weighted average of announced statutory rates. MENA = Middle East and North Africa; WEO = World Economic Outlook; WTO = World Trade Organization.

Sources: Ahir, Bloom, and Furceri 2022; Caldara and others 2020; Davis 2016; and IMF staff calculations.

Note: The uncertainty measures are news- and media-outlet-based indices that quantify attention to global news related to overall uncertainty (WUI), economic policy uncertainty (EPU), and trade policy uncertainty (TPU).

and consumption (Figure 1.2).

(Source: IMF World Economic Outlook October 2025 - <https://data.imf.org/en/datasets/IMF.RES:WEO>)

## 1.2 Global GDP Scenario

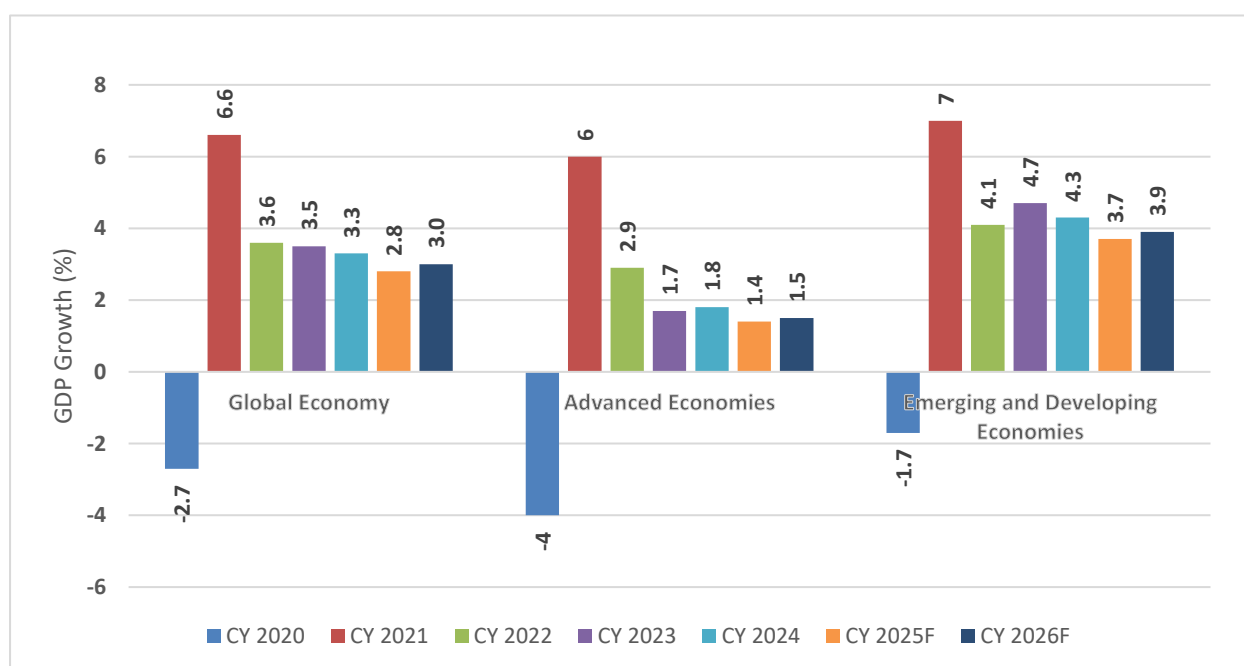
The global economy began to recover from its lowest levels following the lifting of lockdowns in 2020 and 2021. The pandemic-induced lockdown was a key factor that severely disrupted economic activities, leading to a recession in CY 2020, where global GDP contracted by -2.7%.

In CY 2021, supply chain disruptions significantly impacted both advanced economies and low-income developing economies. The rapid spread of the Delta variant and the threat of new variants in mid-2021 further heightened uncertainty in the global economic environment.

Global economic activity saw a sharper-than-expected slowdown in CY 2022. The highest inflation in decades, observed in 2022, forced most central banks to tighten their monetary & fiscal policies. Russia's invasion of Ukraine exacerbated global food supply issues, further increasing the cost of living.

Despite initial resilience in early CY 2023, marked by a rebound from the pandemic and progress in curbing inflation from the previous year's highs, the situation remained precarious. Economic activity continued to lag its pre-pandemic trajectory, especially in emerging markets and developing economies, leading to widening regional disparities. Several factors impeded recovery, including the lasting impacts of the pandemic, geopolitical tensions, tightening monetary policies to combat inflation, reductions in fiscal support amid high debt levels, and extreme weather conditions. As a result, global growth slowed from 3.6% in CY 2022 to 3.5% in CY 2023.

The global economy maintained moderate momentum in CY 2024, with real GDP growth estimated at 3.3%, supported by easing inflationary pressures, recovering supply chains, and resilient consumer demand in some major economies. Advanced economies, particularly the U.S., benefitted from strong labour markets and improved private consumption. However, growth remained uneven across regions, with emerging markets facing tighter financial conditions and subdued export demand. Inflation declined faster than anticipated in many regions, enabling some central banks to consider gradual monetary easing by the end of the year.



**F – Forecast, Source – IMF World Economic Outlook April 2025**

*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 criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)*

In the current scenario, global GDP growth is projected to decelerate to 2.8% in CY 2025, reflecting mounting economic pressures across both advanced and emerging markets. This marks a significant slowdown driven by intensifying trade fragmentation, the impact of new U.S. tariffs, and elevated geopolitical tensions. Structural weaknesses such as the ongoing real estate crisis in China, stagnant growth in the Eurozone, and tight financial conditions in major economies are expected to weigh heavily on global output. Additionally, stress in housing and banking sectors, coupled with subdued industrial activity, is contributing to a muted growth outlook. On the inflation front, the IMF projects global headline inflation to decline to 4.3% in CY 2025, continuing a disinflationary trend as energy prices stabilize and supply-side disruptions ease. The softening of labour markets—reflected in lower job vacancy rates and modest increases in unemployment—is also expected to help reduce core inflation. This provides room for some central banks to initiate cautious interest rate cuts, although the broader economic outlook remains uncertain due to persistent global risks.

### 1.3 Global Economic Outlook

Global growth is projected to decelerate from 3.3 percent in 2024 to 3.2 percent in 2025 and to 3.1 percent in 2026 (Table 1.1). On a fourth-quarter to-fourth-quarter basis, growth is projected to decline from 3.6 percent in 2024 to 2.6 percent in 2025 and recover to 3.3 percent in 2026. At market exchange rates, world output is projected to grow by 2.6 percent in both 2025 and 2026, slowing down from 2.8 percent in 2024 (Table 1.2).

The growth forecast is little changed from the July 2025 WEO Update, reflecting gradual adaptation to trade tensions, but is decisively below the pre pandemic average of 3.7 percent. Looking at sequential growth from the second half of 2025 into 2026 gives a clearer picture by removing the distortion from front-loading in the first half of 2025: The global economy is projected to grow at an annualized average rate of 3.0 percent over these six quarters, a slowdown of 0.6 percentage point from the 3.6 percent average rate in 2024. The forecast for 2025–26 is also lower, by a cumulative 0.2 percentage point, than projected in the October 2024 WEO, before the major shifts in policy stances in key jurisdictions. Given the fluidity of trade policy assumptions during 2025, comparisons of current forecasts with those in the April 2025 WEO or in the July 2025 WEO Update may obscure the direction the world economy has traveled. Hence, the forecasts are discussed in comparison with those in the October 2024 WEO, which provides a clearer picture.

**Table 1.2. Overview of the World Economic Outlook Projections at Market Exchange Rate Weights**  
(Percent change)

	2024	Projections		Difference from July 2025 WEO Update <sup>1</sup>		Difference from April 2025 WEO <sup>1</sup>	
		2025	2026	2025	2026	2025	2026
<b>World Output</b>	<b>2.8</b>	<b>2.6</b>	<b>2.6</b>	<b>0.1</b>	<b>0.0</b>	<b>0.3</b>	<b>0.2</b>
<b>Advanced Economies</b>	<b>1.8</b>	<b>1.6</b>	<b>1.7</b>	<b>0.1</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>
<b>Emerging Market and Developing Economies</b>	<b>4.2</b>	<b>4.0</b>	<b>3.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5</b>	<b>0.1</b>
Emerging and Developing Asia	5.2	5.0	4.5	0.1	0.0	0.7	0.1
Emerging and Developing Europe	3.4	1.9	2.3	0.0	0.1	-0.2	0.0
Latin America and the Caribbean	2.2	2.3	2.2	0.2	0.0	0.4	0.0
Middle East and Central Asia	2.3	3.6	4.0	0.2	0.3	0.7	0.4
Sub-Saharan Africa	3.9	4.0	4.2	0.2	-0.1	0.3	0.0
<i>Memorandum</i>							
European Union	1.0	1.3	1.3	0.1	-0.1	0.3	-0.1
Middle East and North Africa	1.9	3.4	3.9	0.1	0.3	0.7	0.4
Emerging Market and Middle-Income Economies	4.2	4.0	3.8	0.1	0.1	0.5	0.2
Low-Income Developing Countries	4.0	4.5	5.0	0.1	-0.1	0.3	-0.3

Source: IMF staff estimates.

Note: The aggregate growth rates are calculated as a weighted average, in which a moving average of nominal GDP in US dollars for the preceding three years is used as the weight. WEO = *World Economic Outlook*.

<sup>1</sup> Difference based on rounded figures for the current, July 2025 WEO Update, and April 2025 WEO forecasts.

(Source: IMF World Economic Outlook October 2025 - <https://data.imf.org/en/datasets/IMF.RES:WEO>)

## 2. INDIAN INDUSTRY OVERVIEW

### 2.1 Introduction:

India's economic journey over the past few years has been marked by remarkable growth and a steady rise in its position on the global stage. After overtaking the United Kingdom (UK) to become the fifth largest economy in Q1 FY23, India has continued this upward trajectory to surpass Japan in June 2025 to become the fourth largest economy in the world. With a nominal Gross Domestic Product (GDP) of ₹3,31,03,000 crore (US\$ 3.78 trillion), India's growth reflects a combination of strong domestic demand and policy reforms positioning the country as a key destination for global capital.

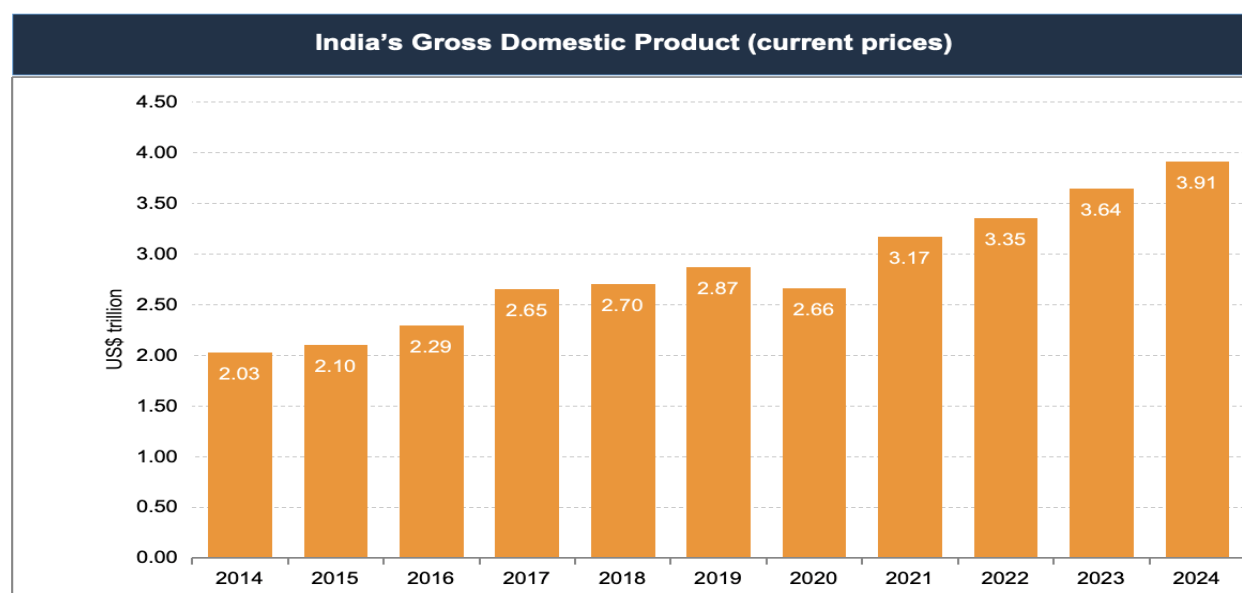
Further, India is projected to reach a GDP of ₹ 4,26,45,000 crore (US\$ 5 trillion) by 2027 and is on course to surpass Germany by 2028. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

### 2.2 Market Overview

India's Real Gross Domestic Product (GDP) or GDP at Constant Prices stood at ₹47.89 lakh crore (US\$ 544.20 billion) in Q1 of FY26, up from ₹44.42 lakh crore (US\$ 504.77 billion) in Q1 FY25, registering a growth rate of 7.8%. Nominal GDP or GDP at Current Prices for the same period was estimated at ₹86.05 lakh crore (US\$ 977.84 billion), compared to ₹79.08 lakh crore (US\$ 898.64 billion) in the corresponding quarter of the previous year, showing a growth rate of 8.8%.

As on October 14, 2025, India is home to 123 unicorns, with six new startups achieving unicorn status in 2025.

India's current account recorded a deficit of ₹21,288 crore (US\$ 2.37 billion) in Q1 FY26 (April-June), compared to ₹76,282 crore (US\$ 8.6 billion) in the same period of FY25, according to the Reserve Bank of India (RBI). The improvement reflects a narrower merchandise trade gap and steady growth in service exports. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.



(Source: World Bank)

### 2.3 Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With India's economy showing resilient growth, supported by strong domestic demand,



policy reforms, and a healthy investment pipeline, several new projects and developments are underway across key sectors. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- On the FDI front, according to the Department for Promotion of Industry and Internal Trade (DPIIT), India's cumulative FDI inflow stood at ₹97,22,411 crore (US\$ 1.09 trillion) between April 2000-June 2025; with major share coming from Singapore at ₹12,57,392 crore (US\$ 142.88 billion) with a total share of 24%, followed by Mauritius at ₹11,10,692 crore (US\$ 126.22 billion) with 21%, the USA at ₹5,41,654 crore (US\$ 61.56 billion) with 10%, the Netherlands at ₹3,68,694 crore (US\$ 41.90 billion) with 7%, and Japan at ₹2,88,090 crore (US\$ 32.74 billion) with 6%.
- As on October 3, 2025, India's foreign exchange reserves stood at ₹62,14,364 crore (US\$ 701.24 billion).
- India registered 301 Private Equity (PE) deals worth ₹49,745 crore (US\$ 5.7 billion) in Q3 2025, recording a 7% rise over the previous quarter. India-focused PE-VC funds raised ₹21,576 crore (US\$ 2.47 billion) across 22 funds, a 148% YoY increase, driven by strong inflows into the IT & ITeS sector (US\$ 2.4 billion). Mumbai led in investment value, while Bangalore topped in deal volume, reaffirming their positions as India's leading investment hubs.
- Foreign Institutional Investors (FIIs) have been net sellers in the Indian equity market since July, withdrawing over ₹1 lakh crore (US\$ 11.36 billion) between July 1, 2025, and September 8, 2025, including ₹7,800 crore (US\$ 886.4 million) in September, while in August 2025, Domestic Institutional Investors (DIIs) recorded their 25th straight month of net inflows, investing ₹94,829 crore (US\$ 10.8 billion), the highest in 10 months. In the first five months of FY26, DIIs invested ₹3.24 lakh crore (US\$ 37.6 billion), already 53% of the total investment made in FY25.
- India's manufacturing sector strengthened further in August 2025, supported by firm demand that drove higher factory orders and production. Firms increased input purchases and hiring, backed by improved business confidence. Input inventories continued to rise and finished goods stocks expanded for the first time in nine months. The HSBC India Manufacturing Purchasing Managers' Index (PMI) rose from 59.1 in July to 59.3 in August, marking the strongest improvement in operating conditions in over 17 years, with moderate cost pressures and a sharper rise in selling prices.
- India's Consumer Price Index (CPI)-based inflation eased to an over eight-year low of 1.54% in September 2025, down from 2.05% in August 2025, driven by lower food and fuel prices, according to data from the Ministry of Statistics and Program Implementation (MOSPI).
- India's GST collections reached an all-time high of ₹2.37 lakh crore (US\$ 26.93 billion) in April 2025, rising 12.6% YoY. The growth was supported by strong domestic demand and higher imports, with domestic revenues up 10.7% and import revenues up 20.8%.
- Indian airlines carried over 1.36 crore passengers (13.6 million) in June 2025, marking an increase from the same period last year, as per official data.
- The government is focusing on renewable energy sources and has achieved a major clean energy milestone by generating 50% of its power from renewable sources, five years ahead of its 2030 target. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In May 2025, the overall Index of Industrial Production (IIP) stood at 156.6 (base 2011-12 = 100), reflecting a YoY growth of 1.2%. The mining, manufacturing and electricity sectors stood at 136.6, 154.3 and 216 respectively.



- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.
- India's wheat procurement for FY26 has reached 29.7 million tonnes as of May 22, 2025, the highest in four years and up 13.5% YoY. Strong production of 115.43 million tonnes, favourable weather, and bonuses above the Minimum Support Price (MSP) in key states have driven this growth. The Food Corporation of India expects procurement to hit 32.5 million tonnes by season end, raising stocks to 44 million tonnes, well above the 18.4 million tonnes needed for the Public Distribution System.

## 2.4 Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- The Ministry of Labour & Employment signed an MoU with Zomato on October 14, 2025, to enhance employment opportunities through the National Career Service (NCS) portal. Under the agreement, Zomato will list around 2.5 lakh job opportunities annually, supporting the growth of the gig economy and promoting formal, technology-enabled livelihoods across India.
- In August 2025, Prime Minister Mr. Narendra Modi launched two major agriculture schemes worth ₹35,440 crore (US\$ 4 billion) - the PM Dhan-Dhaanya Krishi Yojana and the Mission for Aatmanirbharta in Pulses aimed at boosting self-reliance, productivity, and farmers' income. He also inaugurated and laid foundation stones for projects worth over ₹6,200 crore (US\$ 709 million) across agriculture, animal husbandry, fisheries, and food processing sectors.
- On July 5, 2025, the Union Cabinet approved the ₹1,00,000 crore (US\$ 11.72 billion) Research, Development and Innovation (RDI) Scheme, launching long-term, low- or zero-interest funding via a special purpose fund under the ANRF to jump-start India's R&D ecosystem and support deep-tech and startup innovation.
- In March 2025, the Government announced several measures to boost industrial growth and investments, including initiatives such as Make in India, Start-up India, PM GatiShakti, and Production Linked Incentive (PLI) Schemes. The Cabinet Committee on Economic Affairs also approved 12 new projects worth ₹28,602 crore (US\$ 325.02 million) under the National Industrial Corridor Development Programme (NICDP), spanning 10 states, to strengthen India's manufacturing base and attract investments.
- On March 27, 2025, the Reserve Bank of India proposed doubling the investment cap for individual foreign investors in listed firms from 5% to 10%, with a combined foreign individual limit increasing to 24%, to counter Foreign Portfolio Investment (FPI) outflows.
- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- The National e-Governance Division (NeGD) and the Indian Ports Association (IPA) signed an MoU on December 24, 2024, to drive digital transformation in India's maritime sector. The partnership focuses on system integration, software development, and use of emerging technologies to enhance efficiency and modernise port operations.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at ₹32.07 lakh crore (US\$ 383.93 billion) and ₹48.21 lakh crore (US\$ 577.16 billion), respectively.

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at ₹47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is ₹11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

## 2.5 Road Ahead

India's economy grew by 6.5% in FY25. With a 7.4% growth rate in Q4 FY25, the RBI has revised India's GDP growth forecast for FY26 upwards to 6.8% from earlier estimate of 6.5%. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. In 2024, India rose to 15th place globally in FDI rankings and retained its position as South Asia's top recipient.

In H1 FY25, India's growth-focused approach was underscored by the government's capital expenditure outlay of ₹15,02,000 crore (US\$ 176 billion), reinforcing its commitment to infrastructure-led development. In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10% to ₹11,21,000 crore (US\$ 131 billion) over ₹10,18,000 crore (US\$ 119 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's total goods and service exports surged by 76% over the past decade, touching ₹70,36,425 crore (US\$ 825 billion) in FY25, driven by strong performance in engineering goods, electronics, and pharmaceuticals. With a reduction in port congestion, supply networks are being restored. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview> )

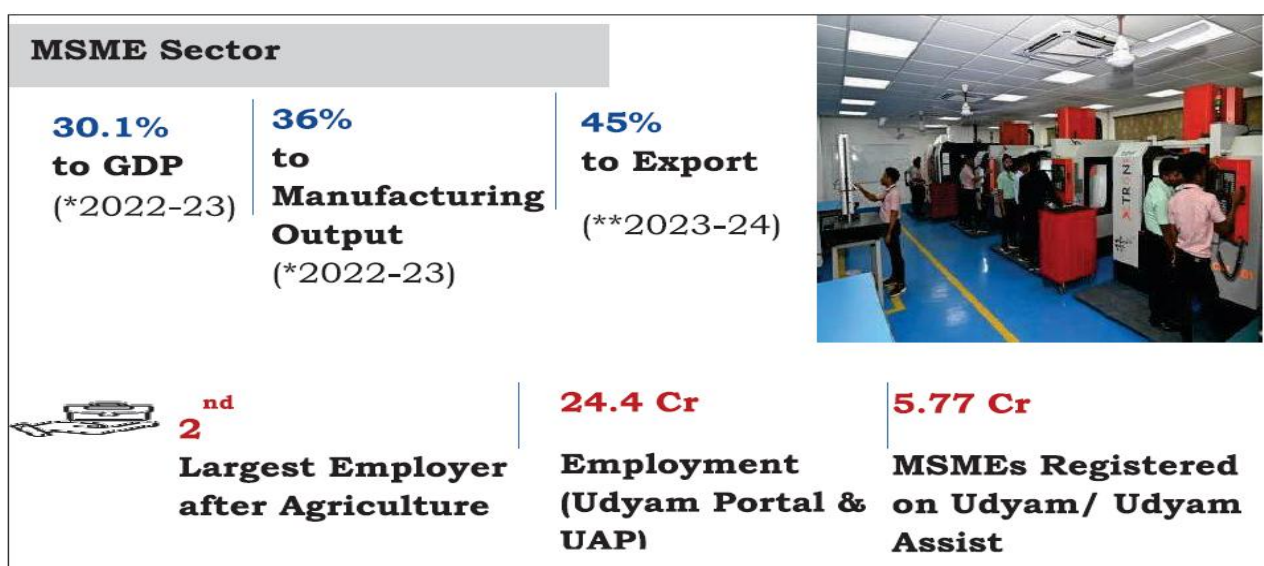
### 3. MSME INDUSTRY IN INDIA

#### 3.1 Introduction

The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy contributing around 30% of India's GDP, over 45% of India's exports. It contributes significantly to the economy and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost, next only to agriculture. MSME are complementary to large industries as ancillary units. This sector contributes significantly to inclusive industrial development of the country.

#### 3.2 Role of MSME in Indian Economy

Micro, Small, and Medium Enterprises (MSME) play a pivotal role in driving entrepreneurial growth and fostering business innovation. By diversifying across sectors, MSME cater to both domestic and global market demands with a wide range of products and services. These enterprises are instrumental in generating significant employment opportunities at a lower capital cost compared to large industries. The role of MSME and contribution in various aspects of the country's economy is as follows:



Source: \*National Statistical Office, Ministry of Statistics and Programme Implementation

\*\*Data culled out from Directorate General of Commercial Intelligence and Statistics (DGCIS)

(Source: <https://msme.gov.in/sites/default/files/MSME-ANNUAL-REPORT-2024-25-ENGLISH.pdf>)

### 4. PAPER & PACKAGING INDUSTRY REPORT

#### 4.1 Introduction

Packaging has emerged as the fifth largest sector of the Indian economy, playing a pivotal role in driving industrial growth, innovation, and value creation across FMCG, agriculture, and food processing. Growing at a rapid 22 to 25% annually, the sector is supported by advances in technology, logistics, and rising consumer demand. India has a strong base with over 22,000 packaging units, of which 85% are SMEs, and a robust paper manufacturing ecosystem of more than 850 mills, with 526 operational, producing nearly 25 million tonnes annually. Installed capacity in paper and paperboard stands at about 5 million tonnes, with utilisation levels above 95%, reflecting both scale and efficiency.



## 4.2 Brief Summary

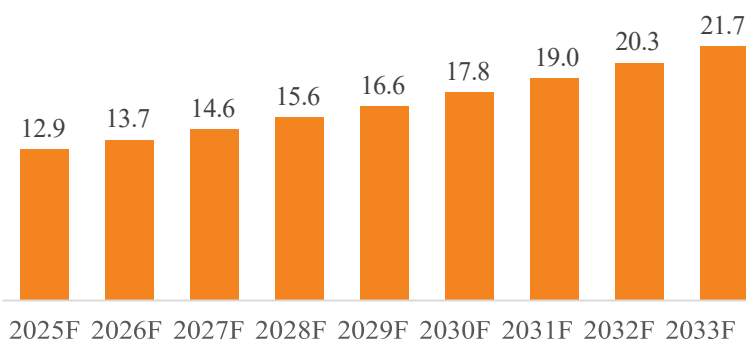
- (i) The Indian paper industry's estimated domestic market size in 2024-25 is 23.84 million metric tonnes, with an expected annual growth rate of 5.97%.

- (ii) As of 2024, Packaging is the fifth largest sector of Indian economy.

- (iii) Packaging is among the high growth industries in India and developing at the rate of 22-25% per annum and becoming a preferred hub for packaging industry.

- (iv) The packaging industry has played a significant role in recent years in advancing innovation and technology in the nation and enhancing value across a range of manufacturing sectors, including the FMCG and agricultural industries.

**Paper and Packaging market in India (US\$ billion)**

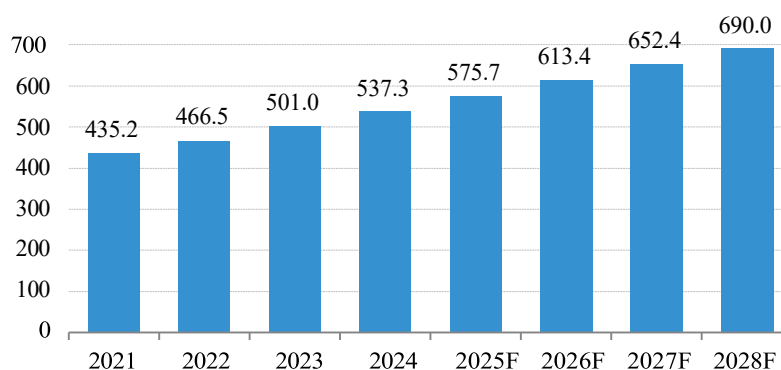


- (v) As of 2024, India has 22,000 packaging units, of which 85% are small and medium enterprises (SMEs).

- (vi) In 2024-25, India's installed capacity of paper and paperboard stood at 5.20 million tonnes per annum, with production reaching 4.94 million tonnes. Domestic sales accounted for 4.41 million tonnes, while exports were 0.49 million tonnes. The industry operated at a capacity utilization rate of 95.03%.

- (vii) As of 2024, India is home to around 850 paper mills, which collectively produce about 25 million tonnes of paper each year. This production volume is expected to rise to approximately 35 million tonnes by the FY30.

**Production volume Paper and Plastic Packaging (million tons)**



- (viii) The expansion of the middle class, enhancements made to the supply chain, and the emergence of e-commerce in recent times are the primary factors responsible for the growth of the packaging industry in India.

- (ix) The nation's increasing focus on food safety and quality is projected to fuel the food processing sector, which will increase demand for packaging.

- (x) FDI permitted is 100% through the automatic route.

- (xi) Cumulative FDI inflows stood at ₹10,159.90 crore (US\$ 1,744.37 million) in the Paper and Pulp (including paper) sector between April 2000-March 2025.

## 4.3 Competitive Advantages in India

### (i) **Robust Demand**

- India continues to lead the global paper market, with domestic consumption of packaging paper and paperboard growing at 8.2% in 2023-24.

- Paper packaging market reached ₹1,67,110 crore (US\$ 19.07 billion) as of August 2025, growing at 19.48% CAGR to reach ₹4,06,866 crore (US\$ 46.43 billion) by 2030.
- India packaging industry valued at ₹7,36,092 crore (US\$ 84 billion) in 2024, projected to reach ₹12,53,109 crore (US\$ 143 billion) by 2029 at CAGR 11.00% during 2024-2029.






(ii) **Increasing Investment**


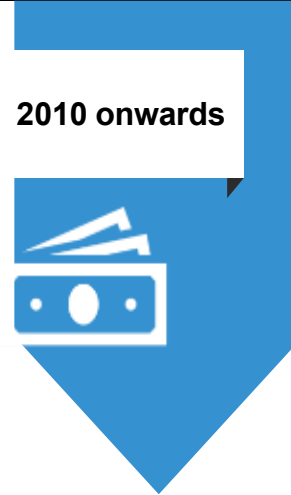
- SIG, a Swiss based packaging company, laid the foundation of first aseptic carton packs in Ahmedabad in 2023 and plan to invest a sum of ₹880 crore (US\$ 106.02 million) over the period of 2023-2025, with additional US\$ 50 million committed for Phase 2 by 2027.
- Cumulative FDI inflows stood at ₹10,159.90 crore (US\$ 1,744.37 million) in the Paper and Pulp (including paper) sector between April 2000-March 2025.

(iii) **Policy Support**

- Initiatives like "Make in India" and GST reforms are bolstering the demand for advanced packaging infrastructure, creating a more conducive environment for both domestic and international players.
- As the packaging industry stands as the fifth largest industry in India, the government plans to adopt several initiatives that focus on the sustainability manufacturing methods, minimizing of plastic packaging and adoption of sustainable material for the packaging industry.

**4.4 Evolution of Paper and Packaging in India**

 <p><b>Pre 1990s</b></p>	 Experienced significant growth as economic reforms, rising demand, technological advancement and entry of multinational companies took place
 <p><b>1990-2005</b></p>	 Companies like ITC Limited, JK Paper, and West Coast Paper Mills expanded their manufacturing capacities to meet the rising demand.   Ballarpur Industries Limited (BILT), one of India's largest paper manufacturers, upgraded its production facilities with state-of-the-art technology to improve efficiency and product quality.

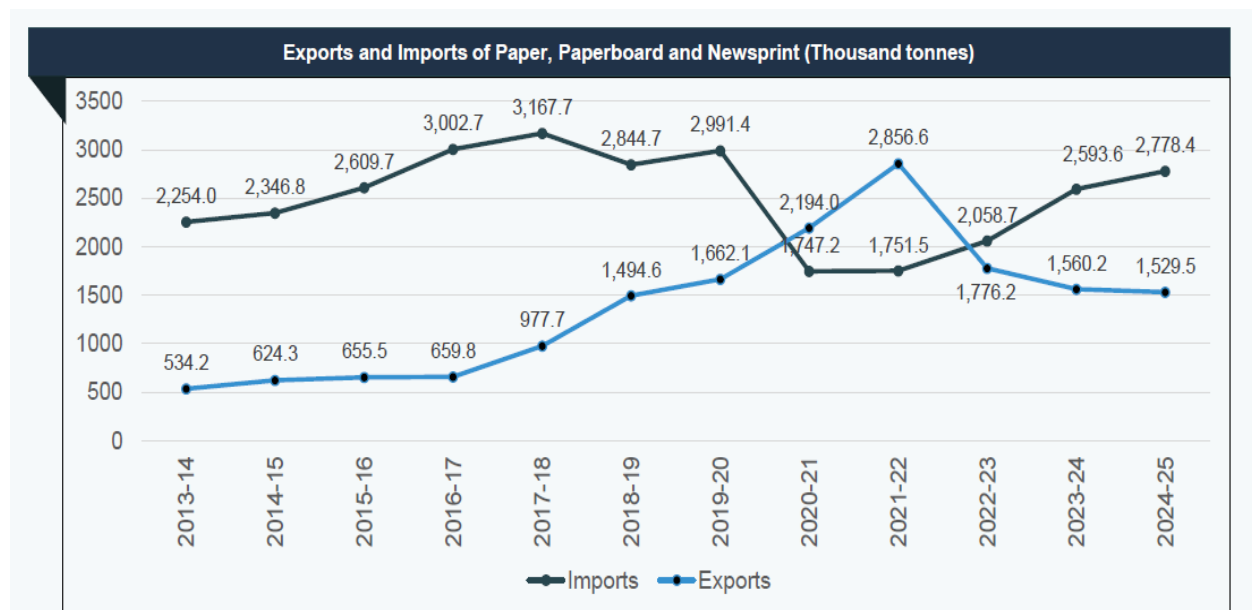
 <p><b>2005-2010</b></p>	<ul style="list-style-type: none"> <li>Substantial investment commitment from large Indian corporates</li> <li>Focus on sustainable packaging</li> <li>Export growth</li> <li>Increased government support to large players.</li> </ul>
 <p><b>2010 onwards</b></p>	<ul style="list-style-type: none"> <li>Cumulative FDI inflows stood at ₹10,159.90 crore (US\$ 1,744.37 million) in the Paper and Pulp (including paper) sector between April 2000-March 2025.</li> <li>FDI permitted is 100% through the automatic route.</li> </ul>

#### 4.5 Export in Paper and Pulp Industry

- Imports rose to 2,778.40 thousand tonnes in 2024-25, up from 2,593.60 thousand tonnes in 2023-24, an increase of 184.80 thousand tonnes.
- In 2024-25, exports of paper, paperboard and newsprint stood at 1,529.50 thousand tonnes, down from 1,560.20 thousand tonnes in 2023-24, a decrease of 30.70 thousand tonnes.
- In 2024-25, India's paper industry derived an estimated 74-76% of its production from recovered paper and recycled fibre, 18-20% from wood and bamboo, and 6-8% from agro residue such as bagasse and wheat straw.
- In 2024-25, India's installed capacity of paper and paperboard stood at 5.20 million tonnes per annum, with production reaching 4.94 million tonnes. Domestic sales accounted for 4.41 million tonnes, while exports were 0.49 million tonnes. The industry operated at a capacity utilisation rate of 95.03%.
- In 2024-25, India's domestic paper market is estimated at 23.84 million tonnes, growing at 5.97% annually. Packaging paper and paperboard dominate at 15.54 million tonnes (7.68% growth), led by kraft paper (9.22 million tonnes, 8.27% growth) and paperboard (6.32 million tonnes, 6.83% growth). Writing and printing



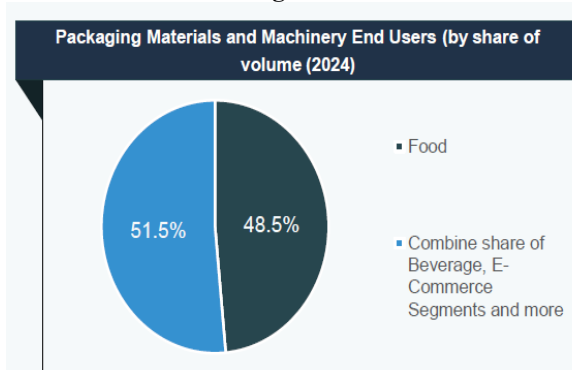
paper stands at 5.47 million tonnes (3.05% growth), tissue at 0.37 million tonnes (fastest at 12.88%), while newsprint is 1.13 million tonnes, declining -2.33%.



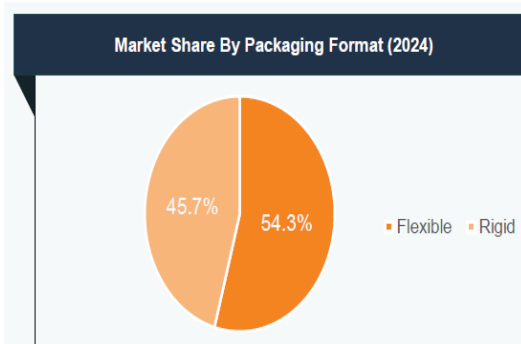
#### 4.6 Growth in Packaging Industry

The packaging industry can be categorized into two segments i.e. **Flexible and Rigid**

- Flexible packaging held 54.32% of India's packaging market in 2024, growing at an 11.51% CAGR as converters switched from rigid tubs to lightweight pouches, cutting freight costs by up to 70%. Rising use in ready-to-eat grains, nutraceutical sachets, and single-dose agrochemicals reflects demand for hermetic seals and easy tear-open features. Sustainability is driving adoption of mono-material PE-PE and PP-PP laminates, while EVOH barriers extend shelf life for retorted foods without aluminium foils. Digital watermarks are also being introduced to improve sortation in recovery facilities and enhance recyclability.



- Rigid packaging remains strong in carbonated beverages, detergents, and premium skincare, where strength, drop resistance, and shelf presence are critical. Growth potential exists in thin-wall injection-moulded PP tubs with talc fillers that deliver 20% weight savings. In aseptic cartons, SIG's US\$ 90 million investment in Ahmedabad, with capacity for four billion packs annually, underlines confidence in the shift from open pouches to shelf-stable milk systems. Converters are also rebalancing machinery portfolios, combining flexographic presses for high-mix SKUs with injection lines compatible with recycled resins, highlighting the industry's dual push for efficiency and sustainability.



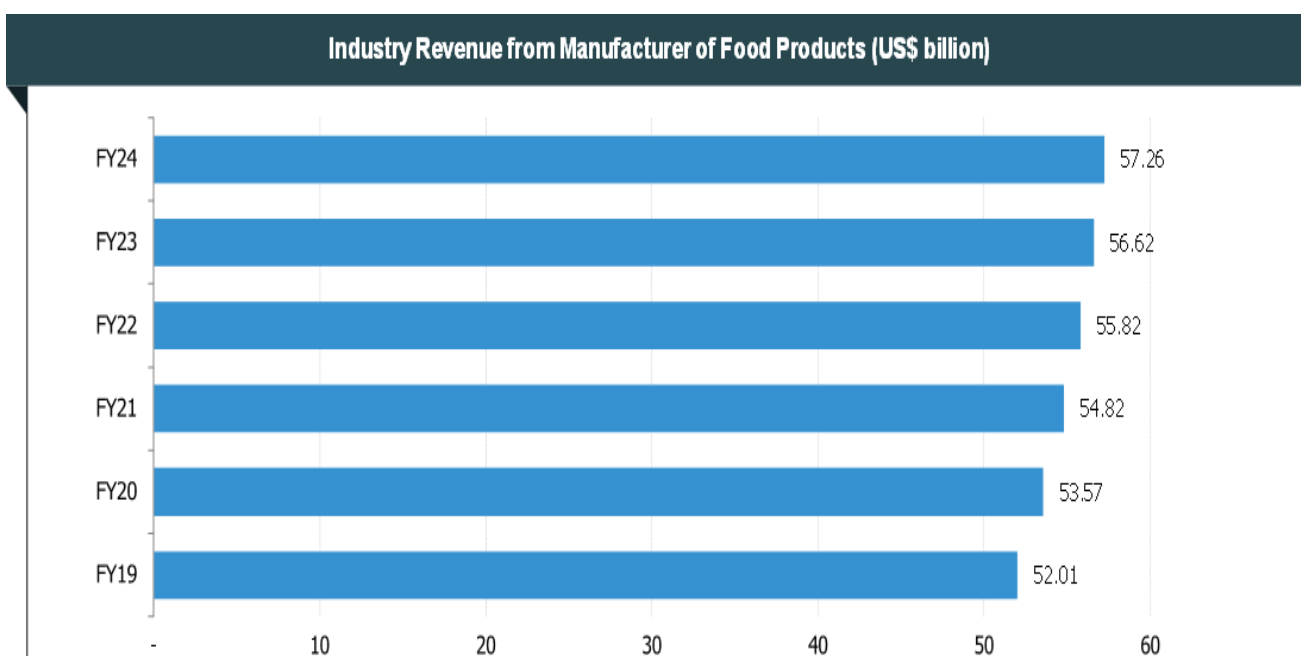
#### 4.7 Growth in E-Commerce

- India's food processing sector's market size is estimated to more than double from ₹26,41,121 crore (US\$ 307 billion) in 2023 to ₹60,22,100 crore (US\$ 700 billion) in 2030 driven by growing demand for processed



products, according to PHD Chamber of Commerce and Industry (PHDCCI).

- Additionally, the Indian e-commerce industry, expected to reach US\$ 350 billion by 2030, is driving the growth of food packaging in the country. It has led to major players, like Amazon and Flipkart, entering the e-commerce space in food. Amazon has invested US\$ 35 million to enter this space. Flipkart has planned to invest US\$ 258 million to enter the retail food space.
- India's food services sector is projected to grow at a CAGR of 8.1% during CY2024–CY2028, driven by rapid urbanization, robust GDP growth, a young population, and rising consumer exposure, according to the India Food Services Report 2024 by the National Restaurants Association of India (NRAI). The sector contributed 1.9% to India's GDP in CY2024, with a market size of ₹5,69,000 crore (US\$ 65.76 billion). It is forecast to reach ₹7,76,000 crore (US\$ 89.65 billion) by CY2028, underscoring its expanding role in domestic consumption and employment.
- Food producers, especially prominent FMCG brands, have set ambitious targets to reduce the use of plastics in food packaging and adopt new eco-friendly materials. Therefore, paper-based packaging materials are becoming increasingly popular in India



#### 4.8 Growth Drivers for Paper and Packaging in India

##### 1) E- Commerce Growth

In 2024, e-commerce packaging grew at 15.1% CAGR with returns-ready, paper- based designs. Pharma exports drove demand for certified vials and HDPE bottles, while bulk packs relied on UV-stabilised films. Diversification reinforced the need for modular, quick-switch production lines.

##### 2) Government Initiatives for Sustainability

- Union MoS for Health & Family Welfare, Mr. Prataprao Ganpatrao Jadhav, inaugurated FSSAI's National Stakeholder Consultation on Sustainable Packaging (April 2025), highlighting the shift towards recyclable, biodegradable and eco-friendly alternatives.

- In April 2025, FSSAI announced guidelines for use of rPET in food packaging and introduced a consumer logo, with over 1,500 stakeholders from industry, regulators, and consumer groups participating.
- 3) **Increasing Awareness of Sustainability**
- Growing environmental concerns and consumer awareness about sustainability have led to a shift towards eco-friendly packaging solutions. This trend has significantly boosted the demand for paper-based packaging products, as they are biodegradable, and recyclable compared to plastic alternatives.
- 4) **Growth in FMCG and Retail Sectors**
- The FMCG sector and retail industry are major consumers of packaging materials. As these sectors continue to grow due to factors such as urbanization, changing consumer lifestyles, and rising consumer spending, the demand for packaging materials, including paper-based solutions, is expected to rise substantially.
  - The latest report, “Flexible Packaging Market in India 2024-2028,” highlights a substantial expansion, anticipating the market to surge by US\$ 15.6 billion over the next five years at a CAGR of 12.7%, propelled by heightened demand in the FMCG sector.
- 5) **Technological Advancement**
- Technological advancements in the paper and packaging industry have enhanced efficiency and product quality, driving growth in the sector. Advanced printing technologies, automation in packaging lines, and the development of new grades of paper are enabling manufacturers to meet the evolving demands of customers and industries, thereby fueling growth in the market.

#### **4.9 Role of Sustainable Packaging in the Industry**

- 1) **Material Selection**
- There's a growing emphasis on selecting sustainable materials for packaging products. This includes sourcing materials from responsibly managed forests or using alternative fibres such as agricultural residue or recycled paper. By prioritizing materials with lower environmental footprints, the industry can reduce its impact on deforestation and contribute to conservation efforts.
- 2) **Recycling Infrastructure**
- Implementing robust recycling infrastructure is crucial for promoting sustainable packaging practices in India. The industry is increasingly investing in recycling facilities and promoting awareness about the importance of recycling among consumers. By encouraging the collection and recycling of used packaging materials, the industry can reduce waste sent to landfills and minimize the need for virgin materials, thereby conserving resources and reducing energy consumption.
- 3) **Innovative Packaging Designs**
- Indian paper and packaging companies are innovating to develop packaging designs that optimize material usage and minimize environmental impact. This includes lightweighting packaging materials to reduce material consumption, designing packaging for efficient transportation and storage, and exploring biodegradable or compostable packaging options.
  - In July 2024, the Council of Scientific and Industrial Research (CSIR) has launched the National Mission on Sustainable Packaging Solutions, aiming for a net-zero future through innovation. Led by CSIR-NIIST, the initiative focuses on developing sustainable materials, recycling methods, and advanced testing facilities to enhance India's packaging sector and address environmental challenges.

(Source: <https://www.ibef.org/industry/paper-packaging> )

*Citations & Credits:*

- a. <https://data.imf.org/en/datasets/IMF.RES:WEO>
- b. <https://www.ibef.org/economy/indian-economy-overview>
- c. <https://msme.gov.in/sites/default/files/MSME-ANNUAL-REPORT-2024-25-ENGLISH.pdf>
- d. <https://www.ibef.org/industry/paper-packaging>

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## BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “**Forward-Looking Statements**” beginning on page 22 for a discussion of the risks and uncertainties related to those statements and also the sections titled “**Risk Factors**”, “**Industry Overview**”, “**Summary of Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 33, 111, 58 and 184 respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole, 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 year are to the twelve months ended March 31 of that year.

Unless the context otherwise requires, references in this section to “our Company”, “we”, “us”, or “our” are to Craftech Paper Mills Limited.

Unless otherwise indicated or the context otherwise requires, the financial information included in this Draft Red Herring Prospectus for the period ended September 30, 2025 and Fiscals ended 2025, 2024 and 2023 are derived from our Restated Financial Information.

Certain information contained in this chapter relating to the industry in which our Company operates has been derived from the Industry Overview section of this Draft Red Herring Prospectus. The Industry Overview section has been prepared based on information obtained from publicly available sources, industry publications, government publications and other independent industry sources. Such information has not been independently verified by the Company and should be read in conjunction with the Industry Overview section of this Draft Red Herring Prospectus.

For definitions of technical and industry related terms used in this section, please refer to the chapter titled “**Definitions and Abbreviations – Industry Related Terms or Abbreviations**” beginning on page 02 of this Draft Red Herring Prospectus.

## BUSINESS OVERVIEW

Craftech Paper Mills Limited (the “**Company**”) is an integrated kraft paper manufacturer based in Latur, Maharashtra, engaged in the production of recycled kraft paper ranging from 100–300 GSM and BF 18-28 for use in corrugation, industrial packaging, paper bags and allied applications. Our manufacturing process is based on 100% recycled fibre and old corrugated cartons (OCC) and is operated under a Zero Liquid Discharge (“**ZLD**”) framework. As per the Industry Overview section of this Draft Red Herring Prospectus, the Indian paper industry’s estimated domestic market size in 2024-25 is 23.84 million metric tonnes. Packaging paper and paperboard constitute a significant portion of the Indian paper industry, with kraft paper being a key input for corrugated boxes and industrial packaging.

We serve a diversified base of dealers, distributors, packaging converters, corrugated box manufacturers and regional trading houses across Western, Southern and Central India. With growing demand for sustainable and recyclable packaging solutions, our product portfolio positions us to capture opportunities arising from the expansion of the domestic packaging ecosystem and the increasing shift towards eco-friendly materials. As per the Industry Overview section of this Draft Red Herring Prospectus, in fiscal 2025, approximately 74-76% of India’s paper production was derived from recovered paper and recycled fibre.

### **Business Model**

Our business operates on a dealer-driven sales model supplemented by direct supply to select industrial customer. We focus on reliable product quality, consistent supply, and competitive pricing supported by an efficient distribution and logistics network.

Key elements of our business model include:

#### Our Product Portfolio

We manufacture a range of kraft paper products with specifications tailored to the requirements of corrugation, packaging and allied applications. Our product specifications include:

Parameter	Range
GSM	100–300
Burst Factor (BF)	18–28
Deckle Width	Up to 3700 mm
Starch Coating	5–7 gsm

We offer the following grades of kraft paper:

- High RCT kraft paper for heavy-duty packaging application
- Moisture-resistant grades for agricultural & industrial use
- Standard kraft paper for converting, bag making & corrugation

Our products are supplied to customers operating in packaging, corrugation and allied industries, and are manufactured to meet customer-specific requirements. According to the Industry Overview section of this Draft Red Herring Prospectus, packaging paper and paperboard dominate domestic paper consumption in India with kraft paper identified as a major component within the packaging paper segment.

#### Customer Concentration

The contribution of our top ten customers to the total revenue from operations for the periods indicated below is set forth in the following table:

(₹ in lakhs)

Category	For the period/Fiscal year ended							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation	Total Revenue	% of Revenue from Operation
<b>Top 1</b>	985.08	16.96	1,426.70	14.56	1,186.13	15.27	1,879.05	22.32
<b>Top 5</b>	2,820.43	48.55	5,362.26	54.71	4,047.64	52.10	5,156.12	61.25
<b>Top 10</b>	4,092.27	70.46	7,388.44	75.37	5,895.23	75.89	6,417.39	76.23

As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated December 15, 2025.

#### Our Manufacturing Facility

Our manufacturing facility is located at: Behind Manjar Sugar Factory, Gat No. 106, Chincholirawadi, Latur, Maharashtra. The location provides access to skilled and unskilled manpower, proximity to raw material sources, key industrial clusters which supports procurement, supply and logistics operations. As per the Industry Overview section of this Draft Red Herring Prospectus, India is home to approximately 850 paper mills, producing about 25 million tonnes of paper annually. The Industry Overview further notes that production of paper and paperboard in India stood at 4.94 million tonnes in Fiscal 2024.

#### Our Presence

We cater to customers across multiple regions:

- Maharashtra: Mumbai, Pune, Nagpur, Nashik, Kolhapur, Aurangabad, Latur
- Telangana & Andhra Pradesh: Hyderabad, Warangal, Vijayawada
- Karnataka: Bengaluru, Hubballi, Belagavi
- Madhya Pradesh: Indore, Bhopal

The following map illustrates the geographical distribution of Our Company's customer presence across various regions:



#### Geographical Area Wise Revenue Break up

(₹ in Lakhs)

Name of State/city/region/country	For the period/ financial year ended on							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Total Revenue	% of Revenue	Total Revenue	% of Revenue	Total Revenue	% of Revenue	Total Revenue	% of Revenue
Maharashtra	4,338.19	74.68	7,657.43	78.12	4,893.02	62.98	6,174.48	73.35
Telangana	1,348.48	23.21	2,066.85	21.09	2,595.16	33.40	1,777.23	21.11
Karnataka	84.26	1.45	44.13	0.45	187.56	2.41	28.13	0.33
Gujarat	-	-	-	-	0.52	0.01	117.45	1.40
Export	38.45	0.66	33.55	0.34	92.98	1.20	320.32	3.81
<b>Total</b>	<b>5,809.38</b>	<b>100.00</b>	<b>9,801.96</b>	<b>100.00</b>	<b>7769.24</b>	<b>100.00</b>	<b>8,417.62</b>	<b>100.00</b>

As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated December 15, 2025.

#### Industry Verticals Served

Our kraft paper products are used for packaging applications across a range of end-use industries. Demand for such products is primarily linked to growth in organized retail, e-commerce, logistics, manufacturing, food processing and pharmaceuticals, and is driven by secondary and tertiary packaging requirements. The end-use base for kraft paper is diversified, and demand is influenced by overall industrial and consumption trends rather than dependence on any single sector.

For details on industry structure, demand drivers and growth trends of the paper and packaging sector, see “**Industry Overview**” on page 111 of this Draft Red Herring Prospectus.

### Key Performance Indicators

The table below sets forth our key performance indicators for the period of September 30, 2025 and for Fiscal 2025, 2024 and 2023:

(₹ in Lakhs)

Particulars	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue From operations	5,940.61	10,069	7,996.77	8,748.57
EBITDA	985.58	1,032.79	537.77	583.68
EBITDA Margin (%)	16.59%	10.26%	6.72%	6.67%
Profit after tax	534.35	352.12	27.39	(19.90)
PAT Margin (%)	8.99%	3.50%	0.34%	-0.23%
ROE	38.15%	43.62%	4.44%	-3.71%
Return on Capital Employed (ROCE) (%)	13.11%	13.00%	5.81%	7.13%
Net Debt/ EBITDA	4.79	4.69	8.42	7.87

Notes:

- As certified by BSMART and Associates LLP, Statutory Auditor pursuant to their certificate dated December 15, 2025. The KPIs disclosed above has been approved by the Audit committee of the Company in their meeting held on dated December 15, 2025.
- EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortization expense less other income.
- EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information.
- PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.
- Return on Equity (%) is calculated as restated profit for the year divided by average total equity.
- Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed.
- Net Debt/ EBITDA, Net debt is Total Borrowings less Cash and bank balances.

## OUR STRENGTHS

### Strategic Location

Our manufacturing facility is located in Latur, Maharashtra, which provides access to domestic waste-paper suppliers, agricultural and industrial clusters, and a stable base of skilled and unskilled labour. The region has limited kraft paper manufacturing capacity, allowing us to operate with comparatively lower competitive pressure in the immediate vicinity.

### Modern Technology and Operational Efficiency

We operate high-efficiency machinery and standardised production systems designed to achieve consistent GSM, BF and moisture parameter Automation in key sections of the plant and continuous monitoring of process variables support stable production, reduced downtime and improved utilisation of raw materials and energy. Standardised operating procedures and preventive maintenance practices are implemented to minimise unplanned downtime, optimise utilisation of raw materials and energy, and maintain operational efficiency. These measures assist in maintaining product consistency and operational continuity.



### Cost Competitiveness

Our operational cost structure benefits from the availability of competitively priced labour in the region and the use of captive and solar power units, which lower power costs and reduce dependence on grid electricity. Efficient energy and steam management contribute to lower per-ton production costs. In addition, our operations have the ability to utilise multiple fuel inputs, including agricultural waste, coal and solar power, which provides flexibility in managing energy requirements, subject to availability and regulatory considerations.

### Experienced Management Team

The Company's management team has experience across technical operations, maintenance, procurement, finance and administrative functions. Their industry knowledge supports better planning of production, procurement and cost management activities, and facilitates effective decision-making during fluctuations in raw material availability and pricing. For more details pertaining to the experience of our Directors, please refer to the chapter titled "**Management**" beginning on page 154 of this Draft Red Herring Prospectus.

### Sustainable and Compliance-Aligned Operations

Our production is based entirely on recycled fibre, and the facility operates under a Zero Liquid Discharge (ZLD) system. We follow structured environmental and safety practices and are in the process of obtaining relevant industry certifications. We comply with applicable environmental and operational regulations and are in the process of obtaining relevant industry certifications, where required. These measures support regulatory compliance and align with increasing customer preference for sustainable packaging materials.

## OUR STRATEGIES

### 1. Market Share Enhancement

Our Company intends to strengthen its position in existing markets by increasing penetration within its current dealer and customer network. We propose to focus on deeper engagement with mid sized corrugators, packaging manufacturers, and repeat customers to support stable order volumes. Our Company plans to optimise its product mix by introducing lightweight and higher yield grades that are aligned with cost sensitive and efficiency driven applications. We also intend to improve delivery planning, reduce lead times, and enhance coordination with dealers and logistics partners. These initiatives are expected to support higher repeat orders, improve plant utilisation, and reinforce Our Company's presence in established market clusters.

### 2. Enhancing product portfolio

Our Company proposes to expand its product portfolio through the development of new kraft paper grades designed to meet evolving customer and regulatory requirements. We intend to explore food grade kraft paper, odour-controlled grades, moisture resistant and high stiffness variants, and surface treated products for specialised applications such as agricultural packaging, laminates, and retail carry bags. Product development efforts are expected to focus on improving fibre utilisation, enhancing machine stability, and achieving consistent performance characteristics tailored to customer needs. Through these initiatives, Our Company aims to increase the share of value-added products in its overall sales mix and reduce dependence on standard kraft paper grades.

### 3. Expansion into Allied Products

Our Company may explore opportunities to enter allied paper-based packaging segments that utilise similar raw materials, manufacturing processes, or customer channels. Potential product categories under evaluation include paper tableware, paper tubes, core pipes, grey boards, and speciality liners used in industrial and packaging applications. Entry into such segments may be undertaken through incremental investments, subcontracting arrangements, or strategic partnerships, subject to commercial viability. Expansion into allied products is intended to broaden Our Company's product offerings, diversify revenue streams, and reduce reliance on a single product category.

#### 4. Strategic Geographical Expansion

Our Company intends to strengthen its geographical footprint by deepening penetration in existing regions where our Company currently supplies its products, while gradually expanding into new markets where demand for kraft paper and corrugated packaging is increasing. This strategy is expected to be supported by leveraging existing manufacturing capacity, logistics infrastructure, and customer relationships. We plan to strengthen our distribution networks and develop new business linkages in select regions such as Maharashtra, Telangana and Karnataka to improve market access and capacity utilisation. These initiatives are intended to diversify regional revenue exposure, reduce concentration risk, and support sustainable long-term growth.

#### 5. Operational Excellence

Our Company intends to focus on operational excellence to enhance efficiency, reliability, and consistent product quality across its manufacturing operations. We plan to undertake continuous process improvements aimed at increasing productivity, optimising resource utilisation, and reducing waste. Workforce development will be prioritised through training programs and skill enhancement initiatives to ensure employees are equipped to maintain high quality standards and support safe and efficient operations. We will implement robust quality control measures at every stage of production, from raw material inspection and in-process monitoring to final product testing, to ensure strict adherence to specifications. Additionally, advanced monitoring, preventive maintenance, and data driven decision making will be adopted to support equipment reliability and stable production output. Through these measures, Our Company expects to consistently meet customer requirements, improve plant utilisation, and strengthen its competitive position in the kraft paper industry.

### PRODUCT PORTFOLIO

Our Company manufactures a range of kraft paper products catering to packaging and industrial applications. The product portfolio includes multiple grades designed to meet varying strength, stiffness, and performance requirements. These products are supplied to customers across different end use segments. Set out below is an indicative description of the products manufactured by Our Company:

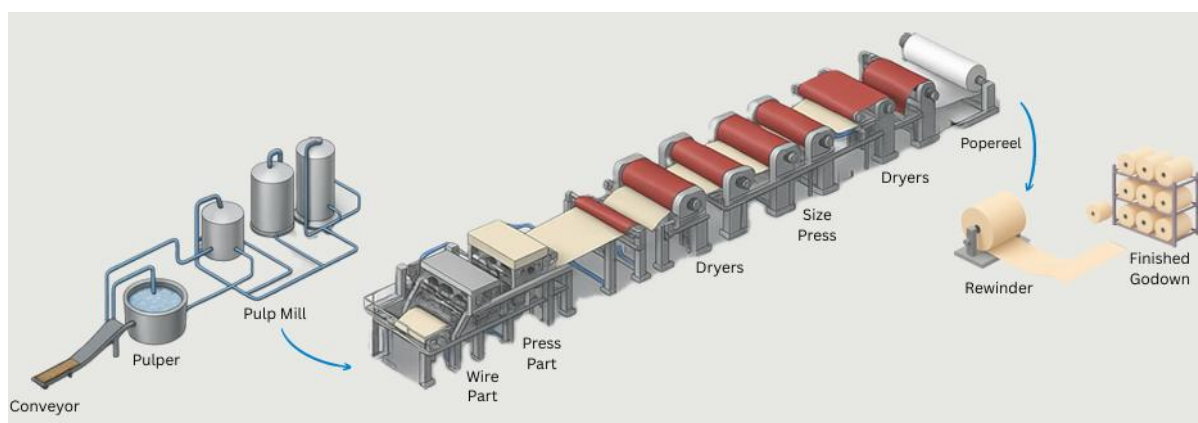
#### *Pictorial representation of Kraft Paper*



Kraft paper is manufactured using recycled wastepaper and is primarily used in the packaging industry. It is produced with strength and tear resistance characteristics suitable for packaging applications and is available in specifications that can be tailored to meet different end-use and packaging requirements.

### MANUFACTURING PROCESS

Our manufacturing process is based on the conversion of recycled fibre into kraft paper through a sequence of pulping, cleaning, refining, sheet formation, pressing, drying and finishing operations. The process is designed to ensure uniform quality, adherence to specified GSM and BF parameters, and efficient utilisation of raw materials, water and energy. Production is carried out under a Zero Liquid Discharge (ZLD) system with standardised controls at each stage to maintain consistency and meet customer specifications.



## 1. Raw Material Procurement

We procure waste paper such as OCC, kraft cuttings and boxboard waste from domestic scrap markets, waste aggregators, and import supplier. Material quality parameters (moisture, fibre yield and contamination levels) are checked before acceptance. Sourcing is diversified to ensure continuity during market fluctuations.

## 2. Sorting and Screening

Incoming waste paper is subjected to manual picking and conveyor-based mechanical screening. Non-fibrous materials such as plastics, metal pieces, textiles, adhesives and sand are removed to ensure stable pulping performance and reduce wear on downstream equipment.

## 3. Pulping

Sorted waste paper is processed in pulpers where water and mechanical agitation convert the paper into fibre slurry. Parameters such as consistency, pulping time and rotor speed are controlled to optimise fibre separation while minimising fibre damage.

## 4. Cleaning and Dispersion

The fibre slurry is passed through cleaners, pressure screens and dispersion equipment to remove remaining contaminants such as ink particles, adhesives (stickies), plastics and wax. This improves sheet formation and prevents defects in the final product.

## 5. Stock Preparation

The cleaned pulp is blended with process water and additives such as starch, alum and retention aids. Adjustments are made to match the required GSM, BF, drainage rate, and moisture profile for each production order.

## 6. Sheet Formation (Wire Section)

Prepared stock is fed into the headbox of the paper machine. The slurry is distributed uniformly across the wire mesh, where free water drains out by gravity and suction boxes, forming the initial wet web of paper.

## 7. Press Section

The wet web is passed through controlled-pressure press rolls, which mechanically remove water and improve fibre bonding. The press section helps increase sheet strength and reduces steam load in the drying stage.

## 8. Drying Section

The sheet passes over a series of steam-heated drying cylinder. Moisture is reduced to standard levels (approx. 6–7%). Temperature and dryer speed are monitored to prevent over-drying or strength loss.

## 9. Size Press Application

For grades requiring additional strength or surface performance, a starch solution is applied using a pond-type size press. This enhances stiffness, surface smoothness and printability.

## 10. Reeling, Slitting and Packing

The dried sheet is wound into jumbo reels. Reels are slit into customer-specific widths using slitter winder. The finished reels are wrapped in moisture-resistant material to protect them during storage and transit.




## 11. Zero Liquid Discharge (ZLD) Treatment

Process water is collected, treated through clarifiers and DAF units, and reused within the system. Sludge generated is dewatered and disposed of as per environmental norms. No treated or untreated effluent is discharged outside the facility.






## OUR MACHINERIES






Our Company uses machinery and equipment that support the efficient manufacture of kraft paper. The machinery has been selected to ensure consistency, operational reliability and adherence to required quality parameter. The use of modern production systems, combined with standardised processes, enables us to maintain product quality, improve efficiency and meet the specifications required by our customer. Our investments in machinery are aimed at strengthening production capability and ensuring stable and efficient plant operations.




The following key machinery and equipment are installed at our manufacturing facility:

Sr. No	Name of the Machine	No. of Machines	Purpose	Image
1.	Raw Material feeding Conveyor	2	The raw material feeding conveyor is used to transport waste paper or other fibrous raw materials from the storage area to the pulping section. It ensures a continuous and controlled feed rate, reducing manual handling.	
2.	D - Pulper	2	The D-pulper (drum pulper) is used to gently break down waste paper into individual fibres by rotating the material in water inside a large drum. Its design allows efficient separation of contaminants while minimizing fiber damage. This continuous process ensures uniform pulp quality, essential for producing strong and consistent kraft paper.	
3.	High Density Cleaner	2	The High-Density Cleaner is used to remove heavy contaminants such as sand, metal, glass, and other high-specific-gravity particles from the pulp. It works by spinning the pulp slurry at high speed, using centrifugal force to push heavy impurities to the outer wall and discharge them, while clean pulp flows out, protecting downstream equipment and improving paper quality.	



Sr. No	Name of the Machine	No. of Machines	Purpose	Image
4.	Turbo Cleaner	2	The 2-stage Turbo Cleaner is a pulp cleaning system designed to remove medium- and light-weight contaminants such as plastics, wax, and Styrofoam from the fiber slurry. In the first stage, larger and heavier impurities are separated, while the second stage handles the rejects from the first stage to recover usable fibres. This improves pulp cleanliness, reduces defects, and enhances paper quality.	
5.	Refiner	2	The refiner is used to mechanically treat pulp fibres to improve their bonding ability. By passing the slurry between rotating discs or conical elements, the fibres are fibrillated and made more flexible, increasing surface area for better inter-fiber bonding. Proper refining enhances paper strength, smoothness, and formation, making it a critical step in pulp preparation.	
6.	Centri - Cleaners	3 Stage	3-stage centri-cleaners are used to remove contaminants from pulp using centrifugal force across three cleaning stages. The first stage removes larger and heavier particles, the second stage targets smaller or lighter contaminants, and the third stage recovers usable fibres from the rejects. This multi- stage cleaning improves pulp purity, protects equipment, and ensures better paper quality.	
7.	Fine Screen	2	Fine screening is the process of passing pulp through specially designed screens with narrow slots or holes to remove small contaminants such as stickies, shives, and undispersed fiber bundles. This step ensures a uniform fiber suspension, prevents defects in the paper sheet, and improves runnability and surface quality in the final product.	
8.	Disperser Spec Remover	1	The disperser speck remover is used to treat pulp by breaking down and evenly dispersing contaminants like stickies, ink particles, and dirt specks into smaller, less visible sizes. Operating under heat and mechanical action, it helps improve paper cleanliness, surface appearance, and printability without significantly affecting fiber strength.	

Sr. No	Name of the Machine	No. of Machines	Purpose	Image
9.	Wire Part – Wet End	2	The wire part, or forming section, is where the pulp slurry from the headbox is evenly distributed onto a moving wire mesh. Here, most of the free water is drained by gravity and suction, and the fibres start bonding to form a continuous wet sheet with uniform thickness, ready for further pressing and drying.	
10.	Press Part – Wet end	2	The Press section is designed to remove a large amount of water from the wet paper web using heavy press rolls and high nip pressures. It significantly increases sheet dryness before the dryer section, improving energy efficiency. The jumbo press also enhances sheet smoothness, strength, and bonding by compacting fibres under high pressure.	
11.	Dryer Section	24 dryers in 3 sections	The dryer section uses a series of steam-heated cylinders to evaporate the remaining moisture from the pressed sheet, reducing it to the desired final dryness (usually 6–8%). As the paper passes over alternating heated cylinders and felt rolls, heat and controlled tension remove water while maintaining sheet strength, smoothness, and dimensional stability.	
12.	Size press	1	The Size press is used to apply a starch or chemical solution onto both sides of the partially dried paper sheet. This treatment improves surface strength, stiffness, and printability, and can reduce porosity. The paper passes between two rollers, which evenly spread the sizing solution, before it continues to the dryer section for final moisture removal.	
13.	QCS (Quality control system)	1	The QCS (Quality Control System) is an automated system that continuously monitors and controls key paper parameters such as basis weight and moisture content. It uses sensors and scanners to measure these properties in real time, adjusting machine settings to ensure consistent quality, reduce waste, and improve production efficiency.	

Sr. No	Name of the Machine	No. of Machines	Purpose	Image
14.	Pope Reel	1	The pope reel is the machine section where the finished dry paper web is wound into large reels further processing. It controls reel hardness, tension, and roll diameter to ensure uniform winding without wrinkles or breaks. The pope reel marks the end of the paper machine before cutting or slitting operations.	
15.	Rewinder	1	The rewinder is used to unwind the large parent reels from the pope reel and rewind them into smaller, uniform rolls as per customer specifications. During this process, the rolls are slit to the required width. This ensures clean, precisely sized rolls ready for dispatch or further conversion	
16.	Machine Monitoring System	1	Electrical rooms house the control panels, switchgear, motor control centres (MCCs), and other electrical distribution equipment that power the entire paper machine and auxiliary systems. These rooms are designed for safety, easy maintenance, and dust-free conditions, ensuring reliable power supply, equipment protection, and smooth operation of motors, drives, and automation systems across the plant.	

As certified by Arup Kumar Ghosh, Independent Chartered Accountant pursuant to their certificate dated December 23, 2025.

## CAPACITY UTILIZATION

The total production capacity of our manufacturing unit and capacity utilisation for the period of September 30, 2025 and preceding three fiscal years are as follows:

Process	Period ended September 30, 2025#			for Fiscal year 2025*			for Fiscal year 2024*			for Fiscal year 2023*		
	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %
<b>Main Process</b>												
Kraft Paper Manufacturing	24000	20000	83.33	48000	33350	69.48	48000	29180	60.80	48000	26690	55.60
<b>Sub Process involved</b>												



Process	Period ended September 30, 2025#			for Fiscal year 2025*			for Fiscal year 2024*			for Fiscal year 2023*		
	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %	Total capacity	Total Utilised	Utilisation %
Pulping (in MT)	25000	22000	88.00	50000	36685	73.37	50000	32100	64.20	50000	29360	58.72
Steam Generation (in TPH)	14	14	100	14	14	100	14	14	100	14	14	100

As certified by Arup Kumar Ghosh, Independent Chartered Accountant pursuant to their certificate dated December 23, 2025.

#Not Annualized

## RAW MATERIAL AND SOURCING

### Raw Material Procurement

We procure recycled fibre (OCC and mixed waste paper) from domestic and imported sources.

To mitigate supply risk, we maintain:

- Multi-vendor procurement network
- Tie-ups with distribution centres in Pune, Solapur, Hyderabad, Karnataka, Latur, Aurangabad, Beed, Parbhani
- Approximately 25% - 30% raw material is imported from Europe and US.

This ensures continuity of operations and reduces volatility. Following is the list of our top 10 suppliers for the period ended September 30, 2025, and for each of the three preceding fiscal years:

### Our Top 10 Suppliers

Our top ten suppliers are as under:

(₹ in Lakhs)

Name of Supplier	For the period/ financial year ended on							
	September 30, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 1	484.52	11.29	797.97	10.46	697.64	10.99	762.32	10.12
Top 5	1,371.96	31.98	2,403.84	31.50	1,684.15	26.53	2,403.62	31.92
Top 10	2,047.37	47.72	3,694.26	48.40	2,404.98	37.88	3,442.99	45.73

As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated December 15, 2025.

## QUALITY PROCESS

Our Company maintains structured quality control processes across its manufacturing operations. It is ISO 9001:2015 certified for the processing, sales, storage and distribution of kraft paper rolls, with checks covering raw material inspection, in-process monitoring, and finished product testing. Key parameters such as GSM, burst factor, and moisture content are monitored at defined stages to ensure consistency. The quality control systems have also been reviewed and certified by an independent Chartered Engineer, confirming their adequacy.

The Quality Control process ensures product consistency and compliance at every stage, from inspection of raw materials and in-process monitoring of critical parameters to final product checks and dispatch. Non-conforming materials or products are identified, corrected, or downgraded, and customer feedback is systematically used to drive continuous improvement, supporting sustained reliability and performance.

## UTILITIES

The Industry Overview section included in this Draft Red Herring Prospectus indicates that paper manufacturing is an energy-intensive process, with power and fuel forming a significant component of operating costs. Consistent with industry characteristics, our operations require a substantial amount of power, especially to support our design and manufacturing activities.

We primarily source our electricity from the state electricity grid. In addition, we have entered into a power purchase agreement dated November 25, 2025 (“PPA”) entered with Suryakant Bansilal Karwa (“**Solar Power Developer/Developer**”) pursuant to which the Developer’s facility is required to supply 100% of the solar power generated by such facility to our Company for a period of 25 years, in accordance with the terms of the PPA.

## MARKETING AND PROMOTION

Our Company has undertaken various marketing and promotion activities to support customer outreach and sales. These include maintaining a user-friendly website for information dissemination and lead generation. The Company has also participated in packaging and trade industry exhibitions to interact with existing and prospective customers. In addition, Our Company has expanded its dealer network across Maharashtra, Telangana, Gujarat, and Karnataka through dealer onboarding initiatives, including commercial arrangements such as price-based incentives and credit bill facilities. Incentive programs have also been extended to higher volume dealers to support continued engagement and sales volumes.

## OUR COMPETITION

Our business operates in a competitive environment that includes a large number of kraft paper manufacturers, comprising both organized and unorganized player. As set out in the Industry Overview section of this Draft Red Herring Prospectus, the Indian paper industry is characterised by the presence of numerous participants and remains fragmented, with a significant number of small and mid-sized mills operating across different regions of India.

Producers vary in scale, geographic presence and product capabilities, and many offer kraft paper grades similar to those manufactured by our Company. Competition in the industry is influenced by factors such as availability and pricing of raw materials, manufacturing efficiency, product consistency, delivery timelines, freight costs, pricing competitiveness, customer relationships, and responsiveness to order requirements. In addition, design specifications such as GSM, BF, moisture levels and reel width uniformity, along with the reliability of supply and service support provided to dealers and industrial customers, play an important role in determining customer preference.


## COLLABORATIONS


As on the date of this Draft Red Herring prospectus, our Company has not entered into any technical or financial collaboration agreements.

## INTELLECTUAL PROPERTY RIGHTS

### Details of Trademark:

As of the date of this Draft Red Herring Prospectus, the Company does not own any registered intellectual property rights. However, the Company has applied for the registration of its trademark, the details of which are set out below.

Sr. No.	Description	Logo/Wordmark	Classes	Date of Application	Application Number	Status
1.		CPML	16	December 19, 2025	7409151	Formalities Chk Pass

2.		Craftech	16	December 19, 2025	7409152	Formalities Chk Pass
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**Details of Domain:**

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	craftechpaper.com	Registrar: Go Daddy. com, LLC IANA ID: 146	July 23, 2020	July 23, 2026

**INSURANCE POLICIES**

We have following comprehensive insurance in order to manage the risk of losses from potentially harmful events:

Insurance Company	Policy Number	Validity	Details	Total Sum Assured (₹ in Lakhs)	Total Premium Paid (₹ in Lakhs)
IFFCO-TOKIO General Insurance Company Limited	12A22014	December 17, 2025 to December 16, 2026	Flexi Property Protector Policy	4,500.31	7.75
IFFCO-TOKIO General Insurance Company Limited	22L44744	January 29, 2025 to January 28, 2026	Marine Open Policy	7,500	6.19
IFFCO-TOKIO General Insurance Company Limited	43352293	January 27, 2025 to January 26, 2026	Workmen Compensation Policy	90	0.48

**HUMAN RESOURCES**

Our employees contribute significantly to our business operations and growth. We require significant manpower on our payroll as our manufacturing facility though, technologically advanced, requires skilled craftsmanship and is thus labour intensive. As on the date of this Draft Red Herring Prospectus, we have 65 full-time employees.

The following table provides a breakdown of our employees:

Name of the Department	No. of Employees
Selling and Admin Staff	20
Production and other Staff	45
<b>Total</b>	<b>65</b>

#### NO. OF EMPLOYEES AND AMOUNT PAID AS PER EPF AND ESIC RETURNS

Please find below the details of employees registered with Employee Provident Fund and Employee State Insurance for the last three months from the date of DRHP:

Particulars*	September 30, 2025		October 31, 2025		November 31, 2025	
	No. of employees	Amount Paid	No. of employees	Amount Paid	No. of employees	Amount Paid
Employee State Insurance	35	0.24	28	0.16	27	0.17
Employee Provident Fund	25	0.69	25	0.64	24	0.67

\*As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated December 15, 2025.

#### IMMOVABLE PROPERTIES

Our Registered Office, is located at Karwa Complex, Opp Panchayat Office Main Road, Latur, Maharashtra, India, 413512. Further, our Company has the following properties:

Nature of Agreement/Deed	Location	Lessor/Seller	Lessee/Purchaser	Nature of Holding (Owned/Leased)	Period of Lease	Fee Payable/Consideration Involved	Use
Lease Agreement	Karwa Complex, Main Road, Opposite Panchayat Office, Latur, Maharashtra	Suryakant Karwa ("Lessor")	Craftech Paper Mills Limited through its Director Yash Karwa ("Lessee")	Leased	October 01, 2025 to August 31, 2026	The Lessee shall pay the monthly lease rent of ₹ 25000/- (Rupees Twenty-Five Thousand only) plus applicable GST	Registered Office
Conveyance Deed	Gat No. 106, located in Mouje Chincholirao Wadi, Taluka and District Latur	Suryakant Bansilal Karwa, Dilip Raosaheb Mane, Yash Suryakant Karwa and Rahul Kumar Pradeepji Rath ("Sellers")	Craftech Paper Mills Private Limited through its Director Yash Karwa ("Purchaser")	Owned	N.A.	A consideration of ₹30,71,000/- (Rupees Thirty Lakh Seventy-One Thousand only) was paid by the Purchaser to the Seller	Factory Premises

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## KEY INDUSTRY REGULATIONS

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### INDUSTRY SPECIFIC REGULATIONS

#### ***Boilers Act, 2025***

The Boilers Act, 2025, provides for the regulation of boilers, safety of life and property of persons from the danger of explosions of steam-boilers and for uniformity in registration and inspection during manufacture, erection and inspection during manufacture, erection and use of boilers in the and use of boilers in the country and for matters connected therewith or incidental thereto. The Act applies to all boilers and boiler components, including those owned by the Central and State Governments, unless explicitly exempted. Exemptions include locomotive boilers belonging to railways, boilers in steam-propelled vessels, boilers under the control of the armed forces, and small sterilizers/disinfectors in hospitals.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006***

The Micro, Small and Medium Enterprises Development Act, 2006 (“**MSMED Act**”), was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated 01st June, 2020 revising definition and criterion and the same came into effect from 01st July, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

#### ***The Legal Metrology Act, 2009***

The Legal Metrology Act, 2009 (“**Legal Metrology Act**”) came into force on March 1, 2011. The Legal Metrology Act provides that the units of weights and measures must be in accordance with the metric system based on the international system of units, and prohibits quotations made otherwise. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment. The Legal Metrology Act regulates the trade and commerce in weights and measures, and provides for the appointment of a director, controller and other legal metrology officers, and empowers them to undertake inspection or forfeiture to ensure compliance with its provisions. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures. The Legal Metrology Act allows companies to nominate a person who will be held responsible for the breach of provisions of this legislation.

### ***Maharashtra Legal Metrology (Enforcement) Rules 2011***

The Maharashtra Legal Metrology (Enforcement) Rules, 2011 are a set of regulations designed to ensure the effective implementation of the Legal Metrology Act, 2009 within the state of Maharashtra. These rules outline the procedures for verification and stamping of weights and measures used in trade and commerce. They also specify the qualifications required for legal metrology officers and the powers they hold to enforce the Act.

### ***The Maharashtra Shops and Establishments Act, 2017***

The Maharashtra Shops and Establishments Act regulates the conditions of employment in shops, commercial establishments, residential hotels, restaurants, theatres, and other establishments in Maharashtra. It governs working hours, rest intervals, overtime, weekly holidays, and conditions of employment for women and young persons. The Act mandates registration of establishments, maintenance of records, and adherence to prescribed standards for safety, health, and welfare of employees. Employers must ensure compliance with provisions related to leave, termination, and display of notices, and are subject to inspection by designated authorities.

### ***The Maharashtra Fire Prevention & Life Safety Measures Act, 2006 read with the Maharashtra Fire Prevention & Life Safety Measures Rules, 2009***

The Maharashtra Fire Prevention & Life Safety Measures Act, 2006 extends to the whole of the State of Maharashtra. It is an Act to make more effective provisions for the fire prevention and life safety measures in various types of buildings in different areas in the State of Maharashtra. The Maharashtra Fire Prevention and Life Safety Measures Rules, 2009 were made by State Government in exercise of the powers conferred by sub-section (1) of section 49 of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 and they extend to the whole State of Maharashtra.

## **LAWS RELATING TO EMPLOYMENT AND LABOR LAWS**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iii) Employees' State Insurance Act, 1948; (iv) Minimum Wages Act, 1948; (v) Payment of Bonus Act, 1965; (vi) Payment of Gratuity Act, 1972; (vii) Payment of Wages Act, 1936; (viii) Maternity Benefit Act, 1961; (ix) Apprenticeship Act, 1961; (x) Equal Remuneration Act, 1976; (xi) Employees' Compensation Act, 1923; (xii) The Factories Act, 1948; amongst other laws. In order to rationalize and reform labour laws in India, the Government has enacted the following codes:-

### ***Code on Wages, 2019***

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws 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 regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020, received the assent of the President of India on September 28, 2020. It consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. The Code amalgamates, simplifies and rationalises the relevant provisions of the following thirteen Central labour enactments namely- The Factories Act, 1948; The Plantations Labour Act, 1951; The Mines Act, 1952; The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; The Working Journalists (Fixation of Rates of Wages) Act, 1958; The Motor Transport Workers Act, 1961; The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; The Contract Labour (Regulation and Abolition) Act, 1970; The Sales Promotion Employees (Condition of Service) Act, 1976; The Inter-State Migrant Workmen (Regulation of Employment and Conditions of

Service) Act, 1979; The Cine Workers and Cinema Theatre Workers Act, 1981; The Dock Workers (Safety, Health and Welfare) Act, 1986; and The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

### ***Industrial Relations Code, 2020***

Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

### ***Code on Social Security, 2020***

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

### ***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes.

### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

## **FOREIGN INVESTMENT LAWS**

### ***Foreign Trade (Development and Regulation) Act, 1992***

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("IEC") number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.



### ***Foreign Exchange Management Act, 1999 & Rules thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments. The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

## **TAX RELATED LEGISLATIONS**

### ***Income Tax Act, 1961***

Income Tax Act, 1961 is applicable to every Domestic / Foreign company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every company.

### ***Goods and Services Tax Act, 2017***

The Goods and Services Tax Act, 2017 (“**GST Act**”) levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### ***Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Maharashtra is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax as per the provisions of Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner. In the state of Maharashtra, this tax is collected as Profession Tax.

**ENVIRONMENTAL LEGISLATIONS*****National Environmental Policy, 2006***

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

***Air (Prevention and Control of Pollution) Act, 1981 (the Air Act)***

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control areas and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

***Water (Prevention and Control of Pollution) Act, 1974 (the Water Act)***

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution Control Boards constituted under this Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the Board constituted under this Act.

***Forest Conservation Act, 1980***

In 1980, the Parliament enacted a legislation called the Forest Conservation Act, 1980 with the main aim to provide for the conservation of forests and for matters ancillary to it. The transfer of forests from State List to Concurrent List of the Constitution gave power to the central government to manage India's forest directly. The basic objective of this Act is to regulate the indiscriminate diversion of forest lands for non-forestry uses and maintain a logical balance between the conservation of natural heritage and development of the needs of the country.

***Maharashtra Fire Prevention and Life Safety Measures (Amendment) Act, 2023***

The Government of Maharashtra has published the Maharashtra Fire Prevention and Life Safety Measures (Amendment) Act, 2023 to further amend the Maharashtra Fire Prevention and Life Safety Measures Act, 2006. It has come into force with effect from May 11, 2023.

Salient features of the amendment are as under:

- a. Fire safety approval will be required for educational buildings, storage building, multi-level car parking, storage for utilities (such as DG sets) etc.
- b. Appointment of fire officer and fire supervisor will be required for residential buildings having height >70 mts., large oil & natural gas installations such as refineries, LPG bottling plants etc. and industrial buildings with moderate and high hazardous activities.
- c. Provision for fire safety audit and appointment of fire safety auditor made.
- d. Schedules-I and II of the act have been amended as per building code of India 2016.
- e. Fire services renamed as fire and emergency services to cover all manmade and natural calamities as per directives of home ministry.

***The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986***

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central Government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

***The Hazardous and other Wastes (Management & Trans-boundary Movement) Rules, 2016***

Hazardous Waste Management Rules were notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use, reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules, 2008 in supersession of former notifications. The Rules lay down corresponding duties of various authorities such as the Ministry of Environment and Forests, Central Pollution Control Board, State/UT Govts., State Pollution Control Boards/ Pollution Control Committees, Director General of Foreign Trade, Port Authority and Custom Authority. State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handling and their disposal.

**INTELLECTUAL PROPERTY RELATED LEGISLATIONS*****The Trademarks Act, 1999***

Under the Trademarks Act, 1999 ("**Trademarks Act**"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

***The Copyright Act, 1957 and the Copyright Rules, 2013***

The Copyright Act, 1957 (the "**Copyright Act**") provides for registration of copyrights, transfer of ownership and licensing of copyrights, and contains provisions infringement of copyrights and remedies. The Copyright Act affords copyright protection to original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. The remedies available in the event of infringement of copyright include civil proceedings for damages, account of profits, injunction and the delivery of infringing copies to the copyright owner, as well as criminal remedies, including imprisonment of the accused and imposition of fines and seizure of infringing copies. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner.

Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

## GENERAL STATUTORY LEGISLATIONS

### *Negotiable Instruments Act, 1881*

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

### *The Companies Act, 2013*

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made there under the Companies Act primarily regulates the formation, financing, functioning, and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial, and managerial aspects of companies. The provisions of the Act state the eligibility, procedure, and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance, and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### *Competition Act, 2002*

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### *Consumer Protection Act, 2019 and the rules made thereunder*

The Consumer Protection Act (“**CPA**”) provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CPA introduced a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The CPA brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The CPA also provides for mediation cells for early settlement of the disputes between the parties.

### *SEBI Regulations*

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market, and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations,

2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 (“**SR Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The SR Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### ***The Indian Stamp Act, 1899***

Under the Indian Stamp Act, 1899 (“**Stamp Act**”), as amended, stamp duty is payable on instruments that evidence the transfer, creation, or extinguishment of any right, title, or interest in immovable property. Stamp duty must be paid on all such instruments at the rates prescribed in the schedules to the Stamp Act. The applicable rates vary from state to state. An instrument that is not duly stamped is inadmissible as evidence before a civil court, arbitrator, or any other authority empowered to receive evidence.

### ***The Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (“**TP Act**”) as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

### ***The Registration Act, 1908***

The Registration Act, 1908, as amended, has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act, 1908 is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument.

### ***The Indian Contract Act, 1872***

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### ***The Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

## HISTORY AND CORPORATE STRUCTURE

### BRIEF HISTORY AND BACKGROUND OF THE COMPANY

Our Company was originally incorporated on September 6, 2016 as a private limited company as ‘*Craftech Paper Mills Private Limited*’ under the Companies Act, 2013 issued by the Deputy Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a special resolution passed by our Board of Directors in its meeting held on August 05, 2025, and by the Shareholders in an Extra Ordinary General Meeting held on August 06, 2025 and consequently the name of our Company was changed to ‘*Craftech Paper Mills Limited*’ and a fresh certificate of incorporation was issued by Registrar of Companies, Central Processing Centre dated August 27, 2025. The corporate identification number of our Company is U21024MH2016PLC285602.

Suryakant Bansilal Karwa and Yash Suryakant Karwa are the current Promoters of our Company. For further details of our Promoters please refer the chapter titled “*Promoters and Promoter Group*” beginning on page 172 of this Draft Red Herring Prospectus.

### CHANGES IN THE REGISTERED OFFICE

Since incorporation, there has been no change in the address of our Company’s Registered Office, which continues to be situated at Karwa Complex, Opp. Panchayat Office, Main Road, Latur, Maharashtra–413512, as on the date of filing of this Draft Red Herring Prospectus.

### MAJOR EVENTS & MILESTONES

The table below sets forth some of the major events & milestones in our history since its incorporation:

Calendar Year	Events & Milestones
2016	Incorporation of our Company
2018	Commencement of Commercial Production of our Company
2020	The Company ventured into the export of its products.
2024	Capacity expansion from 100 to 150 TPD.
2025	Conversion of our Company from Private Limited to Public Limited

As on the date of this Draft Red Herring Prospectus, our Company has not received any key awards, accreditations or recognition.

### DETAILS REGARDING MATERIAL ACQUISITIONS OR DISINVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, ANY REVALUATION OF ASSETS ETC., IF ANY, IN THE LAST TEN YEARS.

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last ten (10) years preceding the date of this Draft Red Herring Prospectus.



## MAIN OBJECTS

The main objects of our Company, as set forth in our Memorandum of Association of our Company, are as follows:

Sr. No.	Clause	Main Objects
	III(A)	<p>“1. To manufacture, process, treat, coat, laminate, convert, cut, shred, reuse, recycle, dispose-off, buy or sell, import, export, distribute stock or trade in pulp, paper, craft paper and paper boards including press pan paper and board, dielectric paper and board, leather oil paper and board, vacanised fiber board on such other paper and specialized paper base paper and boards as well as to carry on business of consultancy on pulp/paper/Board and allied Industry and to undertake on turnkey basis or otherwise arrangements of designing, erecting, maintaining, operating paper mills or units under paper industry.</p> <p>2. To carry on the business of in all their respective branches, including without prejudice to the generality of the above matters, technical, commercial, financial or business and in such firm, company or body corporate or authority or Government which may be given or rendered while carrying on such business as aforesaid which (1) efficient methods of management, (2) economy in manufacturing costs or cost of production or administration, (3) increase in production, (4) handling of financial, commercial, industrial and technical dealings with and in particular agreements for collaboration, joint ventures or the acquisition or disposal of assets including the “know-how”, (5) rendering of all services whether incidental to the above whether in India or abroad.”</p>

The main objects as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Offer.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Shareholder's resolution	Type of Meeting	Particulars
September 01, 2021	EGM	<p><b>Alteration of the Capital Clause</b></p> <p>Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹4,00,00,000/- (Rupees Four Crore only) divided into 40,00,000 (Forty Lakh) Equity Shares of ₹10/- (Rupees Ten only) each to ₹9,50,00,000/- (Rupees Nine Crore Fifty Lakh only) divided into 95,00,000 (Ninety-Five Lakh) Equity shares bearing face value of ₹10/- (Rupees Ten only) each.</p>
August 06, 2025	EGM	<p><b>Alteration in Name Clause pursuant to Change of Name</b></p> <p>Clause I of the Memorandum of Association was amended to reflect change in name “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited” and a fresh Certificate of Incorporation consequent upon Change of Name was issued by the Registrar of Companies, Central Processing Centre vide certificate dated August 27,2025.</p>



Date of Shareholder's resolution	Type of Meeting	Particulars
November 15, 2025	EGM	<b>Alteration of the Capital Clause</b>  Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹95,00,000 /- (Rupees Ninety-Five Lakh) divided into 95,00,000 (Ninety-Five Lakh) Equity Shares of ₹10/- (Rupees Ten only) each to ₹25,00,00,000 (Rupees Twenty-Five Crore only) divided into 2,50,00,000 (Two Crore- Fifty Lakh) Equity shares bearing face value of ₹10/- (Rupees Ten only) each.

### OUR HOLDING COMPANY

As on the date of this Draft Red Herring Prospectus, our Company is not a subsidiary of a holding company.

### OUR SUBSIDIARY

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

### OUR ASSOCIATE COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate companies.

### JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has not entered into joint ventures or joint venture agreements.

### CAPITAL STRUCTURE

As on the date of this Draft Red Herring Prospectus, our Company has the following Capital Structure:

Particulars	Amount
Authorized Share Capital	₹ 25,00,00,000
Paid-up Capital	₹ 13,80,00,000

For details in relation to our capital raising activities through equity, please refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Draft Red Herring Prospectus. For details of our Company’s debt facilities, see “*Statement of Financial Indebtedness*” beginning on page 182 of this Draft Red Herring Prospectus.

### SHAREHOLDING PATTERN

As on the date of this Draft Red Herring Prospectus, the shareholding pattern of our Company is as follows:

Shareholder	No. of equity shares	Shareholding Pattern (%)
Suryakant Bansilal Karwa	92,99,625	67.38%
Yash Suryakant Karwa	45,00,000	32.61%
Brinda Karwa	75	Negligible
Alka Karwa	75	Negligible
Shailaja Karwa	75	Negligible
Umakant Karwa	75	Negligible
Mukesh Karwa	75	Negligible
<b>Total</b>	<b>1,38,00,000</b>	<b>100%</b>

## **CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

## **REVALUATION OF ASSETS**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

## **INJUNCTION OR RESTRAINING ORDER**

There are no injunctions/restraining orders that have been passed against the Company.

## **NUMBER OF SHAREHOLDERS OF THE COMPANY**

Our Company has 7 (Seven) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 72 of this Draft Red Herring Prospectus.

## **CHANGES IN THE MANAGEMENT**

For details pertaining to the change in Management of our Company, please refer to the chapter titled “*Management*” beginning on page 154 of this Draft Red Herring Prospectus.

## **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

Except as disclosed in this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

## **TIME / COST OVERRUNS IN SETTING UP PROJECTS**

There has been no time / cost overrun in setting up projects by our Company.

## **DEFAULTS OR RESCHEDULING/ RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no defaults or rescheduling/ restructuring of borrowings with any financial institutions/ banks as on the date of this Draft Red Herring Prospectus.

## **AGREEMENT WITH KEY MANAGERIAL PERSONNEL OR DIRECTORS OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by Key Managerial Personnel or Directors or Promoters or any other employee, 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 the Company.

## **AGREEMENT THAT MAY IMPACT THE MANAGEMENT OR CONTROL OF OUR COMPANY OR IMPOSE ANY RESTRICTION OR CREATE ANY LIABILITY UPON THE COMPANY**

As of the date of this Draft Red Herring Prospectus, there are no agreements entered into by the Shareholders, Promoters, Promoter Group entity, Related Parties, Directors, KMPs, employees of our Company or of our Subsidiaries, among themselves or with our Company or with a third party, solely or jointly, 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, whether or not our Company is a party to such agreements.

#### **SHAREHOLDERS AGREEMENT AND OTHER AGREEMENTS**

There are no subsisting shareholder's agreements and other agreements in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of this Draft Red Herring Prospectus.

#### **OTHER DETAILS ABOUT THE COMPANY**

For details regarding the description of our Company's activities, products, market, growth, awards & recognitions, capacity, locations, technology, marketing strategy, competition and our customers, managerial competence, standing with reference to prominent competitors, launch of key products, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled ***"Business Overview"***, ***"Management Discussion and Analysis of Financial Conditions and Results of Operations"*** and ***"Basis for Offer Price"*** on pages 126, 184 and 100, respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to chapters titled ***"Management"*** and ***"Capital Structure"*** beginning on pages 154 and 72, respectively, of this Draft Red Herring Prospectus.

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## OUR MANAGEMENT

Under the Articles of Association of our Company, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen), subject to applicable provisions of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, our Board comprises 5 Directors, including 2 Executive Directors, 1 Non-Executive women Director and 2 Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table set forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, Director Identification Number, date of birth, qualifications, experience, address, occupation and date of expiration of the current term of office of manager, managing director, and other directors (including nominee directors and, whole-time directors) and period of directorship	Age (years)	Other Directorship(s)
<b>Suryakant Bansilal Karwa</b> <b>Designation:</b> Chairman and Managing Director <b>DIN:</b> 02903619 <b>Date of Birth:</b> May 08, 1959 <b>Qualifications:</b> He has attended Principal KM Kundani College of Pharmacy in the year 1981. <b>Experience:</b> 23 years <b>Address:</b> Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra – 413512 <b>Occupation:</b> Business <b>Date of expiration of current term of office:</b> Managing Director for a period of 3 years with effect from September 24, 2025 <b>Period of Directorship:</b> Since Incorporation	66	<ul style="list-style-type: none"> <li>Karwa Energy and Infrastructure Private Limited</li> </ul>
<b>Yash Suryakant Karwa</b> <b>Designation:</b> Whole-time Director & Chief Financial Officer <b>DIN:</b> 07103770 <b>Date of Birth:</b> June 28, 1987 <b>Qualifications:</b> He is a Chartered Accountant with a Bachelor of Commerce degree and a Post Graduate diploma in Business Management. <b>Experience:</b> 10 years <b>Address:</b> Karwa Complex, Main Road, Mitra Nagar, Latur, Tilaknagar, Maharashtra – 413531 <b>Occupation:</b> Business <b>Date of expiration of current term of office:</b> Whole-Time Director for a period of 5 years with effect from September 24, 2025. Liable to retire by rotation. <b>Period of Directorship:</b> Since Incorporation	38	<ul style="list-style-type: none"> <li>Karwa Energy and Infrastructure Private Limited</li> </ul>
<b>Brinda Yash Karwa</b> <b>Designation:</b> Non-Executive Director <b>DIN:</b> 11226000	38	Nil

Name, Director Identification Number, date of birth, qualifications, experience, address, occupation and date of expiration of the current term of office of manager, managing director, and other directors (including nominee directors and, whole-time directors) and period of directorship	Age (years)	Other Directorship(s)
<b>Date of Birth:</b> April 30, 1987 <b>Qualifications:</b> She holds a Bachelor of Commerce degree and a diploma in Interior Design. <b>Experience:</b> 0.5 years <b>Address:</b> Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra – 413512 <b>Occupation:</b> Business <b>Date of expiration of current term of office:</b> Liable to retire by rotation. <b>Period of Directorship:</b> Non-Executive Director since August 06, 2025.		
<b>Avinash Ashok Mandhana</b> <b>Designation:</b> Independent Director <b>DIN:</b> 11300327 <b>Date of Birth:</b> September 05, 1997 <b>Qualifications:</b> He holds a Bachelor of Business Administration degree and a Master's degree in Global Business. <b>Experience:</b> 06 years <b>Address:</b> 1432 Shrivishnu Banglow, Lale Plot, Near Venkatesh Mandir, Venkatesh Nagar, Sangli, Maharashtra – 416416. <b>Occupation:</b> Marketing Head <b>Date of expiration of current term of office:</b> Independent Director for a period of 5 years with effect from September 30, 2025. <b>Period of Directorship:</b> Independent Director for a period of 5 years with effect from September 30, 2025.	28	Nil
<b>Pawan Balkisan Daga</b> <b>Designation:</b> Independent Director <b>DIN:</b> 11300345 <b>Date of Birth:</b> April 04, 1985 <b>Qualifications:</b> He attended Amravati University to pursue bachelor of commerce and University of Pune to pursue master's degree in commerce. He has also passed the professional education examination organised by the Institute of Chartered Accountant of India. <b>Experience:</b> 12 years <b>Address:</b> Flat No. 301, Tulip, Gulmohar Parkview, Kharadi Bypass, Pune City, Pune, Maharashtra – 411014. <b>Occupation:</b> Service <b>Date of expiration of current term of office:</b> Independent Director for a period of 5 years with effect from September	40	Nil

Name, Director Identification Number, date of birth, qualifications, experience, address, occupation and date of expiration of the current term of office of manager, managing director, and other directors (including nominee directors and, whole-time directors) and period of directorship	Age (years)	Other Directorship(s)
30, 2025. <b>Period of Directorship:</b> Independent Director for a period of 5 years with effect from September 30, 2025.		

#### BRIEF PROFILES OF OUR DIRECTORS

**Suryakant Bansilal Karwa**, is the Chairman and Managing Director and one of the Promoters of our Company. He has been associated with the Company since its incorporation and was appointed as Chairman and Managing Director with effect from September 24, 2025. He attended Principal K.M. Kundnani College of Pharmacy in 1981. He is the sole proprietor of Karwa Agencies since July 16, 2017 and a partner in Sai Developers since April 25, 2002. He is also a Director and Promoter of Karwa Energy and Infrastructure Private Limited since September 26, 2024. He was previously associated with Jagruti Sugar & Allied Industries Limited as a Director. He has over 23 years of experience in the sugar, kraft paper manufacturing and real estate industries. He is responsible for the day-to-day management and overall business operations of the Company.

**Yash Suryakant Karwa**, is the Whole-time Director, Chief Financial Officer and one of the Promoters of our Company. He has been associated with the Company since its incorporation and was appointed as Whole-time Director with effect from September 24, 2025. He has completed his bachelor's degree in commerce from the University of Mumbai in 2008. He holds a postgraduate diploma in business management (family business) from Narsee Monjee Institute of Management Studies, Mumbai (NMIMS) in 2010. He has also cleared the Chartered Accountancy examination conducted by the Institute of Chartered Accountants of India. He is currently a Director and Promoter of Karwa Energy and Infrastructure Private Limited. He has approximately 10 years of experience in the kraft paper manufacturing and infrastructure development industries. He is responsible for overseeing the day-to-day management and overall business operations of the Company.

**Brinda Yash Karwa**, is a Non-Executive Director of our Company and has been associated with the Company since August 06, 2025. She has completed her bachelor's degree in commerce from the University of Mumbai in 2008. She also holds a diploma in interior designing and decoration from L.S. Raheja School of Architecture in 2010. She has an overall experience of approximately 0.5 years and is responsible for providing independent judgment on matters relating to strategy, performance, risk management and governance of the Company, as well as ensuring compliance with applicable statutory and legal requirements.

**Avinash Ashok Mandhana**, is an Independent Director of our Company and has been associated with the Company since September 30, 2025. He has completed his bachelor's degree in business administration from Brihan Maharashtra College of Commerce, Pune in 2019 and holds a master's degree in global business from S.P. Jain School of Global Management in 2022. He is currently associated with Octagon Foods Private Limited as Head of Marketing, engaged in the FMCG industry. He has over 06 years of experience in the FMCG and financial services industries.

**Pawan Balkisan Daga** is an Independent Director of our Company and has been associated with the Company since September 30, 2025. He pursued his bachelor's degree in commerce from Amravati University and his master's degree in commerce from the University of Pune. He has also cleared the professional education examination conducted by the Institute of Chartered Accountants of India. He is currently associated with Krsnaa Diagnostics Limited in the capacity of chief financial officer. He was previously associated with Taneja Aerospace and Aviation Limited, Trinket Info Services Private Limited (*subsequently acquired by Pisces eServices Private Limited*), and Shree Sant Kripa Appliances Private Limited. He has over 14 years of experience in finance and accounting.

## RELATIONSHIP AMONGST OUR DIRECTORS, KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Directors, Key Managerial Personnel, are related to each other:

Name of Director	Related	Nature of Relationship
Suryakant Bansilal Karwa	Yash Suryakant Karwa	Father of Yash Suryakant Karwa
	Brinda Yash Karwa	Father in-law of Brinda Yash Karwa
Yash Suryakant Karwa	Suryakant Bansilal Karwa	Son of Suryakant Bansilal Karwa
	Brinda Yash Karwa	Spouse of Brinda Yash Karwa
Brinda Yash Karwa	Yash Suryakant Karwa	Spouse of Yash Suryakant Karwa
	Suryakant Bansilal Karwa	Daughter in-law of Suryakant Bansilal Karwa

## ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our directors have been appointed on the Board.

## SERVICE CONTRACTS WITH DIRECTORS

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

## BORROWING POWERS OF OUR BOARD OF DIRECTORS

Pursuant to a resolution passed by our Board in its meeting dated September 24, 2025 and our shareholders in their extra-ordinary general meeting held on September 30, 2025, our Board is authorised to borrow such sum or sums of moneys and for availing all kinds and types of loans, advances and credit/financing/debt facilities including issuance of all kinds of debentures/bonds and other debt instruments, from time to time, up to a sum of ₹ 100 Crore at any point of time on account of principal, for and on behalf of our Company, from its bankers, other banks, non-banking financial companies, financial institutions, companies, firms, bodies corporate, cooperative banks, investment institutions and their subsidiaries, mutual funds, trusts, or from any other person as may be permitted under applicable laws, whether unsecured or secured.

## OTHER CONFIRMATIONS

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in such companies.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.



## COMPENSATION OF MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR

### Managing Director

**Suryakant Bansilal Karwa** is currently the Chairman and Managing Director and one of the Promoter of our Company. He has been associated with our Company since incorporation. He was appointed as the Chairman and Managing Director of our Company for a period of 03 years with effect from September 24, 2025 pursuant to resolutions passed by both our Board dated September 26, 2025 and Shareholders on September 30, 2025.

The details of remuneration of the Managing Director, as approved by Board and the Shareholders are as stated below:

<b>Basic Salary</b>	The basic salary of Mr. Suryakant Bansilal Karwa shall be up to Rs. 6,00,000 per month with liberty and authority to the Board to fix the basic salary will be, based on periodical increments linked with the performance of the Chairman cum Managing Director.
<b>Term</b>	Period of three years w.e.f. September 24, 2025
<b>Duties</b>	The Managing Director and Chairman shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors
<b>Reimbursement</b>	Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company
<b>Other Terms and Conditions/ Perquisites and allowances of expenses</b>	Perquisites in accordance with the rules of the Company as applicable.

### Whole-time Director

**Yash Suryakant Karwa** is the Whole-time Director, and one of the Promoter of our Company. He has been associated with our Company since incorporation. He was appointed as the Whole-Time Director of our Company for a period of 05 years with effect from September 24, 2025 pursuant to resolutions passed by both our Board dated September 24, 2025 and Shareholders on September 30, 2025.

The details of remuneration of the Whole-time Director, as approved by Board and the Shareholders are as stated below:

<b>Basic Salary</b>	The basic salary of Mr. Yash Suryakant Karwa shall be up to Rs. 6,00,000 per month with liberty and authority to the Board to fix the basic salary will be, based on periodical increments linked with the performance of the Chairman cum Managing Director.
<b>Term</b>	Period of five years w.e.f. September 24, 2025
<b>Duties</b>	The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors
<b>Reimbursement</b>	Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company
<b>Other Terms and Conditions/ Perquisites and allowances of expenses</b>	Perquisites in accordance with the rules of the Company as applicable.

## TERMS OF APPOINTMENT AND SITTING FEES OF OUR INDEPENDENT DIRECTORS AND NON-EXECUTIVE DIRECTOR

Pursuant to the resolution passed at the Annual General Meeting of the Company dated September 30, 2025, our Independent Directors are entitled to receive a sitting fees of ₹ 7,500/- per meeting of the Board, ₹ 10,000/- per meeting

of the Audit Committee, ₹ 7,000/- per meeting of the Nomination and Remuneration Committee and ₹ 5000/- for any other committee meeting respectively.

#### **BONUS OR PROFIT-SHARING PLAN OF OUR DIRECTORS**

None of our Directors is entitled to any bonus or profit-sharing plans of our Company.

#### **REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARIES AND ASSOCIATES**

As on the date of this Draft Red Herring Prospectus, our Company has no Subsidiary or Associate Company.

#### **CONTINGENT OR DEFERRED COMPENSATION PAID TO DIRECTORS BY OUR COMPANY**

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**

As per our Articles of Association, our directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus:

S. No.	Name	No. of Equity Shares	Percentage of the pre- Offer Equity Share Capital (%)	Percentage of the post-Offer of Equity Share Capital (%)
1.	Suryakant Bansilal Karwa	92,99,625	67.38%	[●]
2.	Yash Suryakant Karwa	45,00,000	32.61%	[●]
3.	Brinda Yash Karwa	75	Negligible	[●]
<b>Total</b>		<b>13,799,700</b>	<b>99.99%</b>	<b>[●]</b>

#### **INTERESTS OF DIRECTORS**

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. Our Non-Executive Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and / or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board.

Further, except as disclosed under “*Management - Shareholding of Directors in our Company*” above, none of our directors hold any Equity Shares or any other form of securities in our Company. Further, our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company. Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by the entities in which they are associated as promoters, directors, partners, proprietors, kartas or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

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.

Our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors

towards Financial facilities of our Company please refer to the chapter titled “**Statement of Financial Indebtedness**” beginning on page 182 of this Draft Red Herring Prospectus.

Our directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our Directors may also be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company in the normal course of business with any company in which they hold directorships or any partnership firm in which they are partners. For further details, please refer to the chapter titled “**Restated Financial Information**” beginning on page 178 of this Draft Red Herring Prospectus.

None of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

#### Interest in the promotion/formation of our Company

Except for our Managing Director and our Whole-time Director, who are also the promoters of the Company, none of our directors have any interest in the promotion of our Company.

#### Interest as to property

None of our Directors are interested in any property acquired or proposed to be acquired of our Company, except as disclosed below:

Nature of Deed	Location	Lessor	Lessee	Nature of holding	Period of lease	Rent payable (Monthly)	Use
Lease agreement	Karwa Complex, Main Road, Opp. Panchayat Office, Latur Maharashtra	Suryakant Bansilal Karwa	Craftech Paper Mill Limited (Through its director Yash Suryakant Karwa)	Lease	October 01, 2025 to August 31, 2026	25,000/- plus GST	Registered Office

#### Loans to Directors

Our directors have not availed any loans from the Company or its subsidiaries.

#### Other interests

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respective

#### CHANGES IN OUR BOARD IN THE LAST THREE YEARS

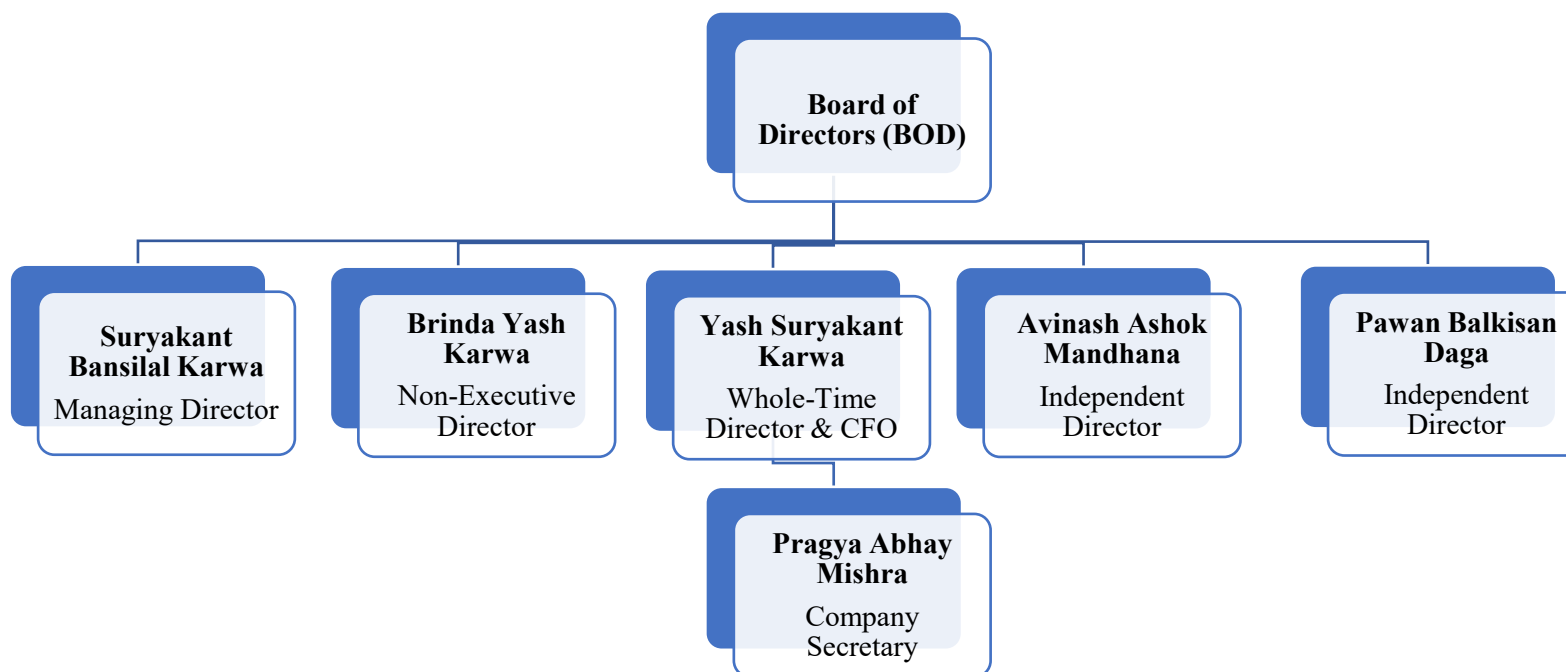
Except for the following, there has been no change in the Board of Directors of the Company, in the last three years.

Name	Date of Change	Designation	Reason
Ritesh Deelip Mane	May 26, 2025	Resigned as a Director	Due to Pre-Occupation
Deelip Raosaheb Mane	May 26, 2025	Resigned as a Director	Due to Pre-Occupation
Brinda Yash Karwa	August 06, 2025	Appointed as Non-Executive Director	-
Avinash Ashok Mandhana	September 30, 2025	Appointed as Independent Director	-

Name	Date of Change	Designation	Reason
Pawan Balkisan Daga	September 30, 2025	Appointed as Independent Director	-

*(The remainder of this page has been intentionally left blank)*

### Management Organisation Structure



## 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 and the Companies Act, 2013 in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company has complied with the corporate governance requirements, particularly in relation to appointment of independent directors including that of a woman director on our Board, constitution of an Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, our Board comprises 5 Directors (including one women Directors), which includes 1 Managing Director, 1 Whole-time Director, 1 Non-Executive women Director and 2 Independent Directors. In compliance with Section 152 of the Companies Act, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act.

## COMMITTEES OF THE BOARD

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee; and
4. Corporate Social Responsibility Committee.

### *Audit Committee*

The Audit Committee of our Board was constituted by a resolution of our Board at their meeting held on October 08, 2025. The members of the Audit Committee are:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Pawan Balkisan Daga	Chairperson	Independent Director
2.	Avinash Ashok Mandhana	Member	Independent Director
3.	Yash Suryakant Karwa	Member	Whole-time Director

The Company Secretary will act as the Secretary of the Committee.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

### *Terms of Reference for the Audit Committee:*

The Audit Committee shall be responsible for, among other things, from time to time, the following:

#### **A. Powers of the Audit Committee**

The powers of the Audit Committee shall include 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

#### **Role of the 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 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 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 by the Company pursuant to each of the omnibus approvals given.
  6. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with 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<sup>[1]</sup>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 offer (public offer, rights offer, preferential offer, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights offer, and making appropriate recommendations to the Board to take up steps in this matter;
  9. Reviewing and monitoring the 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 Clause 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. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
21. Reviewing the functioning of the whistle blower mechanism;
22. Monitoring the end use of funds raised through public offers and related matters;
23. 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;
24. 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;
25. Reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
26. Carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
27. Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members; and
28. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
29. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions;
30. Approve all related party transactions and subsequent material modifications

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 offered 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:
  - quarterly statement of deviations) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  - annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
- f) review the financial statements, particularly the investments made by any unlisted subsidiary.

### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee of our Board was constituted by a resolution of our Board at their meeting held on October 08, 2025. The members of the Nomination and Remuneration Committee are:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Pawan Balkisan Daga	Chairperson	Independent Director
2.	Avinash Ashok Mandhana	Member	Independent Director
3.	Brinda Yash Karwa	Member	Non-Executive Director

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

### ***Terms of Reference for the Nomination and Remuneration Committee:***

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive and independence of a director and recommend to the board of directors of the company the **"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) 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;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors. Key managerial personnel and senior management involves a balance between fixed, and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of performance of independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including

- independent directors) to be carried out either by independent external agency and review its implementation and compliance;
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. 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;
  8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
  9. 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 law.
  10. 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, if applicable.
  11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
    - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    - 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.
  12. Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan ("**ESOP Scheme**"), if any;
  13. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
  14. 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 or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
  15. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - use the services of an external agency, if required;
    - consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - consider the time commitments of the candidates.
  16. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### ***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee of our Board was constituted by a resolution of our Board at their meeting held on October 08, 2025. The members of the Stakeholders' Relationship Committee are:

<b>S. No.</b>	<b>Name of Director</b>	<b>Committee Designation</b>	<b>Nature of Directorship</b>
1.	Avinash Ashok Mandhana	Chairperson	Non-Executive Independent Director
2.	Yash Suryakant Karwa	Member	Whole-time Director
3.	Suryakant Bansilal Karwa	Member	Managing Director

### ***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:

The terms of reference of the Stakeholders' Relationship Committee include the following:

- 1 Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- 2 Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, offer of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- 3 Review of measures taken for effective exercise of voting rights by members;
- 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 offer of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- 6 Review 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 Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the company; and
- 8 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 of our Board was last reconstituted by a resolution of our Board at their meeting held on October 08, 2025. The constitution of the Corporate Social Responsibility Committee is as follows:

<b>S. No.</b>	<b>Name of Director</b>	<b>Committee Designation</b>	<b>Nature of Directorship</b>
1.	Avinash Ashok Mandhana	Chairperson	Independent Director
2.	Yash Suryakant Karwa	Member	Whole-time Director
3.	Suryakant Bansilal Karwa	Member	Managing Director

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act. The terms and reference of the Corporate Social Responsibility Committee include the following:

- A. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company
- B. Recommend the amount of expenditure to be incurred on the activities referred to in clause
- C. Monitor the Corporate Social Responsibility Policy of the company from time to time.

#### KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In addition to our Managing Director and our Whole Time Director, whose details are provided in “*Management - Brief Profiles of our Directors*” beginning on page 158 of this Draft Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

As on the date of this Draft Red Herring Prospectus, our Company does not have any senior management.

Name, Designation, Educational Qualification & Term of office (with date of expiration of term) and details of service contracts including termination/retirement benefits, if any				Age	Year of Joining	Compensation paid for F.Y. ended 2025 (₹ in Lakhs)	Overall experience	Previous employment
Key Managerial Personnel								
Name of the KMP	Designation	Educational Qualifications	Term of office					
<b>Yash Suryakant Karwa</b>	Chief Financial Officer	Bachelors of Commerce degree, Post Graduate degree in Business Management, Chartered Accountant	Appointed on September 24, 2025	38	2025	NA*	10 year	Nil
<b>Pragya Abhay Mishra</b>	Company Secretary and Compliance Officer	Bachelors of Commerce from GGU University, Bilaspur. Associate Member of the Institute of Company Secretaries of India	Appointed on September 24, 2025	36	2025	NA*	4 years	Readymix Construction Machinery Limited & Mishra Infrastructures Pvt. Ltd

\*Since the appointment was made in the FY 25-26, the Compensation paid for FY 2025 will not be applicable.

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

### Key Managerial Personnel of our Company

**Yash Suryakant Karwa**, is the Chief Financial Officer and one of the Promoters of our Company. He has been associated with our Company since incorporation and was appointed as a Chief Financial Officer by Board Resolution dated September 24, 2025. He has been associated with our Company since its incorporation. He has completed his bachelor degree in Commerce from University of Mumbai in 2008. He holds a post graduate diploma in Business Management (Family Business) from Narsee Monjee Institute of Management Studies, Mumbai (NMIMS) in 2010. He has also passed the professional education examination organised by the Institute of Chartered Accountant of India. He is a director and promoter in Karwa Energy and Infrastructure Private Limited since September 24, 2024. He has an experience of around 10 years in the kraft paper manufacturing and Infrastructure development industry. He is responsible for maintenance of day-to-day accounts.

**Pragya Abhay Mishra** is the Company Secretary and Compliance Officer and has been associated with our Company since September 24, 2025. She holds a bachelor's degree in Commerce from GGU University, Bilaspur in 2009. She is also an associate member of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with Mishra Infrastructures Pvt. Ltd. and Readymix Construction Machinery Limited as a company secretary and compliance officer and has an experience in legal and secretarial roles. She has an experience of 4 years as a company secretary and compliance officer. She is responsible for maintaining all statutory and non-statutory registers, books and records of the Company in addition to being responsible for the statutory filings of the Company.

## ARRANGEMENTS OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

## CHANGES IN THE KEY MANAGERIAL PERSONNEL

As on the date of this Draft Red Herring Prospectus, there have been no changes in the Key Managerial Personnel in the previous three years

## ATTRITION OF KEY MANAGERIAL PERSONNEL AND VIS-À-VIS INDUSTRY

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

## SHAREHOLDING OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus:

S. No.	Name	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)	Percentage of the post-Offer of Equity Share Capital (%)
1.	Yash Suryakant Karwa	45,00,000	32.61%	[●]

## INTERESTS OF KEY MANAGERIAL PERSONNEL

Our Key Managerial Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and statutory benefits such as gratuity, provident fund and pension entitled to our Key Managerial Personnel. The 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, if any, held by them in the Company.

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on page 178 of this Draft Red Herring Prospectus.



**SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL**

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no Key Managerial Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

**LOANS GIVEN OR AVAILED BY OUR DIRECTORS OR KEY MANAGERIAL PERSONNEL**

As on the date of this Draft Red Herring Prospectus, none of our Director or Key Managerial Personnel has availed any loan or given any loan to the Company, except as disclosed below:

Name of Lender*	Nature of Loan Facility	Amount outstanding as on September 30, 2025 (₹ in Lakhs)	Rate of interest (in %)	Security	Repayment Schedule
Suryakant Bansilal Karwa	Unsecured Loan	2,787.77	6%	Unsecured Loan	Repayable on Demand
Yash Suryakant Karwa	Unsecured Loan	200.13	6%	Unsecured Loan	Repayable on Demand

\*As certified by BSMART and Associates LLP, Chartered Accountants, by way of their certificate dated December 15, 2025.

**EMPLOYEE STOCK OPTION AND STOCK PURCHASE SCHEMES**

The Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.

**PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL OF OUR COMPANY**

None of our Key Managerial Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be deemed to be interest to the extent of any dividend payable to them and other distributions in respect of Equity Shares.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

There is no contingent or deferred compensation payable to our Key Managerial Personnel which does not form part of their remuneration.

**STATUS OF KEY MANAGERIAL PERSONNEL**

All Key Managerial Personnel are permanent employees of our Company.

**BONUS OR PROFIT-SHARING PLAN OF KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel.

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## PROMOTERS AND PROMOTER GROUP

### PROMOTERS

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company are Suryakant Bansilal Karwa and Yash Suryakant Karwa

As on the date of this Draft Red Herring Prospectus, our Promoters, collectively, holds 13,799,625 Equity Shares, representing 99.99% of the pre-Offered, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer to chapter titled "**Capital Structure**" beginning on page 72 of this Draft Red Herring Prospectus.

### DETAILS OF THE PROMOTERS

	<p><b>Name-</b> Suryakant Bansilal Karwa  <b>Date of Birth-</b> May 08, 1959  <b>Age-</b> 66 years  <b>Designation-</b> Chairman &amp; Managing Director  <b>Personal Address-</b> Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra-413512  <b>PAN-</b> ABAPK9634M  <b>Nationality-</b> Indian</p> <p>For further details with respect to his educational qualification, professional experience, other directorships, positions/posts held in past, special achievements, business &amp; financial activities and others, please refer to the chapter titled "<b>Management</b>" beginning on page 154 of this Draft Red Herring Prospectus.</p>
	<p><b>Name:</b> Yash Suryakant Karwa  <b>Date of Birth-</b> June 28, 1987  <b>Age-</b> 38 years  <b>Designation-</b> Chief Financial Officer &amp; Whole-Time Director  <b>Personal Address-</b> Karwa Complex, Main Road, Mitra Nagar, Tilak Nagar, Latur, Maharashtra-413531  <b>PAN-</b> BDIPK1902K  <b>Nationality-</b> Indian</p> <p>For further details with respect to his educational qualification, professional experience, other directorships, positions/posts held in past, special achievements, business &amp; financial activities and others, please refer to the chapter titled "<b>Management</b>" beginning on page 154 of this Draft Red Herring Prospectus.</p>

For a brief profile, please refer chapter titled "**Management**" beginning on page 154 of this Draft Red Herring Prospectus.

#### Note:

We confirm that the Permanent Account Number (PAN), Bank Account Number(s), Aadhaar Card Number, Driving License Number, and Passport Number of our Promoter will be submitted to BSE on whose SME Platform the Equity Shares are proposed to be listed, at the time of filing this Draft Red Herring Prospectus.

### CHANGE IN CONTROL OF OUR COMPANY

There has been no change in the control of our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus. For further details on acquisition of Equity Shares by our Promoters, please refer chapter titled "**Capital Structure**" beginning on page 72 of this Draft Red Herring Prospectus.

## INTEREST OF PROMOTERS

### A. Interest of Promoters in our Company other than as a Promoter

Our Promoter, Suryakant Bansilal Karwa and Yash Suryakant Karwa are the directors of our Company therefore, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to him for services rendered to our Company as the director and KMP, in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any, and AOA of our Company. For further details refer to the chapters titled “**Management**”, and “**Restated Financial Information**” beginning on pages 154 and 178 respectively, our Promoter holds no other interest in our Company beyond his role as a Promoter.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion of our Company.

### B. Interest in Promotion and Shareholding of our Company

Our Promoters are interested in our Company to the extent the Promoters have (i) promoted our Company, (ii) to the extent of their shareholding in our Company (iii) their directorship in our Company (iv) other distribution in respect of their shareholding in our Company, from time to time. For further details of the shareholding of our Promoters in our Company, see “**Capital Structure –Equity shareholding of the promoter and promoter group**” beginning on page 72 of this Draft Red Herring Prospectus.

Our Promoters and Directors, Suryakant Bansilal Karwa and Yash Suryakant Karwa of our Company holding 13,799,625 Equity Shares, representing 99.99% of the pre-Offered, subscribed and paid-up Equity Share capital of our Company, none of our other Directors have any interest in the promotion of our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details of the interest of our Promoters in our Company, refer to “**Restated Financial Statement**” beginning on page 178 of this Draft Red Herring Prospectus.

### C. Interest of our Promoters in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company, and no sum has been paid, or agreed to be paid to our Promoters or to any firm or company, in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, promoter or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

### D. Interest in the property of our Company

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by the Company, or in any transaction with respect to the acquisition of land, construction of building and supply of machinery, except as disclosed below:

Nature of Deed	Location	Lessor	Lessee	Nature of holding	Period of lease	Rent payable (Monthly)	Use
Lease agreement	Karwa Complex, Main Road, Opp. Panchayat Office, Latur Maharashtra	Suryakant Bansilal Karwa	Craftech Paper Mill Limited (Through its director Yash Suryakant Karwa)	Lease	October 01, 2025 to August 31, 2026	₹25,000/- plus GST	Registered Office

Our Promoters are not interested in any other entity that holds any intellectual property rights that are used by our Company.

**E. Interest in any transaction in acquisition of land, construction of building and supply of machinery etc.**

None of the Promoter have any interest in any transaction in acquisition of land, construction of building and supply of machinery etc, as on date of this Draft Red Herring Prospectus.

**F. Other Interests in our Company**

Except as otherwise disclosed in the section “**Financial information of the Company**” beginning on page 178 of this Draft Red Herring Prospectus, our Promoters hold no interest in our Company.

For transactions in respect of loans and other monetary transactions entered in past please refer “**Financial Information of the Company**” beginning on page 178 of this Draft Red Herring Prospectus.

Further, our Promoters are interested to the extent of personal guarantees given by them in favor of the Company, for the details of Personal Guarantee given by Promoters towards financial facilities of our Company please refer to “**Statement of Financial Indebtedness**” and “**Financial Information of the Company**” beginning on page 182 and 178 respectively, of this Draft Red Herring Prospectus.

**PAYMENT OR BENEFITS TO OUR PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the chapter titled “**Restated Financial Statement**” beginning on page 178 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters or 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 amount or benefit to our Promoter or members of our Promoter Group.

**MATERIAL GUARANTEES**

Except as stated in the chapter titled, “**Statement of Financial Indebtedness**” beginning on page 182 of this Draft Red Herring Prospectus, our Promoters have not given any material guarantees to any third party with respect to the Equity Shares.

**COMPANIES/ FIRMS WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS**

Our Promoters have not disassociated from any companies or firms during the preceding three years from the date of filing of this Draft Red Herring Prospectus, except as disclosed below:

Sr. No.	Name of Promoter	Name of the company/firm disassociated from	Date of disassociation	Reasons for and circumstances leading to disassociation and terms of disassociation
1.	Suryakant Bansilal Karwa	Kay Realty and Infrastructure Private Limited	March 31, 2023	Company being struck-off by the Registrar of Companies.
		Jagruti Sugar & Allied Industries Limited	March 31, 2024	Due to a personal and unavoidable reason.
2.	Yash Suryakant Karwa	Kay Realty and Infrastructure Private Limited	March 31, 2023	Company being struck-off by the Registrar of Companies.

**OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapter titled “**Management**” beginning on page 154 of this Draft Red Herring Prospectus, there are no other ventures, in which our Promoter has any business interests/ other interests.

## OUTSTANDING LITIGATIONS DETAILS PERTAINING TO OUR PROMOTERS

Except as otherwise may be disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 33 and 195 respectively, of this Draft Red Herring Prospectus, there are no material litigations or disciplinary actions taken against our promoters by a regulatory authority or stock exchange past year

## EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS OF OUR COMPANY

For further details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Management*” beginning on page 154 of this Draft Red Herring Prospectus.

## RELATED PARTY TRANSACTIONS

Except as stated in “*Restated Financial Statement*” beginning on page 178 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## CONFIRMATIONS

- Our Promoters have not been declared as fraudulent borrowers by any bank, financial institution, or consortium, in accordance with the RBI Master Circular dated July 01, 2016.
- Our Promoters have not defaulted on any payment or repayment obligations to their lenders, and no show-cause notice for willful default has been issued against them in the past three years, as per the RBI Master Circular dated July 1, 2014.
- Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act 2018.
- Our Promoter and members of the Promoter Group have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI.
- Our Promoter is not, and has not been in the past, a promoter or a director of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

## PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1) (pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1) (pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Name of Promoter	Name of member of Promoter Group	Relationship with Promoter
<b>Suryakant Bansilal Karwa</b>	Late Bansilal Rampal Karwa	Father
	Late Chandrabhaga Bansilal Karwa	Mother
	Ravikant Bansilal	Brother
	Shrikant Bansilal Karwa	Brother
	Trupti Amol Pallod	Sister
	Shailaja Suryakant Karwa	Spouse
	Yash Suryakant Karwa	Son
	Kush Suryakant Karwa	Son
	Late Murlidhar Balmukund Mantri	Spouse's Father
	Late Dwarikabai Murlidhar Mantri	Spouse's Mother
	Jainarayan Murlidhar Mantri	Spouse's Brother
	Deepak Murlidhar Mantri	Spouse's Brother
	Bharati Subhash Jaju	Spouse's Sister
	Mala Kamalkishor Kalantri	Spouse's Sister

	Sushila Omprakash Loya	Spouse's Sister
	Vijaya Ramprasad Loya	Spouse's Sister

Name of Promoter	Name of member of Promoter Group	Relationship with Promoter
Yash Suryakant Karwa	Suryakant Bansilal Karwa	Father
	Shailaja Suryakant Karwa	Mother
	Kush Suryakant Karwa	Brother
	Brinda Yash Karwa	Spouse
	Yug Yash Karwa	Son
	Myra Yash Karwa	Daughter
	Atul Rajnikant Bhansali	Spouse's Father
	Bharti Atul Bhansali	Spouse's Mother
	Chirag Atul Bhansali	Spouse's Brother

### B. Entities forming part of the Promoter Group

As per Regulation 2 (1) (pp)(iv) of the SEBI ICDR Regulations, the following entities would form part of our Promoter Group:

S. No.	Nature of Relationship	Name of Entities
A.	Any Body Corporate (other than subsidiary & associate) in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member;	<ul style="list-style-type: none"> <li>i. Karwa Energy and Infrastructure Private Limited</li> <li>ii. Mantri Surgical &amp; Maternity Hospital Pvt. Ltd.</li> <li>iii. Ceyone Future Tech Pvt. Ltd.</li> <li>iv. Wada Green Energies Pvt. Ltd.</li> </ul>
B.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty percent. or more, of the equity share capital; and	Nil
C.	Any Hindu undivided family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty percent of the total capital.	<ul style="list-style-type: none"> <li>i. M/s Karwa Agencies</li> <li>ii. M/s Karwa Enterprises</li> <li>iii. M/s Sai Developers</li> <li>iv. M/s S.P. Karwa</li> <li>v. M/s Prince Colour Lab</li> <li>vi. M/s Vision Endocopy Center</li> <li>vii. M/s Shri Mahaveer Enterprises</li> </ul>

### C. Other persons included in Promoter Group

None of the other persons form a part of the promoter group, whose shareholding is aggregated under the heading "shareholding of the promoter group" under Regulation 2(1) (pp)(v) of SEBI ICDR Regulations.

*(The remainder of this page have been intentionally kept blank)*

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval of the shareholders at the General Meeting and as per provisions of the Articles of Association of the Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividends in the six months period ended September 30, 2025 and in the last three financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023. Further, our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

*(The remainder of this page have been intentionally kept blank)*



**SECTION VI – FINANCIAL INFORMATION OF THE COMPANY**  
**RESTATED FINANCIAL STATEMENT**

<b>Sr. No</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Restated Financial Statement	F- 1 to F- 44

**INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION**

To,

The Board of Directors,  
**Craftech Paper Mills Limited (Formerly known as Craftech Paper Mills Private Limited)**  
Karwa Complex, Opp. Panchayat Office,  
Main Road, Latur,  
Maharashtra, India - 413512

Dear Sirs,

1. We have examined the attached Restated Financial information of Craftech Paper Mills Limited, comprising the Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period / year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on December 15, 2025 for the purpose of inclusion in the Draft red herring prospectus/Red herring prospectus/Prospectus ("Offer Document") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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 from time to time (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information of the Company have been Prepared by the Management of the Company and approved by the Board of Directors on the basis of preparation stated in Annexure IV of the Restated Financial Information. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.
3. We, M/s B S M A R T and Associates LLP, Chartered Accountants, been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate issued dated 12<sup>th</sup> April, 2024 valid till 30<sup>th</sup> April, 2027.
4. We have examined these Restated Financial Information taking into consideration;
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 30, 2025 in connection with the proposed SME IPO of the Company.





- 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 Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the SME IPO.
5. These Restated Financial Information have been compiled by the Management from the audited Financial Statements of the Company for the period / year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 which have been approved by the Board of Directors of the Company. The financial statements of the Company for the period / year ended September 30, 2025, and March 31, 2025 have been audited by us.
6. Based on our examination and according to the information and explanation given to us, we report that the Restated Financial Information have been prepared:
- a. after incorporating adjustments for the changes in accounting policies, material error and regrouping/reclassifications retrospectively, if any in the financial period / year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
  - b. There are no qualifications in the auditors' reports on the standalone financial statements of as at and for the period / year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, which require any adjustments to the Restated Standalone financial Statements.
  - c. In accordance with the Act, ICDR Regulations and the Guidance Note.
7. For the purpose of our examination, we have relied on:
- a) Auditors' reports issued by us on the financial statements of the Company as at and for the period / year September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 as referred in paragraph 5 above.

The modification in restated financials were carried out based on the modified reports, if any, issued by us which is giving rise to modifications on the financial statements as at and for the period / year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.

- a. The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period / years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b. The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial period / year to which they relate;





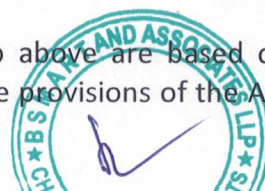
- c. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - d. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this report;
  - e. Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies
  - f. There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement
  - g. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- a. The **"Restated Statement of Asset and Liabilities"** of the Company as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - b. The **"Restated statement of profit and loss"** of the Company for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - c. The **"Restated statement of cash flows"** of the Company for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for period / financial year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 proposed to be included in the Offer Document for the proposed IPO.





## Annexure to restated financial statements of the Company

- a) Significant Accounting Policy and Notes to The Restated Financial Statements in Annexure IV of this report
  - b) Restated Statement of Share Capital, Reserves and Surplus as appearing in Note 1 to this report;
  - c) Restated Statement of Long-Term Borrowings as appearing in Note 2 to this report;
  - d) Restated Statement of terms & conditions of unsecured loans as appearing in Note 2(A) to this report;
  - e) Restated Statement of Deferred Tax (Assets)/ Liabilities as appearing in Note 3 to this report;
  - f) Restated Statement of Long-Term Provisions as appearing in Note 4 to this report
  - g) Restated Statement of Short-term borrowings as appearing in Note 5 to this report;
  - h) Restated Statement of terms & conditions of secured loans as appearing in Note 5(A) to this report;
  - i) Restated Statement of Trade Payables as appearing in Note 6 to this report;
  - j) Restated Statement of Other Current Liabilities as appearing in Note 7 to this report;
  - k) Restated Statement of Short-Term Provisions as appearing in Note 8 to this report;
  - l) Restated Statement of Property, Plant and Equipment as appearing in Note 9 to this report
  - m) Restated Statement of Other Non-Current Assets as appearing in Note 10 to this report
  - n) Restated Statement of Inventories as appearing in Note 11 to this report;
  - o) Restated Statement of Trade Receivables as appearing in Note 12 to this report;
  - p) Restated Statement of Cash and Cash Equivalents as appearing in Note 13 to this report;
  - q) Restated Statement of long-term & short-term Loans & Advances as restated as appearing in Note 14 to this report;
  - r) Restated Statement of Other Current Assets as appearing in Note 15 to this report;
  - s) Restated Statement of Revenue from Operations as appearing in Note 16 to this report;
  - t) Restated Statement of Other Income as appearing in Note 17 to this report;
  - u) Restated Statement of Cost of Material Consumed as appearing in Note 18 to this report;
  - v) Restated Statement of Change in Inventories of Work in progress and finished goods as appearing in Note 19 to this report;
  - w) Restated Statement of Employee Benefit Expenses as appearing in Note 20 to this report;
  - x) Restated Statement of Finance Cost as appearing in Note 21 to this report;
  - y) Restated Statement of Depreciation & Amortization as appearing in Note 22 to this report;
  - z) Restated Statement of Other Expenses as appearing in Note 23 to this report;
  - aa) Restated Summary Statement of Contingent Liabilities as appearing in Note 24 to this report
  - bb) Restated Statement of Related Party Transactions as appearing in Note 25 to this report;
  - cc) Restated Statement of Tax Shelter as appearing in Note 26 to this report;
  - dd) Capitalization Statement as appearing in Note 27 to this report;
  - ee) Restated Statement of Mandatory Accounting Ratios as appearing in Note 28 to Note 30 to this report;
  - ff) Restated Statement of Key Performance Indicators as appearing in Note 31 to this report
  - gg) Restated Statement of Other Disclosures as appearing in Note 32 and Note 33 to this report;
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
11. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and





SEBI ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
15. In our opinion, the above financial information contained in Annexure I to Annexure III of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For B S M A R T and Associates LLP**

**Chartered Accountants**

**Firm Registration No: 121181W/W100011**

*K. P. Sah*

**CA K. P. Sah**

**(Partner)**

**M. No.: 052393**

**UDIN: 25052393BHJQ9584043**

**Peer Review No.: 016571**

**Date: December 15, 2025**

**Place: Pune, Maharashtra**



## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Note	As at			
		30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>I EQUITY AND LIABILITIES</b>					
1 Shareholders' funds					
a. Share capital	01	920.00	800.00	800.00	800.00
b. Reserves and surplus	01	897.68	183.33	(168.79)	(196.18)
		1817.68	983.33	631.21	603.82
2 Non-current liabilities					
a. Long-term borrowings	02	3010.52	3156.75	2737.20	2885.75
b. Deferred tax liabilities (net)	03	160.22	146.11	24.81	-
c. Long-term provisions	04	8.19	5.37	3.51	1.61
		3178.93	3308.23	2765.52	2887.36
3 Current liabilities					
a. Short-term borrowings	05	1717.41	1692.77	1791.41	1708.92
b. Trade Payable due to	06				
Micro and Small Enterprises		195.85	74.61	4.06	96.96
Other than Micro and Small Enterprises		260.63	679.15	676.29	314.12
c. Other current liabilities	07	238.73	291.35	185.26	159.86
d. Short-term provisions	08	186.17	8.58	3.80	3.36
		2598.80	2746.46	2660.81	2283.22
<b>Total</b>		<b>7595.41</b>	<b>7038.02</b>	<b>6057.54</b>	<b>5774.40</b>
<b>II ASSETS</b>					
1 Non-current assets					
a. Property, Plant and Equipment and Intangible Assets	09				
i. Property, Plant and Equipment		2691.43	2668.15	2774.04	2488.16
		2691.43	2668.15	2774.04	2488.16
b. Deferred tax assets (net)	03	-	-	-	45.97
c. Other non-current assets	10	25.83	25.83	30.66	10.41
		2717.26	2693.98	2804.70	2544.54
2 Current assets					
a. Inventories	11	1619.79	1578.86	1655.00	1625.02
b. Trade receivables	12	2327.58	2299.10	1318.36	964.48
c. Cash and bank balances	13	2.47	2.29	2.16	2.46
d. Short-term loans and advances	14	558.00	123.03	45.77	293.91
e. Other current assets	15	370.32	340.76	231.55	343.99
		4878.15	4344.04	3252.84	3229.86
<b>Total</b>		<b>7595.41</b>	<b>7038.02</b>	<b>6057.54</b>	<b>5774.40</b>
Significant Accounting Policies	Annexure IV				
Notes to Restated Financial Statement	1 to 33				

As per our report of even date

For, M/s. B S M A R T AND ASSOCIATES LLP

Chartered Accountants

Firm Reg No. 121181W/W100011

Peer Review No: 016571

Sd/-

CA Krishna Prasad Sah

Partner

Membership no. 052393

Place: Latur

Date : 15/12/2025

UDIN : 25052393BHJQYB4043

For and on behalf of the Board of Directors

CRAFTECH PAPER MILLS LIMITED (Formerly known as Crafttech Paper Mills Private Limited)

Sd/-

Yash Suryakant Karwa

Director &amp; CFO

[DIN : 07103770]

Sd/-

Pragya Abhay Mishra

Company Secretary

[PAN : AQVPT6890N]

Place: Latur

Date : 15/12/2025

Sd/-

Suryakant Bansilal Karwa

Managing Director

[DIN : 02903619]

Place: Latur

Date : 15/12/2025



**CRAFTECH PAPER MILLS LIMITED (Formerly known as Craftech Paper Mills Private Limited)**

**CIN: U21024MH2016PLC285602**

**Annexure II**

**RESTATED STATEMENT OF PROFIT AND LOSS**

(₹ in Lakhs)

Particulars	Note	For the period and year ended			
		30.09.2025	31.03.2025	31.03.2024	31.03.2023
I. Revenue from operations	16	5940.61	10069.30	7996.77	8748.57
II. Other income	17	17.57	2.94	7.16	10.53
III. Total Income (I + II)		5958.18	10072.24	8003.94	8759.10
IV. Expenses					
a. Cost of materials consumed	18	4180.18	7716.43	6307.51	7104.01
b. Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	69.07	(8.06)	11.70	(87.01)
c. Employee benefits expense	20	40.35	63.68	66.11	57.10
d. Finance costs	21	160.14	310.57	204.23	385.16
e. Depreciation and amortisation expense	22	123.75	258.59	243.57	226.71
f. Other expenses	23	659.29	1257.62	1072.63	1087.54
V. Total Expenditure		5232.76	9598.83	7905.76	8773.51
VI. Profit / (Loss) before exceptional and extraordinary items and tax (III - V)		725.42	473.42	98.18	(14.41)
VII. Exceptional & Extraordinary items		-	-	-	-
VIII. Profit / (Loss) before tax (VI - VII)		725.42	473.42	98.18	(14.41)
IX. Prior Period expenses		-	-	-	-
X. Tax expense:					
a. Tax Expense for Current Year		176.96	-	-	-
b. Short Provision		-	-	-	-
c. Deferred Tax		14.11	121.30	70.79	5.49
Net Current Tax Expenses		191.07	121.30	70.79	5.49
XI. Restated Profit / (Loss) for the year/period (VIII-IX-X)		534.35	352.12	27.39	(19.90)
XII. Earnings per equity share (Face Value Rs. 10)					
Basic (in ₹)		4.45	2.93	0.23	-0.17
Diluted (in ₹)		4.45	2.93	0.23	-0.17
Significant Accounting Policies	Annexure IV				
Notes to Restated Financial Statement	1 to 33				

As per our report of even date

For and on behalf of the Board of Directors

**For, M/s. B S M A R T AND ASSOCIATES LLP**

Chartered Accountants

**Firm Reg No. 121181W/W100011**

**Peer Review No: 016571**

**Sd/-**

**CA Krishna Prasad Sah**

**Partner**

**Membership no. 052393**

**Place: Pune**

**Date : 15/12/2025**

**UDIN : 25052393BHJQYB4043**

**CRAFTECH PAPER MILLS LIMITED (Formerly known as Craftech Paper Mills Private Limited)**

**Sd/-**

**Yash Suryakant Karwa**

**Director & CFO**

**[DIN : 07103770]**

**Sd/-**

**Pragya Abhay Mishra**

**Company Secretary**

**[PAN : AQVPT6890N]**

**Place: Pune**

**Date : 15/12/2025**

**Sd/-**

**Suryakant Bansilal Karwa**

**Managing Director**

**[DIN : 02903619]**

**Place: Pune**

**Date : 15/12/2025**

**CRAFTECH PAPER MILLS LIMITED (Formerly known as Craftech Paper Mills Private Limited)**

**CIN: U21024MH2016PLC285602**

**Annexure III**

**RESTATED CASH FLOW STATEMENT**

(₹ in Lakhs)

Particulars	For the period and year ended			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>A. Cash flow from operating activities</b>				
Restated Net Profit before tax	725.42	473.42	98.18	(14.41)
<u>Adjustments for:</u>				
Depreciation	123.75	258.59	243.57	226.71
Interest income	(0.98)	(2.18)	(0.85)	(0.26)
Interest expense	153.99	303.72	204.23	385.16
Gratuity Provision	3.74	2.69	2.03	1.64
Discount Received	-	-	(0.02)	(1.04)
Balances written off/ Discount allowed	-	-	6.92	1.89
Opening adjustment reserves	-	-	-	106.59
<b>Operating profit before working capital changes</b>	<b>1005.92</b>	<b>1036.24</b>	<b>554.05</b>	<b>706.27</b>
<u><b>Movements in working capital</b></u>				
(Increase)/Decrease in Trade Receivables	(28.48)	(980.73)	(360.80)	892.26
(Increase)/Decrease in inventories	(40.93)	76.14	(29.98)	(512.66)
(Increase)/Decrease in Short-term loans and advances	(434.97)	(85.01)	252.21	(288.37)
(Increase)/Decrease in Other Current Assets	(29.56)	(109.21)	112.44	(342.92)
Increase/(Decrease) in Trade Payable	(297.28)	73.41	269.29	(138.16)
Increase/(Decrease) in Other current liabilities	(52.63)	106.10	25.40	159.86
Increase/(Decrease) in Short-term provisions & Long term provisions	3.13	3.95	0.31	(167.44)
<b>Cash (used in)/generated from operations</b>	<b>125.22</b>	<b>120.89</b>	<b>822.92</b>	<b>308.84</b>
Taxes paid (net of refunds)	(3.43)	7.75	(4.07)	1.67
<b>Net cash (used in)/ from operating activities (A)</b>	<b>121.79</b>	<b>128.63</b>	<b>818.85</b>	<b>310.51</b>
<b>B. Cash flows from investing activities</b>				
Purchase of fixed assets including CWIP	(147.03)	(152.71)	(529.46)	(296.39)
Increase/(Decrease) in non Current Assets	-	-	(0.04)	(1.13)
Interest income on FD	0.98	2.18	0.85	0.26
Investment in FD	-	4.84	(20.21)	0.04
<b>Net cash (used in)/ from investing activities (B)</b>	<b>(146.05)</b>	<b>(145.69)</b>	<b>(548.86)</b>	<b>(297.22)</b>
<b>C. Cash flows from financing activities</b>				
Proceeds from Short Term Borrowings	24.64	(98.64)	82.49	356.76
Repayment of Long Term Borrowings	(146.22)	419.55	(148.56)	11.84
Interest paid	(153.99)	(303.72)	(204.23)	(385.16)
Right issue of shares	300.00	-	-	-
<i>*Long Term borrowings includes current maturity</i>				
<b>Net cash introduced from /(used in) financing activities (C)</b>	<b>24.43</b>	<b>17.19</b>	<b>(270.30)</b>	<b>(16.56)</b>
<b>Net (decrease)/increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.18</b>	<b>0.14</b>	<b>(0.31)</b>	<b>(3.27)</b>
Cash and cash equivalents at the beginning of the year	2.29	2.16	2.46	5.74
Cash and cash equivalents at the end of the year	2.47	2.29	2.16	2.46

**Notes**

(₹ in Lakhs)

Sr. No.	Particulars	For the Period/ Year ended on			
		30.09.2025	31.03.2025	31.03.2024	31.03.2023
1	Component of Cash and Cash equivalents				
	Cash on hand	1.47	1.29	0.79	0.95
	Balance With banks	1.00	1.00	1.37	1.51
	<b>Total</b>	<b>2.47</b>	<b>2.29</b>	<b>2.16</b>	<b>2.46</b>

**CRAFTECH PAPER MILLS LIMITED (Formerly known as Craftech Paper Mills Private Limited)**

**CIN: U21024MH2016PLC285602**

**Annexure III**

**RESTATED CASH FLOW STATEMENT**

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2 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3 The accompanying significant accounting policies, Restated notes to accounts and notes on adjustments for Restated financial Statement are an integral part of this statement.

As per our report of even date

**For, M/s. B S M A R T AND ASSOCIATES LLP**

**Chartered Accountants**

**Firm Reg No. 121181W/W100011**

**Sd/-**

**CA Krishna Prasad Sah**

**Partner**

**Membership no. 052393**

**Place: Pune**

**Date : 15/12/2025**

**UDIN : 25052393BHQYB4043**

For and on behalf of the Board of Directors

**CRAFTECH PAPER MILLS LIMITED (Formerly known as Craftech Paper Mills Private Limited)**

**Sd/-**

**Yash Suryakant Karwa**

**Director & CFO**

**[DIN : 07103770]**

**Sd/-**

**Pragya Abhay Mishra**

**Company Secretary**

**[PAN : AQVPT6890N]**

**Place: Pune**

**Date : 15/12/2025**

**Sd/-**

**Suryakant Bansilal Karwa**

**Managing Director**

**[DIN : 02903619]**

**Place: Pune**

**Date : 15/12/2025**

## **Annexure IV**

### **Significant Accounting policies forming part of the Financial Statements**

#### **COMPANY OVERVIEW**

The Company CRAFTTECH PAPER MILLS LIMITED [CIN: U21024MH2016PLC285602] ("the Company"), is registered under The Companies Act, having the registered office at Latur, Maharashtra, India. The said company was converted from Private Limited to Limited Company vide Certificate of Incorporation Consequent upon conversion to public company received dated 27/08/2025. The company is engaged in the business to manufacture, process, treat, coat, laminate, convert, cut, shred, reuse, recycle, dispose-off, buy or sell, import, export, distribute stock or trade in pulp, paper, craft paper and paper boards including press pan paper and board, dielectric paper and board, leather oil paper and board, vacanised fiber board on such other paper and specialized paper base paper and boards as well as to carry on business of consultancy on pulp/paper/Board and allied Industry and to undertake on turnkey basis or otherwise arrangements of designing, erecting, maintaining, operating paper mills or units under paper industry.

#### **Significant Accounting Policies**

##### **(a) Basis of Preparation :**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

##### **(a.1) Basis of Preparation of Restated Financial Information:**

The Restated Statement of Assets and Liabilities (Annexure I) of the Company as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the financial period/year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 (hereinafter collectively referred to as "Restated Financial Information") have been extracted by the management from the audited financial statements for the March 31, 2025, 2024, and 2023, approved by the respective Board of Directors of the companies.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### **(b) USE OF ESTIMATES:**

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets, liabilities, revenue and expenses in future periods.

##### **(c) Accounting Convention :**

###### **1. Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

###### **Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer except exports. Export sales has been recognised at the time of removal of goods from factory at invoice value (whether FOB or CIF) on the basis of exchange rates declared by Custom Department in the shipping bills. Sales are disclosed net of GST, trade discounts and returns, as applicable.

###### **Interest Income**

Interest income is recognised on accrual basis at applicable interest rate on time proportion basis.

###### **Other Income**

Other incomes are recognised on the basis of certainty its ultimate collection.

###### **Other Operational Revenue**

Government Subsidies, Duty Drawback and Export incentives are recorded in books of accounts when there is reasonable certainty to receive the same as income or adjust against expenses and booked on accrual basis.

###### **2. Property, Plant and Equipment & Intangible Assets:**

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Fixed assets have been recorded in the books of the Company at WDV as per Companies Act, 2013.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance

**(i) Tangible Assets**

Property, Plant & Equipments are recorded at cost of acquisition less accumulated depreciation, if any. Property, Plant and Equipment's except Land is depreciated on Written Down Value(WDV) Method on the basis of useful life prescribed under Schedule II of The Companies Act, 2013.

**(ii) Intangible Assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised. Depreciation on Intangible assets is calculated on Written down value method. There are no intangible assets in the name of the Company

**(iii) Capital Work In Progress**

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-progress. Property, Plant and Equipment under construction or installation, included in capital work-in-progress are not depreciated.

**(iv) Depreciation :**

Depreciation on Tangible Property, Plant & Equipments is provided on written down method at the manner specified in Schedule II to the Companies Act, 2013. The useful life as determined under Part C of Schedule II of the Companies Act, 2013 is considered for depreciating the Tangible Property, Plant & Equipments on its remaining useful lives.

Depreciation is not recorded on Capital Work-in-progress until installation are complete and assets are ready for its intended use.

**(3) Impairment :**

At each balance sheet date, the Company assess whether there is any indication that the Property, Plant & Equipments have suffered an impairment loss. As per the assessment conducted by the Company at September 30, 2025, there were no indications that the Property, Plant & Equipments has suffered an impairment loss. If the carrying amount of Property, Plant & Equipment exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of future cash flows. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount

**(4) Inventories :**

Inventories are measured at lower of the cost and net realisable value. Cost of inventories comprises all costs of purchase (net of input credits i.e. GST), cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost of Stores and Spares, raw materials, trading and other products are determined on weighted average basis. Cost of finished stock is determined by the absorption costing method.

**(5) Investments :**

(a) Current Investments: Current Investments are carried at Cost or NRV whichever is less, determined by category of investment.

(b) Non-Current Investments: Long-term investments are stated at cost less provision for diminution other than temporary, if any, in value of such investments.

**(6) Employee benefits :**

Employee benefits such as salaries, allowances, and other employee benefits are charged as expenses to the profit and loss account in the period in which the service is rendered.

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

In the restated financial statements, the Company has made provision for payment of Gratuity to its employees, based on the actuarial valuation report obtained from actuarial valuer.

**(7) Foreign Currency Transactions:****a) Initial Recognition:-**

Foreign currency transaction is recorded at Exchange rate prevailing on the date of transaction.

**b) Conversion**

The foreign currency monetary items consisting of amount received in advance, trade receivable, payable and balance in bank a/c at the end of the year have been restated at the rate prevailing at the balance sheet date.

**c) Exchange difference**

The exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statement are recognised as income or expense when they arise as per Accounting Standard- 11 (Revised 2005) on "Accounting for the effects in Foreign Exchange rates" issued by the Institute of Chartered Accountants of India, except to the extent of exchange differences which are regarded as adjustment to interest cost on foreign currency borrowing that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets ( as per AS 16 Borrowing Cost).

**(8) Borrowing Cost :**

The Borrowing cost attributable to the acquisition of qualifying Property, Plant & Equipments as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of Property, Plant & Equipments. All other borrowing cost are charged to profit and loss account.

**(9) Taxes on Income :**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that been enacted or substantially enacted at the balance sheet date on timing difference between accounting income and taxable income that originate in one year and are capable of being reversal in one or more subsequent year. In respect of unabsorbed depreciation / carry forward of losses (if any) under the tax , laws deferred tax asset are recognized only to the extent that there is virtual certainty that future taxable income will be available against such deferred tax asset can be realized.

**(10) Provisions and Contingent Liabilities :**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the AS 29. Provisions represent liabilities for which the amount or timing is uncertain. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company 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 and are disclosed by way of notes. Contingent assets are neither provided nor disclosed in the financial statements.

**(11) Earnings per share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**(12) CASH FLOW STATEMENT**

Cash flows are reported using the indirect method as prescribed in Accounting Standard 3 'Cash Flow Statement' whereby profit before tax is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

**(13) CASH & CASH EQUIVALENTS**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**(14) SEGMENT REPORTING**

The Company has only one reportable segment.

**(15) EXTRAORDINARY, EXCEPTIONAL, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES**

a) Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

b) On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

**(16) EMPLOYEE BENEFITS**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period.

**(17) Figures have been rounded off to the multiple of lakhs.**

**Note - 1**  
**RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS**

(₹ in Lakhs, Except Share Data)

The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Accordingly amounts and other disclosure for the preceding years are included as an integral part of the current year financial statement and are to be read in relation to the amounts and other disclosure relating to the current year

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Share Capital</b>				
<u>Authorised</u>				
Number of Equity shares of Rs. 10 each	95,00,000	95,00,000	95,00,000	95,00,000
Equity Share Capital	950.00	950.00	950.00	950.00
Total	950.00	950.00	950.00	950.00
<u>Issued*</u>				
Number of Equity shares of Rs. 10 each	92,00,000	80,00,000	80,00,000	80,00,000
Equity Share Capital	920.00	800.00	800.00	800.00
<u>Subscribed and fully paid up*</u>				
Number of Equity shares of Rs. 10 each	92,00,000	80,00,000	80,00,000	80,00,000
Equity Share Capital	920.00	800.00	800.00	800.00
Total	920.00	800.00	800.00	800.00

\* Pursuant to Board resolution dated 18th September'2025, the Company had announced rights issue of 12,00,000 shares @ Rs.25/- per share to existing shareholders in the ratio of 3 (Three) shares for every 20 (Twenty) shares held. In response to the said rights offer, all the shareholders have renounced their rights in favor of Mr. Suryakant Karwa and thus Pursuant to Board resolution dated 30/09/2025, 12,00,000 shares were allotted to Mr. Suryakant Karwa @ Rs.25/- per share.

**01. Terms/rights attached to equity shares:**

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**02. The reconciliation of the number of Equity shares outstanding**

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Number of Equity shares of Rs. 10 each</b>				
i outstanding at the beginning	80,00,000	80,00,000	80,00,000	80,00,000
ii Issued during the period/year	12,00,000	-	-	-
iii bought back during the period/year	-	-	-	-
iv outstanding at the end	92,00,000	80,00,000	80,00,000	80,00,000

**03. Details of shares held by each shareholder holding more than 5% shares**

Sr. No.	Particulars	As at			
		30.09.2025	31.03.2025	31.03.2024	31.03.2023
1	Yash Suryakant Karwa	30,00,000	30,00,000	30,00,000	30,00,000
2	Suryakant Bansilal Karwa	61,99,750	26,00,000	26,00,000	26,00,000
3	Dilip Raosaheb Mane	-	13,00,000	13,00,000	13,00,000
4	Ritesh Dilip Mane	-	11,00,000	11,00,000	11,00,000
		91,99,750	80,00,000	80,00,000	80,00,000

**04. Disclosure of Shareholding of Promoters**

**(i) Shares held by Promoters - As at September 30, 2025**

Sr. No.	Promoter name	No. of Shares	% of total Shares
1	Yash Suryakant Karwa	30,00,000	32.61%
2	Suryakant Bansilal Karwa	61,99,750	67.39%
		91,99,750	100%



**Note - 1**

**RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS**

**(ii) Shares held by Promoters - As at March 31, 2025**

Sr. No.	Promoter name	No. of Shares	% of total Shares
1	Yash Suryakant Karwa	30,00,000	37.50%
2	Suryakant Bansilal Karwa	26,00,000	32.50%
		56,00,000	70%

**(iii) Shares held by Promoters - As at March 31, 2024**

Sr. No.	Promoter name	No. of Shares	% of total Shares
1	Yash Suryakant Karwa	30,00,000	37.50%
2	Suryakant Bansilal Karwa	26,00,000	32.50%
3	Dilip Raosaheb Mane	13,00,000	16.25%
4	Ritesh Dilip Mane	11,00,000	13.75%
		80,00,000	100%

**(iv) Shares held by Promoters - As at March 31, 2023**

Sr. No.	Promoter name	No. of Shares	% of total Shares
1	Yash Suryakant Karwa	30,00,000	37.50%
2	Suryakant Bansilal Karwa	26,00,000	32.50%
3	Dilip Raosaheb Mane	13,00,000	16.25%
4	Ritesh Dilip Mane	11,00,000	13.75%
		80,00,000	100%

**Reserves and surplus**

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<u>Securities premium account</u>				
Opening balance				
Add : Premium on shares issued during the year	180.00	-	-	-
Less : Utilised during the year				
Issuing bonus shares	-	-	-	-
Closing balance(B)	180.00	-	-	-
<u>Surplus / (Deficit) in Statement of Profit and Loss</u>				
Opening balance	183.33	(168.79)	(196.18)	(331.69)
Add: Profit / (Loss) for the year	534.35	352.12	27.39	(19.90)
Less:				
Bonus Issue	-	-	-	-
Opening reserve adjustment	-	-	-	155.40
Closing balance('C)	717.68	183.33	(168.79)	(196.18)
<b>Total</b>	<b>897.68</b>	<b>183.33</b>	<b>(168.79)</b>	<b>(196.18)</b>

**Note:**

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Company does not have any Revaluation Reserve.
3. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 2**  
**RESTATED STATEMENT OF LONG TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Long-term borrowings</b>				
<u>Secured</u>				
Term loans from Banks	73.48	97.19	548.84	830.35
Less : Current Maturity	50.86	48.56	497.41	366.52
A	22.62	48.64	51.42	463.84
<u>Unsecured</u>				
(a) Unsecured Term loans from Relatives	2987.90	3108.11	2685.77	2421.92
B	2987.90	3108.11	2685.77	2421.92
<b>Total</b>	<b>3010.52</b>	<b>3156.75</b>	<b>2737.20</b>	<b>2885.75</b>

**Note:**

1. List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 2(A)**  
**RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

Name of Lender	Purpose	Rate of interest (P.A.)	Re-Payment Schedule	Outstanding amount as at (as per Books) (Rs.Lakhs)			
				30.09.2025	31.03.2025	31.03.2024	31.03.2023
Deelip R Mane	Business	-	On demand	-	475.12	475.12	475.12
Suryakant Karwa		6.00%		2787.77	2071.14	1700.77	1417.70
Aparna Ravikant Karwa		9.00%		-	64.64	60.80	79.28
Brinda Yash Karwa		9.00%		-	19.30	17.85	17.85
Karwa Pharmaceuticals		-		-	-	-	10.58
Mukesh Chandrakant Karwa		9.00%		-	126.37	116.90	108.14
Ritesh Mane		-		-	8.56	8.56	5.48
Shailaja Karwa		9.00%		-	148.54	116.93	116.93
Yash Karwa		6.00%		200.13	194.43	188.83	190.82
Total				2987.90	3108.11	2685.77	2421.92

**Note - 3**

**RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Opening Balance of Deferred Tax (Asset) / Liability (A)	146.11	24.81	(45.97)	0.00
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	164.60	157.30	140.53	123.37
(DTA) / DTL on account of Gratuity provision	(2.54)	(1.60)	(0.92)	(0.41)
(DTA) / DTL on account of losses carried forward	0.00	(8.39)	(113.87)	(168.09)
(DTA) / DTL on account of Bonus provision	(1.83)	(1.20)	(0.92)	(0.84)
Closing Balance of Deferred Tax (Asset) / Liability (B)	160.22	146.11	24.81	(45.97)
Prior period taxes - Opening reserve	-	-	0.00	(51.46)
Current Period/ Year Provision (B-A)	14.11	121.30	70.79	5.49

**Note**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 4**

**RESTATED STATEMENT OF LONG TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>a. Provision for employee benefits</b>				
Gratuity Provision - Long Term (Refer Note 32)	8.19	5.37	3.51	1.61
Total	8.19	5.37	3.51	1.61

(a) As per Accounting Standard 15 - "Employee Benefits", the disclosure of Employee Benefits as defined in the accounting standard are given below:

Defined Benefit Plan : Present value of gratuity is determined based on actuarial valuation using the projected unit credit method.  
Provision for gratuity has not been created for directors.

(b) Provision for leave encashment has been made on the basis of general estimates of the company, considering leave earned by the employee and last drawn salary.

**Note - 5**  
**RESTATED STATEMENT OF SHORT TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Short-term borrowings</b>				
<u><b>Secured</b></u>				
- Secured Term loans from Banks (Current Maturity)	50.86	48.56	497.41	366.52
<b>Loans repayable on demand</b>				
<u><b>From Banks</b></u>				
-HDFC Bank	1666.56	1644.22	-	-
-Union Bank of India Cash Credit	-	-	1293.99	1342.40
<b>Total Secured Short-term Borrowings</b>	<b>1717.41</b>	<b>1692.77</b>	<b>1791.41</b>	<b>1708.92</b>

**Note:**

1. The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE- 5(A)
2. List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. The Company does not have any continuing default in repayment of loans and interest as on the reporting date.
4. The company is not declared as "wilful defaulter" by any bank or financial Institution or other lender as on the reporting date.
5. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 5(A)**

**RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED TERM LOANS AND ASSETS CHARGED AS SECURITY**

**(A) RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Sr.No.	Name of Lender Bank	Purpose	Sanctioned Amount (In Lakhs)	Rate of interest	Primary & Collateral Security	Re-payment Schedule	Outstanding amount as at (as per Books) (Rs.Lakhs)			
							30.09.2025	31.03.2025	31.03.2024	31.03.2023
1	Kotak Bank	Term Loan	14.86	7.50%	Note 2	EMI of Rs. 46,750- for 36 months	-	-	2.85	7.97
2	Union Bank	UGCL Loan	162.00	7.50%	Note 1	EMI of Rs. 450000 /- for 60 months	-	-	153.00	162.00
3	Union Bank	Term Loan	296.00	7.50%	Note 2	EMI of Rs. 10,04,731 - for 32 months	-	-	19.94	134.29
4	Union Bank	Cash Credit	1350.00	11.80%	Note 2	Repayable on demand (Annual Renewal)	-	-	1293.99	1342.40
5	Union Bank	Term Loan	1500.00	12.05%	Note 2	Installment of Rs. 62,50,00 per.qtr for 24 qtrs	-	-	288.05	526.09
6	Union Bank	Term Loan	1.00	12.05%	Note 2	Installment of Rs. 5,00,00 per.qtr for 15 qtrs	-	-	85.00	-
7	HDFC Bank	Cash Credit	1700.00	9.00%	Note 3	Repayable on demand (Annual Renewal)	1666.56	1644.22	-	-
8	HDFC Bank	Term Loan	130.77	9.09%	Note 1	EMI of Rs. 4,62,995 /- for 32 months	73.48	97.19	-	-
							<b>1740.03</b>	<b>1741.41</b>	<b>1842.83</b>	<b>2172.76</b>

**Notes:**

- Note 1** Primary Security: Hypothecation of existing as well as future entire stocks of raw materials, finished goods, stores and spares including goods in transit, packing materials of the unit at their premises, outstanding moneys, book debts and receivables & other current assets of Channel Partner  
Personal Guarantee of 1.Yash Suryakant Karwa 2.Deepali Raosaheb Mane 3.Dinesh Deepaliprao Mane 4.Suryakant Bansilal Karwa 5.Savita Dilip Mane 6.Ritesh Deelip Mane
- Note 2** Primary Security Exclusive charge by way of hypothecation Plant and Machinery, FD as BG Margin, FD for ODFD Limit, Stock and Debtors.  
Collateral Security - Mortgage of existing Industrial Property located at Factory land & building at Plot no. 1, Gat No 106 of Chincholiraowadi, Tal & Dist. Latur admeasuring 22203.06 sq.ft total plot area 30,700  
Personal Guarantee 1.Yash Suryakant Karwa 2.Deepali Raosaheb Mane 3.Dinesh Deepaliprao Mane 4.Suryakant Bansilal Karwa 5.Savita Dilip Mane 6.Ritesh Deelip Mane
- Note 2** Primary Security - Stock ,Debtors FD for BG  
Collateral Security - Karwa Complex - Property Cts No 4460/H 2/2, Sheet No 108Shivaji Chowk Main Roadmch No R-8/2039 Old B-2/53 New Karwa Complex413512At Shivaji Nagar Right Side Of Bridge End Latur Tq Dist Latur and Factory Land And Building Gut No 106 Property No 1127At Mouje Chincholirao Wadi, M/S Craftech Paper Mill Pvt Ltd413512Behind Marathwada Coach Factory Tq. And Dist Latur 413531 (Industrial Property Used For Commercial Activity)  
Personal Guarantee of all the directors  
Bank gurantee of Rs. 1.5 crores and loan take over of Rs.1.31 crores is exclusive of the sanction amount mentioned above



**Note - 6**  
**RESTATED STATEMENT OF TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Trade payables</b>				
<b>For Goods and Services</b>				
Total outstanding dues of micro and small enterprises	195.85	74.61	4.06	96.96
Total outstanding dues other than micro and small enterprises	260.63	679.15	676.29	314.12
<b>Total</b>	<b>456.49</b>	<b>753.76</b>	<b>680.35</b>	<b>411.09</b>

**Trade Payables ageing schedule - As at 30.09.2025**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	190.59	1.21	-	-	191.79
Others	-	-	260.62	0.01	-	-	260.63
Not due MSME	-	-	-	-	-	-	-
Not due Others	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	4.06	4.06
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>451.20</b>	<b>1.22</b>	<b>0.00</b>	<b>4.06</b>	<b>456.49</b>

**Trade Payables ageing schedule - As at 31.03.2025**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	70.55	-	-	-	70.55
Others	-	-	679.15	-	-	-	679.15
Not due MSME	-	-	-	-	-	-	-
Not due Others	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	4.06	4.06
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>749.70</b>	<b>-</b>	<b>-</b>	<b>4.06</b>	<b>753.76</b>

**Trade Payables ageing schedule - As at 31.03.2024**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	-	-	670.89	5.40	-	-	676.29
Not due MSME	-	-	-	-	-	-	-
Not due Others	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	4.06	4.06
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>670.89</b>	<b>5.40</b>	<b>-</b>	<b>4.06</b>	<b>680.35</b>

**Trade Payables ageing schedule - As at 31.03.2023**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
MSME	-	-	96.78	0.19	-	-	96.96
Others	-	-	306.52	3.55	-	4.06	314.12
Not due MSME	-	-	-	-	-	-	-
Not due Others	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>403.30</b>	<b>3.73</b>	<b>-</b>	<b>4.06</b>	<b>411.09</b>

**Note:**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
- Ageing of the Supplier, alongwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of agewise supplier balance is given below after consiering from the date of transactions.
- The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 7**  
**RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Other payables</b>				
Statutory Dues	132.96	147.23	82.99	90.68
Payables for Expenses	104.81	105.00	98.00	65.41
Advance from Customer	0.96	39.12	4.26	3.77
<b>Total</b>	<b>238.73</b>	<b>291.35</b>	<b>185.26</b>	<b>159.86</b>

Note:

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 8**  
**RESTATED STATEMENT OF OTHER SHORT TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Provision for employee benefits (Gratuity)	1.92	0.99	0.16	0.03
Provision for Bonus	7.28	4.78	3.64	3.33
Provision for tax (net of advance tax & TDS)	173.53	-	-	-
Provision for other short term liabilities	3.45	2.82	-	-
<b>Total</b>	<b>186.17</b>	<b>8.58</b>	<b>3.80</b>	<b>3.36</b>

Note:

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 9**

**RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

**Period as on September 30, 2025:**

(₹ in Lakhs)

Particulars	Gross block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2025	Additions	Disposals	Balance as at 30.09.2025	Balance as at 01.04.2024	Depreciation for the Period/year	Deduction for the Period/year	Balance as at 30.09.2025	As at 30.09.2025	As at 31.03.2025
<b>A) Property, Plant &amp; Equipment</b>										
Land & Development	129.82	-	-	129.82	-	-	-	-	129.82	129.82
Building	808.84	6.34	-	815.18	333.73	22.75	-	356.48	458.70	475.11
Furniture & Fixtures	8.44	-	-	8.44	7.02	0.18	-	7.21	1.23	1.41
Plant & Machinery	2264.94	140.50	-	2405.43	693.39	77.49	-	770.88	1634.55	1571.54
Electrical & Other Equipements	663.47	-	-	663.47	288.19	17.78	-	305.96	357.51	375.28
Boiler	198.98	-	-	198.98	85.14	5.39	-	90.53	108.45	113.84
Computer & Peripherals	9.22	0.19	-	9.40	8.41	0.15	-	8.56	0.84	0.81
Office Equipments	6.30	-	-	6.30	5.96	0.01	-	5.97	0.33	0.34
<b>Total</b>	<b>4090.00</b>	<b>147.03</b>	<b>-</b>	<b>4237.02</b>	<b>1421.84</b>	<b>123.75</b>	<b>-</b>	<b>1545.59</b>	<b>2691.43</b>	<b>2668.15</b>

**Period as on March 31, 2025:**

(₹ in Lakhs)

Particulars	Gross block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2024	Additions	Disposals	Balance as at 31.03.2025	Balance as at 01.04.2024	Depreciation for the Period/year	Deduction for the Period/year	Balance as at 31.03.2025	As at 31.03.2025	As at 31.03.2024
<b>A) Property, Plant &amp; Equipment</b>										
Land & Development	129.82	-	-	129.82	-	-	-	-	129.82	129.82
Building	808.84	-	-	808.84	284.01	49.72	-	333.73	475.11	524.83
Furniture & Fixtures	8.44	-	-	8.44	6.53	0.49	-	7.02	1.41	1.91
Plant & Machinery	2112.37	152.57	-	2264.94	536.94	156.45	-	693.39	1571.54	1575.42
Electrical & Other Equipements	663.47	-	-	663.47	248.91	39.27	-	288.19	375.28	414.56
Boiler	198.98	-	-	198.98	73.23	11.91	-	85.14	113.84	125.75
Computer & Peripherals	9.08	0.14	-	9.22	7.74	0.67	-	8.41	0.81	1.34
Office Equipments	6.30	-	-	6.30	5.89	0.07	-	5.96	0.34	0.41
<b>Total</b>	<b>3937.29</b>	<b>152.71</b>	<b>-</b>	<b>4090.00</b>	<b>1163.25</b>	<b>258.59</b>	<b>-</b>	<b>1421.84</b>	<b>2668.15</b>	<b>2774.04</b>

**Note - 9**

**RESTATED STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

**FY 2023-24**

(₹ in Lakhs)

Particulars	Gross block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2023	Additions	Disposals	Balance as at 31.03.2024	Balance as at 01.04.2023	Depreciation for the Period/year	Deduction for the Period/year	Balance as at 31.03.2024	As at 31.03.2024	As at 01.04.2023
<b>A) Property, Plant &amp; Equipment</b>										
Land & Development	129.82	-	-	129.82	-	-	-	-	129.82	129.82
Building	803.40	5.44	-	808.84	229.43	54.58	-	284.01	524.83	573.97
Furniture & Fixtures	8.44	-	-	8.44	5.87	0.67	-	6.53	1.91	2.57
Plant & Machinery	1599.61	512.76	-	2112.37	406.51	130.44	-	536.94	1575.42	1193.10
Electrical & Other Equipements	654.41	9.06	-	663.47	205.53	43.39	-	248.91	414.56	448.88
Boiler	197.67	1.31	-	198.98	60.15	13.08	-	73.23	125.75	137.52
Computer & Peripherals	8.19	0.89	-	9.08	6.59	1.15	-	7.74	1.34	1.60
Office Equipments	6.30	-	-	6.30	5.61	0.27	-	5.89	0.41	0.68
<b>Total</b>	<b>3407.83</b>	<b>529.46</b>	<b>-</b>	<b>3937.29</b>	<b>919.68</b>	<b>243.57</b>	<b>-</b>	<b>1163.25</b>	<b>2774.04</b>	<b>2488.16</b>

**FY 2022-23**

(₹ in Lakhs)

Particulars	Gross block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2022	Additions	Disposals	Balance as at 31.03.2023	Balance as at 01.04.2022	Depreciation for the Period/year	Deduction for the Period/year	Balance as at 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>A) Property, Plant &amp; Equipment</b>										
Land & Development	129.82	-	-	129.82	-	-	-	-	129.82	129.82
Building	803.40	-	-	803.40	169.36	60.07	-	229.43	573.97	634.04
Furniture & Fixtures	8.44	-	-	8.44	4.97	0.90	-	5.87	2.57	3.47
Plant & Machinery	1321.36	278.25	-	1599.61	303.98	102.52	-	406.51	1193.10	1017.37
Electrical & Other Equipements	640.80	13.61	-	654.41	159.56	45.97	-	205.53	448.88	481.24
Boiler	193.47	4.20	-	197.67	45.94	14.21	-	60.15	137.52	147.53
Computer & Peripherals	7.98	0.21	-	8.19	4.05	2.54	-	6.59	1.60	3.93
Office Equipments	6.18	0.12	-	6.30	5.10	0.51	-	5.61	0.68	1.07
<b>Total</b>	<b>3111.45</b>	<b>296.39</b>	<b>-</b>	<b>3407.83</b>	<b>692.97</b>	<b>226.71</b>	<b>-</b>	<b>919.68</b>	<b>2488.16</b>	<b>2418.48</b>

**Note - 10**  
**RESTATED STATEMENT OF OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Security Deposit	1.18	1.18	1.18	1.13
Fixed Deposits held as margin money or security against borrowings, guarantees and other commitments (maturity more than 12 months)	24.65	24.65	29.49	9.27
Total	25.83	25.83	30.66	10.41

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 11**  
**RESTATED STATEMENT OF INVENTORIES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Raw materials	1332.52	1222.52	1306.73	1265.04
Finished goods (other than those acquired for trading)	287.27	356.34	348.28	359.98
<i>(Valuation: Cost or NRV whichever is lower)</i>				
Total	1619.79	1578.86	1655.00	1625.02

**Note:**

1. Inventory has been physically verified by the management of the Company at the end of respective period/year.
2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 12**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Trade receivables (Unsecured Considered Good)</b>				
<u>Outstanding for a period exceeding six months</u>				
Dues From Related parties	-	-	-	-
Others	121.34	69.26	216.90	74.10
<u>Outstanding for a period not exceeding 6 months</u>				
Dues From Related parties	-	-	-	-
Others	2206.23	2229.83	1101.47	890.38
Total	2327.58	2299.10	1318.36	964.48

Trade Receivables ageing schedule - As at 30.09.2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed Trade Receivables – considered good	2206.23	49.31	4.75	6.27	61.01	2327.58
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-
Not due	-	-	-	-	-	-
Total	2206.23	49.31	4.75	6.27	61.01	2327.58

Trade Receivables ageing schedule - As at 31.03.2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed Trade Receivables – considered good	2229.83	1.79	5.87	56.60	5.01	2299.10
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-
Not due	-	-	-	-	-	-
Total	2229.83	1.79	5.87	56.60	5.01	2299.10

Trade Receivables ageing schedule - As at 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed Trade Receivables – considered good	1101.47	151.38	59.09	6.33	0.09	1318.36
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-
Not due	-	-	-	-	-	-
Total	1101.47	151.38	59.09	6.33	0.09	1318.36



**Note - 12**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

Trade Receivables ageing schedule - As at 31.03.2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed Trade Receivables – considered good	890.38	67.59	6.42	0.09	-	964.48
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-
Not due	-	-	-	-	-	-
Total	890.38	67.59	6.42	0.09	-	964.48

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. Ageing of the Trade receivable, along with any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

**Note - 13**  
**RESTATED STATEMENT OF CASH & BANK BALANCE**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
i). <b>Cash and Cash Equivalents</b>				
a) <b>Balances with banks</b>				
-----In current accounts	1.00	1.00	1.37	1.51
b) Cash in hand	1.47	1.29	0.79	0.95
<b>Total</b>	<b>2.47</b>	<b>2.29</b>	<b>2.16</b>	<b>2.46</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 14**  
**RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES**

(₹ in Lakhs)

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
1). Others				
a. Loans and advances to employees (Refer note 3 below)	0.85	-	-	-
b. Advances against purchase	557.15	123.03	45.77	293.91
<b>Total</b>	<b>558.00</b>	<b>123.03</b>	<b>45.77</b>	<b>293.91</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

3. Loans and advances given to employees are in nature of advances against salaries & expenses and not in nature of loans, Therefore are not interest bearing.

**Note - 15**  
**RESTATED STATEMENT OF OTHER CURRENT ASSETS**

Particulars	As at			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
IPO Expenses	18.50	4.00	-	-
Accrued Income	2.11	1.18	0.47	0.08
Government grant receivable	333.50	311.86	213.74	330.38
Prepaid expenses	7.23	14.74	9.59	9.86
Balances with government authorities				
i. Income Tax	8.98	8.98	7.75	3.68
<b>Total</b>	<b>370.32</b>	<b>340.76</b>	<b>231.55</b>	<b>343.99</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 16**  
**RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Revenue from Operations				
(a) Sale of product *				
Domestic	5770.93	9768.41	7676.26	8097.29
Export	38.45	33.55	92.98	320.32
(b) Other operating revenue *				
Scrap sales	1.11	1.55	3.86	15.49
PSI Government Grant	101.45	202.90	162.30	162.30
Export incentive	-	-	0.80	2.24
Insurance/Freight	28.68	62.89	60.13	92.01
Others	-	-	0.44	58.91
<b>Total</b>	<b>5940.61</b>	<b>10069.30</b>	<b>7996.77</b>	<b>8748.57</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

\* Operating revenue doesn't include the GST amount

**Note - 17**  
**RESTATED STATEMENT OF OTHER INCOME**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Net gain on foreign currency transactions and translation <i>(other than considered as finance cost)</i>	16.18	-	-	-
Interest income on Bank Fixed deposit	0.98	2.18	0.85	0.26
Interest on Income Tax Refund	-	0.27	6.29	0.70
Discount & Written Off Balances	-	-	0.02	1.04
Detention Charges	-	-	-	7.21
Rent Income	0.41	0.49	-	-
Other Incomes	-	-	-	1.31
<b>Total</b>	<b>17.57</b>	<b>2.94</b>	<b>7.16</b>	<b>10.53</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 18**  
**RESTATED STATEMENT OF COST OF MATERIAL CONSUMED**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Opening stock	1222.52	1306.73	1265.04	839.39
Add: Purchases	4290.17	7632.23	6349.20	7529.66
Less: Closing stock	1332.52	1222.52	1306.73	1265.04
<b>Total</b>	<b>4180.18</b>	<b>7716.43</b>	<b>6307.51</b>	<b>7104.01</b>

**Note:**

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**1a. Details of Major Raw Material Consumed:**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Waste Paper	3532.79	6856.70	5124.35	6069.72
Chemicals	384.46	553.15	562.17	571.27
Others	262.93	306.59	620.99	463.03
<b>Total</b>	<b>4180.18</b>	<b>7716.43</b>	<b>6307.51</b>	<b>7104.01</b>

**1b. Details of Closing Inventory of Major Raw Material :**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Waste Paper	838.73	904.32	968.52	865.18
Chemicals	16.08	31.91	18.13	25.69
Stores, spares and others	477.70	286.29	320.08	374.18
<b>Total</b>	<b>1332.52</b>	<b>1222.52</b>	<b>1306.73</b>	<b>1265.04</b>

**2. Value of imported and indigenous raw materials, spare parts and components consumed**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b>Raw Materials (Waste Paper)</b>				
- Imported	2982.58	991.39	1655.67	3180.25
- Indigenous	402.38	5865.31	3468.68	2889.47
<b>Spare parts and components (Chemicals &amp; others)</b>				
- Imported				
- Indigenous	795.22	859.74	1183.16	1034.29
<b>Total</b>	<b>4180.18</b>	<b>7716.43</b>	<b>6307.51</b>	<b>7104.01</b>

**Note - 19**

**RESTATED STATEMENT OF CHANGES IN INVENTORIES**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Inventories at the end of the period/year:				
Finished goods	287.27	356.34	348.28	359.98
	287.27	356.34	348.28	359.98
Inventories at the beginning of the period/year:				
Finished goods	356.34	348.28	359.98	272.97
	356.34	348.28	359.98	272.97
<b>Total</b>	<b>69.07</b>	<b>(8.06)</b>	<b>11.70</b>	<b>(87.01)</b>

Note:

1. The Inventory has been physically verified on periodic basis by the management.
2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**Note - 20**

**RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Salaries and Wages				
-Directors remuneration	3.60	7.20	10.28	9.08
-Employees Salary	27.66	45.89	50.15	43.05
Contribution to provident and Other Funds	2.84	3.12	-	-
Employers Contr. ESIC	1.05	1.06	-	-
Employers Contr. P.F.	1.79	2.06	-	-
Bonus	2.50	4.78	3.64	3.33
Gratuity Provison (Refer Note 32)	3.74	2.69	2.03	1.64
<b>Total</b>	<b>40.35</b>	<b>63.68</b>	<b>66.11</b>	<b>57.10</b>

**Note - 21**

**RESTATED STATEMENT OF FINANCE COST**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Interest expense	153.99	303.72	203.18	381.91
Other Borrowing cost				
- Processing Fees and Other charges	6.15	6.85	1.05	3.25
<b>Total</b>	<b>160.14</b>	<b>310.57</b>	<b>204.23</b>	<b>385.16</b>

**Note - 22**

**RESTATED STATEMENT OF DEPRECIATION & AMORTISATION**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Depreciation and amortisation expenses	123.75	258.59	243.57	226.71
<b>Total</b>	<b>123.75</b>	<b>258.59</b>	<b>243.57</b>	<b>226.71</b>

**Note - 23**  
**RESTATED STATEMENT OF OTHER EXPENSES**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b><u>Direct Expenses</u></b>				
Labour Charges	76.44	156.27	42.07	28.13
Power & fuel	462.52	829.40	714.46	696.98
Freight inward	62.13	114.74	123.16	114.00
<b><u>Indirect Expenses</u></b>				
Bank Charges	3.77	12.95	11.83	7.56
Business promotion expense	-	-	0.50	0.14
Commission	16.73	31.88	70.63	49.00
Discount	-	-	6.92	1.89
Forex Loss	-	-	-	0.09
Freight Outward	7.80	36.55	40.87	123.97
Insurance	2.65	11.56	12.25	2.76
Legal and Professional fees	0.15	3.72	2.55	1.48
Office & Miscellaneous expenses	1.42	3.05	3.00	4.65
Rates, fees and taxes	0.25	1.98	1.46	4.31
Repairs and Maintainance				
- Plant and machinery	14.25	31.65	24.55	26.71
- Others	1.16	2.63	1.58	1.48
Rent	-	0.02	0.20	0.26
Security Expenses	7.56	16.06	12.62	15.05
Travelling & Lodging Expenses	1.01	1.58	3.49	8.57
Payments to auditors (refer note below)	1.00	1.50	0.50	0.50
MSME interest	0.44	2.08	-	-
<b>Total</b>	<b>659.29</b>	<b>1257.62</b>	<b>1072.63</b>	<b>1087.54</b>

**Payment to Auditors**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
(a) As Company Auditor	1.00	1.50	0.50	0.50
<b>Total</b>	<b>1.00</b>	<b>1.50</b>	<b>0.50</b>	<b>0.50</b>

**Note - 24**  
**RESTATED STATEMENT OF CONTINGENT LIABILITIES**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
<b><u>Contingent liabilities</u></b>				
Bank Guarantees	123.25	123.25	118.25	-
<b><u>Commitments</u></b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Other commitments	-	-	-	-
<b>Total</b>	<b>123.25</b>	<b>123.25</b>	<b>118.25</b>	<b>-</b>

Notes:

1. There is no claims against the Company not acknowledged as debts, nor any commitments are made by the Company other then as mentioned above.

**Note - 25**

**RESTATED STATEMENT OF RELATED PARTY TRANSACTION**

**A List of Related Parties as per AS – 18**

Particulars	Names of Related Parties	Nature of Relationship
<b>Directors and Key Management Personnel (KMP)</b>	Yash Karwa	CFO & Wholetime Director
	Suryakant Karwa	Managing Director
	Deelip R Mane	Director
	Ritesh D. Mane	Director
	Brinda Yash Karwa	Non-executive Director
	Pragya Mishra	Company Secretary (Date of Appointment - 26/09/2025)
<b>Relatives</b>	Shaileja karwa	Spouse of Director Suryakant Karwa
	Mukesh Karwa	Brother of Director Suryakant Karwa
	Aparna Karwa	Spouse of brother of Director Suryakant Karwa
<b>Enterprises in which KMP / Relatives of KMP can exercise significant Influence</b>	Sai Developers	Suryakant Karwa (Director) is Partner in the firm

**B Related party transactions**

(₹ in Lakhs)

Sr. No.	Name of Party	Nature of Transactions	30.09.2025	31.03.2025	31.03.2024	31.03.2023
1	Yash Karwa	Directors Remuneration	3.60	7.20	7.20	6.00
		Loans & Advances Credit	-	4.19	1.05	108.36
		Loans & Advances Debit	-	9.66	3.04	29.50
		Interest on Loan	5.70	11.06	-	10.54
2	Suryakant Karwa	Purchases	22.65	65.36	59.66	24.52
		Loans & Advances Credit	805.05	1656.42	225.00	139.00
		Loans & Advances Debit	172.10	1462.59	1.59	95.24
		Interest on Loan	60.98	111.18	-	99.96
3	Deelip R Mane	Loans & Advances Debit	475.12	-	-	-
		Loans & Advances Credit	-	-	-	50.00
		Interest on Loan	-	-	-	5.62
4	Ritesh D. Mane	Loans & Advances Debit	8.56	-	-	-
		Loans & Advances Credit	-	-	-	2.22
		Salary	-	-	3.08	3.08
		Interest on Loan	-	-	-	0.18
5	Brinda Yash Karwa	Loans & Advances Debit	20.14	0.16	-	-
		Interest on Loan	0.84	1.61	-	1.10
		Loans & Advances Credit	-	-	-	4.00



Sr. No.	Name of Party	Nature of Transactions	30.09.2025	31.03.2025	31.03.2024	31.03.2023
6	Shaileja karwa	Loans & Advances Credit	-	24.00	-	12.00
		Loans & Advances Debit	155.02	0.85	-	-
		Interest on Loan	6.48	8.45	-	8.72
7	Mukesh Karwa	Loans & Advances Debit	131.89	1.05	-	7.52
		Interest on Loan	5.52	10.52	8.76	8.14
8	Aparna Karwa	Loans & Advances Debit	67.46	1.54	18.48	3.00
		Interest on Loan	2.82	5.38	-	6.03
9	Sai Developers	Loans & Advances Credit	250.00	17.24	235.00	115.00
		Loans & Advances Debit	267.24	-	230.95	119.05

### C Outsanding Balances

Sr. No.	Name of Party	Nature of Transactions	30.09.2025	31.03.2025	31.03.2024	31.03.2023
1	Yash Karwa	Loans & Advances Credit	200.12	194.43	188.83	190.82
2	Suryakant Karwa	Loans & Advances Credit	2787.77	2071.14	1700.79	1417.70
3	Deelip R Mane	Loans & Advances Credit	-	475.12	475.12	475.12
4	Ritesh D. Mane	Loans & Advances Credit	-	8.56	8.56	5.48
5	Brinda Yash Karwa	Loans & Advances Credit	-	19.30	17.85	17.85
6	Shaileja karwa	Loans & Advances Credit	-	148.54	116.93	116.93
7	Mukesh Karwa	Loans & Advances Credit	-	126.37	116.90	108.14
8	Aparna Karwa	Loans & Advances Credit	-	64.64	60.80	79.28
9	Sai Developers	Loans & Advances Credit	-	17.24	-	-
		Loans & Advances Debit	-	-	-	4.05

Note:

1. List of Related parties has been identified by the management and relied upon by the Auditor.

2. In case there is no transaction with any of the above related parties, only name of such related parties has been disclosed as required by AS- 18.

3. The remuneration to Key Managerial Personnel (KMP), Director and other related employees excludes the provisions made for gratuity as these are determined on an actuarial basis for the Company as a whole

**Note - 26**  
**RESTATED STATEMENT OF TAX SHELTER**

(₹ in Lakhs)

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
(A) Profit before taxes as restated	725.42	473.42	98.18	(14.41)
(B) Income Tax Rate (%)	25.17%	25.17%	25.17%	25.17%
(C) Minimum Alternative Tax Rate (%)	16.69%	16.69%	15.60%	15.60%
Income Considered Separately (B)				
1. Interest Received On FD	0.98	2.18	0.85	0.26
2. Accrued Interest on Bank Fixed deposit				
<b>Income from other sources</b>	<b>0.98</b>	<b>2.18</b>	<b>0.85</b>	<b>0.26</b>
<b>Adjustments :</b>				
<b>Permanent Differences</b>				
Interest on Late payment of TDS & TCS	-	-	0.01	0.07
Total Expenses disallowed	-	-	0.01	0.07
<b>Total Permanent Differences</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.07</b>
<b>Timing Difference</b>				
Depreciation as per Companies Act, 2013	123.75	258.59	243.57	226.71
Depreciation as per Income Tax Act	(152.74)	(325.23)	(311.76)	(290.77)
Expenses Disallowed Under Section 43B of the IT Act 1961	6.68	5.91	2.34	1.15
<b>Total Timing Differences</b>	<b>(23.29)</b>	<b>(62.91)</b>	<b>(66.69)</b>	<b>(63.18)</b>
<b>Set-off from Brought Forward Business Losses</b>				
<b>Set-off from Brought Forward Unabsorbed depreciation</b>	<b>-</b>	<b>(412.69)</b>	<b>(33.24)</b>	<b>-</b>
Taxable Income/(Loss)	703.11	-	(0.90)	(77.25)
Income Tax Payable on Above	176.96	-	-	-
Interest u/s 234B and 234C	-	-	-	-
<b>MAT on Book Profit</b>	<b>N.A</b>	<b>N.A</b>	<b>N.A</b>	<b>N.A</b>
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal
Total Tax Payable	Total 176.96	-	-	-
Mat Credit eligible	Not applicable	Not applicable	Not applicable	Not applicable

Note:

1.The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company.The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

2. The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2021 ( as amended).

3. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.

**Note - 27**  
**RESTATED STATEMENT OF CAPITALISATION**

(₹ in Lakhs)

Particulars	Pre Issue 30.09.2025	Post Issue
<b>Debt</b>		
Short Term Debt	1666.56	*
Long Term Debt	3061.38	*
Total Debt	4727.94	*
<b>Shareholders' Fund (Equity)</b>		
Share Capital	920.00	*
Reserve and surplus - as restated	897.68	*
Total Shareholders' Fund (Equity)	1817.68	*
Long Term Debt/Shareholders' Fund	1.68	*
Total Debt/Shareholders' Fund	2.60	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Notes**

- (i) Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
- (ii) Long term Debts represent debts other than Short Term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
- (iii) The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2025

**NOTE – 28**  
**RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(In Rs. Lacs Except Per Share Data)

Particulars	As At			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
Net Worth (A)	1817.68	983.33	631.21	603.82
Adjusted Profit after Tax (B)	534.35	352.12	27.39	(19.90)
Number of Equity Share outstanding as on the End of Year (C) *	92,00,000	80,00,000	80,00,000	80,00,000
Weighted average no. of Equity shares at the time of end of the year (D)	1,20,00,000	1,20,00,000	1,20,00,000	1,20,00,000
Face Value per Share(Rs.)	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	4.45	2.93	0.23	-0.17
Return on Net worth (%) (B/A)	29.40%	35.81%	4.34%	-3.30%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	19.76	12.29	7.89	7.55
Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	15.15	8.19	5.26	5.03
EBITDA	985.58	1032.79	537.77	583.68

\* After considering Right issue allotment dated 30th Sep 2025

**Notes:**

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs.) :- Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year.
- (b) Diluted earnings per share (Rs. ) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS.
- (c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year.
- (d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.

2) Net worth = Equity share capital + Reserves and surplus

3) The figures disclosed above are based on the restated summary statements of the Company.

4) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

5) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

6) On November 18, 2025 company has allotted 46,00,000 Bonus shares in the ratio of 1 : 2 to existing shareholders.

**NOTE – 29**  
**RATIO ANALYSIS AND ITS ELEMENTS**

Particulars	For the period / year ended on			
	30.09.2025	31.03.2025	31.03.2024	31.03.2023
1. Current Ratio -{In times}	1.88	1.58	1.22	1.41
2. Debt Equity Ratio -{In times}	2.60	4.93	7.17	7.61
3. Debt Service Coverage Ratio -{In times}	4.47	1.03	0.80	0.81
4. Return On Equity Ratio -{In %}	38.15%	43.62%	4.44%	-3.71%
5. Inventory Turnover ratio -{In times}	2.66	4.77	3.85	5.13
6. Trade Receivable Turnover Ratio -{In times}	2.57	5.57	7.01	6.20
7. Trade Payable Turnover Ratio -{In times}	7.09	10.64	11.63	15.66
8. Net Capital Turnover Ratio -{In times}	3.06	9.20	10.39	9.42
9. Net Profit Ratio -{In %}	8.99%	3.50%	0.34%	-0.23%
10. Return on Capital Employed -{In %}	13.11%	13.00%	5.81%	7.13%
11. Return On Investment -{In %}	7.97%	5.89%	0.53%	-0.39%

**Note 30**  
**RESTATED STATEMENT OF OTHER ACCOUNTING RATIOS**

**Analytical Ratios for the period ended Apr-2025 to Sep-2025 and Financial year ended 2024-25**

Particulars	Numerator	Denominator	30.09.2025	31.03.2025	Variations	Variance
(a) Current Ratio	Current Assets	Current Liabilities	1.88	1.58	18.7%	
(b) Debt-Equity Ratio	Total Debts	Equity	2.60	4.93	-47.3%	
(c) Debt Service Coverage Ratio	Earning available for Debt Service	Interest + Installments	4.47	1.03	334.7%	
(d) Return on Equity (%)	Profit after Tax	Average Shareholder's Equity	38.15%	43.62%	-12.5%	
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventories	2.66	4.77	-44.3%	
(f) Trade receivables turnover ratio	Total Turnover	Average Account Receivable	2.57	5.57	-53.9%	

(g) Trade payables turnover ratio	Total Purchases	Average Account Payable	7.09	10.64	-33.4%	
(h) Net capital turnover ratio	Total Turnover	Average Working Capital	3.06	9.20	-66.7%	
(i) Net profit (%)	Net Profit	Total Turnover	8.99%	3.50%	157.2%	
(j) Return on Capital employed (%)	EBIT	Capital Employed	13.11%	13.00%	0.9%	
(k) Return on investment (%)	Net Profit	Capital Employed	7.97%	5.89%	35.3%	

**Analytical Ratios for the Financial year ended on 2024-25 and 2023-24**

Particulars	Numerator	Denominator	31.03.2025	31.03.2024	Variations	Difference For Variance
(a) Current Ratio	Current Assets	Current Liabilities	1.58	1.22	29.4%	Due to decrease in Trade receivables and Advances for purchases
(b) Debt-Equity Ratio	Total Debts	Equity	4.93	7.17	-31.3%	Due to repayment of debt
(c) Debt Service Coverage Ratio	Earning available for Debt Service	Interest + Installments	1.03	0.80	28.8%	Due to repayment of debt
(d) Return on Equity (%)	Profit after Tax	Average Shareholder's Equity	43.62%	4.44%	883.4%	Due to Increase in Net Profit
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventories	4.77	3.85	23.7%	
(f) Trade receivables turnover ratio	Total Turnover	Average Account Receivable	5.57	7.01	-20.5%	
(g) Trade payables turnover ratio	Total Purchases	Average Account	10.64	11.63	-8.5%	
(h) Net capital turnover ratio	Total Turnover	Average Working Capital	9.20	10.39	-11.5%	

(i) Net profit (%)	Net Profit	Total Turnover	3.50%	0.34%	921.0%	Due to Increase in Net Profit
(j) Return on Capital employed (%)	EBIT	Capital Employed	13.00%	5.81%	123.6%	Due to Increase in Profit & Due to repayment of debt
(k) Return on investment (%)	Net Profit	Capital Employed	5.89%	0.53%	1014.8%	Due to Increase in Net Profit

**Analytical Ratios for the Financial year ended on 2023-24 and 2022-23**

Particulars	Numerator	Denominator	31.03.2024	31.03.2023	Variations	Variance
(a) Current Ratio	Current Assets	Current Liabilities	1.22	1.41	-13.6%	
(b) Debt-Equity Ratio	Total Debts	Equity	7.17	7.61	-5.7%	
(c) Debt Service Coverage Ratio	Debt Service	Interest + Installments	0.80	0.81	-1.1%	
(d) Return on Equity (%)	Profit after Tax	Average Shareholder's Equity	4.44%	-3.71%	-219.5%	Due to Increase in Net Profit
(e) Inventory turnover ratio	Cost of Goods Sold	Average Inventories	3.85	5.13	-24.8%	
(f) Trade receivables turnover ratio	Total Turnover	Average Account Receivable	7.01	6.20	13.0%	
(g) Trade payables turnover ratio	Total Purchases	Average Account Payable	11.63	15.66	-25.7%	Due to decrease in Trade Payables
(h) Net capital turnover ratio	Total Turnover	Average Working Capital	10.39	9.42	10.4%	
(i) Net profit (%)	Net Profit	Total Turnover	0.34%	-0.23%	-250.6%	Due to Increase in Net Profit
(j) Return on Capital employed (%)	EBIT	Capital Employed	5.81%	7.13%	-18.5%	
(k) Return on investment (%)	Net Profit	Capital Employed	0.53%	-0.39%	-236.8%	Due to Increase in Net Profit



**NOTE – 31**

*(Amount in INR lakhs, unless otherwise stated)*

**KEY PERFORMANCE INDICATORS**

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	5,940.61	10,069.30	7,996.77	8,748.57
Total Income	5,958.18	10,072.24	8,003.94	8,759.10
Gross Profit <sup>(1)</sup>	1,691.37	2,360.93	1,677.55	1,731.57
Gross Margin <sup>(2)</sup>	28.47%	23.45%	20.98%	19.79%
EBITDA <sup>(3)</sup>	985.58	1,032.79	537.77	583.68
EBITDA Margin <sup>(4)</sup>	16.59%	10.26%	6.72%	6.67%
Profit After Tax for the Year ("PAT") <sup>(5)</sup>	534.35	352.12	27.39	(19.90)
PAT Margin <sup>(6)</sup>	8.99%	3.50%	0.34%	-0.23%
ROE <sup>(7)</sup>	38.15%	43.62%	4.44%	-3.71%
ROCE <sup>(8)</sup>	13.11%	13.00%	5.81%	7.13%
Net Debt/ EBITDA <sup>(9)</sup>	4.79	4.69	8.42	7.87

- 1 Gross Profit is calculated as Revenue from Operations less Purchases of stock-in-trade and changes in inventories of finished
- 2 Gross Margin is calculated as Gross Profit divided by Revenue from Operations
- 3 EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortization expense less other income
- 4 EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 5 Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information
- 6 PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.
- 7 Return on Equity (%) is calculated as restated profit for the year divided by average total equity
- 8 Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed
- 9 Net Debt/EBITDA, Net debt is Total Borrowings less Cash and bank balances

**Note - 32**  
**RESTATED STATEMENT OF EMPLOYEE BENEFIT DISCLOSURE**

**2.1: Table Showing Changes in Present Value of Obligations:**

(₹ in Lakhs)

Period	From: 01-04-2025 To: 30-09-2025	From: 01-04-2024 To: 31-03-2025	From: 01-04-2023 To: 31-03-2024	From: 01-04-2022 To: 31-03-2023
Present value of the obligation at the beginning of the period	6.36	3.67	1.64	-
Interest cost	0.26	0.26	0.12	-
Current service cost	3.49	3.43	1.87	1.64
Past Service Cost	-	-	-	-
Benefits paid (if any)	-	-	-	-
Actuarial (gain)/loss	-	(1.00)	0.04	-
Present value of the obligation at the end of the period	10.10	6.36	3.67	1.64

**2.2: Key results (The amount to be recognized in the Balance Sheet):**

Period	As on: 30-09-2025	As on: 31-03-2025	As on: 31-03-2024	As on: 31-03-2023
Present value of the obligation at the end of the period	10.10	6.36	3.67	1.64
Fair value of plan assets at end of period	-	-	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	10.10	6.36	3.67	1.64
Funded Status - Surplus/ (Deficit)	(10.10)	(6.36)	(3.67)	(1.64)

**2.3: Expense recognized in the statement of Profit and Loss:**

Period	From: 01-04-2025 To: 30-09-2025	From: 01-04-2024 To: 31-03-2025	From: 01-04-2023 To: 31-03-2024	From: 01-04-2022 To: 31-03-2023
Interest cost	0.26	0.26	0.12	-
Current service cost	3.49	3.43	1.87	1.64
Past Service Cost	-	-	-	-
Expected return on plan asset	-	-	-	-
Net actuarial (gain)/loss recognized in the period	-	(1.00)	0.04	-
Expenses to be recognized in P&L	3.74	2.69	2.03	1.64

**2.4: Experience adjustment:**

Period	From: 01-04-2025 To: 30-09-2025	From: 01-04-2024 To: 31-03-2025	From: 01-04-2023 To: 31-03-2024	From: 01-04-2022 To: 31-03-2023
Experience Adjustment (Gain ) / loss for Plan liabilities	(1.00)	(1.00)	0.04	-
Experience Adjustment Gain / (loss ) for Plan assets	-	-	-	-

**3.1: Summary of membership data at the date of valuation and statistics based thereon:**

Period	As on: 30-09-2025	As on: 31-03-2025	As on: 31-03-2024	As on: 31-03-2023
Number of employees	40	40	40	34
Total monthly salary (in Rs. Lakhs)	6.01	6.01	5.48	4.43
Average Past Service (Years)	3.08 years	3.08 years	2.48 years	1.74 years
Average Age (Years)	35.85 years	35.85 years	34.23 years	31.35 years
Exp. Avg. Remaining Service (Years)	2.77 years	2.77 years	2.80 years	2.91 years

**3.2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:**

Discount rate	6.80 % per annum	6.80 % per annum	7.04 % per annum	7.16 % per annum
Salary Growth Rate	3.00 % per annum	3.00 % per annum	3.00 % per annum	3.00 % per annum
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Expected rate of return	-	-	-	-
Attrition / Withdrawal Rate (per Annum)	25.00% p.a.	25.00% p.a.	25.00% p.a.	25.00% p.a.

**3.3: Benefits valued:**

Normal Retirement Age	58 Years	58 Years	58 Years	58 Years
Salary	Last drawn Basic + DA Salary	Last drawn Basic + DA Salary	Last drawn Basic + DA Salary	Last drawn Basic + DA Salary
Vesting Period	5 Years of service	5 Years of service	5 Years of service	5 Years of service
Benefits on Normal Retirement	As per the Payment of Gratuity (Amendment) Act, 2018	As per the Payment of Gratuity (Amendment) Act, 2018	As per the Payment of Gratuity (Amendment) Act, 2018	As per the Payment of Gratuity (Amendment) Act, 2018
Benefit on early Retirement/Withdrawal / Resignation	Same as normal retirement benefit	Same as normal retirement benefit	Same as normal retirement benefit	Same as normal retirement benefit
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit in Lakhs	20.00	20.00	20.00	20.00

**3.4: Current Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :**

Period	As on: 30-09-2025	As on: 31-03-2025	As on: 31-03-2024	As on: 31-03-2023
Current Liability (Short Term)*	1.92	0.99	0.16	0.03
Non Current Liability (Long Term)	8.19	5.37	3.51	1.61
Total Liability	10.10	6.36	3.67	1.64

**3.5: Projection for next period:**

Best estimate for Projected Service Cost during next Period	-	3.43	3.43	1.87
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**3.7: Reconciliation of liability in balance sheet**

Period	From: 01-04-2025 To: 30-09-2025	From: 01-04-2024 To: 31-03-2025	From: 01-04-2023 To: 31-03-2024	From: 01-04-2022 To: 31-03-2023
Opening gross defined benefit liability/ (asset)	6.36	3.67	1.64	-
Expenses to be recognized in P&L	3.74	2.69	2.03	1.64
Benefits paid (if any)	-	-	-	-
Closing gross defined benefit liability/ (asset)	10.10	6.36	3.67	1.64

**Note - 33**

**Note 33: Additional Regulatory Info**

- (i) **Title deeds of Immovable Property**  
Title of all immovable properties owned by the Company are held in the name of company
- (ii) **Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017**  
The Company has not revalued any Property or Plant and Equipment.
- (iii) **Following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:**  
The Company has not made any loans or advances to Promoters, directors, KMP or related parties other than those reported in Note 14
- (iv) **Capital-Work-in Progress (CWIP)**  
Company does not have any Capital work in progress as on September 30, 2025
- (v) **Intangible Assets under Development**  
Company does not have any Intangible assets
- (vi) **Details of Benami Property held**  
Company is not holding any Benami Property
- (vii) **Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-**  
The Company having borrowings from banks or financial Institution against security of Current Assets and quarterly statement filed by the company are in agreement with books of account
- (viii) **Wilful Defaulter**  
The company is not declared as wilful defaulter by any bank or financial institution or lender
- (ix) **Relationship with struck off companies**  
The Company did not have any material transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the restatement period.
- (x) **Registration of charges or satisfaction with Registrar of Companies**  
All the charges against Bank Finance are registered with Registrar of Companies.
- (xi) **Compliance with number of layers of companies**  
  
The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024, & March 31, 2023
- (xii) **Compliance with approved Scheme(s) of Arrangements**  
Company has not entered into any scheme of amalgamation or any other arrangement.
- (xiii) **Utilisation of Borrowed funds and share premium:**  
a) The Company has not utilised the borrowings received from banks and financial institutions for the purpose other than for which it was taken during the period of restatement.  
b) During the period/ year ended September 30, 2025, March 31, 2025, March 31, 2024, & March 31, 2023, the Company has not advanced or Loans or invested funds (either borrowed funds or share premium 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 Company (Ultimate Beneficiaries) or  
ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.  
c) During the period/year ended September 30, 2025, March 31, 2025, March 31, 2024, & March 31, 2023, the Company 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 Company 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.
- (xiv) **Non Adjustment item :**  
  
There is No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company.

(xv) **Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations and Schedule III of Companies Act, 2013.

(xvi) **Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

(xvii) **Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

(xviii) **Extra Ordinary Items :**

During the period ended September 30, 2025 and FY 2024-25, FY 2023-24 and FY 2022-23, company has no extra ordinary Items to be disclosed in accordance with the requirements of AS - 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies"

(xix) During the period of restatement, The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

(xx) During the period of restatement, the Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.

(xxi) No dividend were declared and paid by the company during the restated period.

(xxii) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. There are no such events except the following:

On November 18, 2025 company has allotted 46,00,000 Bonus shares in the ratio of 1 : 2 to existing shareholders.

(xxiii) Figures have been rounded off to the multiple of lakhs. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with the current Period/year figures.

## OTHER FINANCIAL INFORMATION

## Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(₹ in Lakhs, except per share data and ratios)

Particulars	For the period ending September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Restated Profit after Tax as per Profit & Loss Statement (A)	534.35	352.12	27.39	(19.90)
Tax Expense (B)	191.07	121.30	70.79	5.49
Depreciation and amortization expense (C)	123.75	258.59	243.57	226.71
Interest Cost (D)#	160.14	310.57	204.23	385.16
Weighted Average Number of Equity Shares at the end of the Year Pre Bonus Issue (E1)	80,00,000*	80,00,000	80,00,000	80,00,000
Weighted Average Number of Equity Shares at the end of the Year Post Bonus Issue (E2)	120,00,000	120,00,000	120,00,000	120,00,000
Number of Equity Shares outstanding at the end of the Year (F1) (Pre-bonus)	92,00,000	80,00,000	80,00,000	80,00,000
Number of Equity Shares outstanding at the end of the Year (F2) (Post-bonus)	120,00,000	120,00,000	120,00,000	120,00,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	1817.68	983.33	631.21	603.82
Current Assets (I)	4878.15	4344.04	3252.84	3229.86
Current Liabilities (J)	2598.80	2746.46	2660.81	2283.22
<b>Earnings Per Share - Basic &amp; Diluted<sup>1 &amp; 2</sup> (₹) (Pre-Bonus)</b>	5.81	4.40	0.34	(0.25)
<b>Earnings Per Share - Basic &amp; Diluted<sup>1 &amp; 2</sup> (₹) (Post-Bonus)</b>	4.45	2.93	0.23	(0.17)
<b>Return on Net Worth<sup>1 &amp; 2</sup> (%)</b>	29.40%	35.81%	4.34%	(3.30)%
<b>Net Asset Value Per Share<sup>1</sup> (₹) (Pre-bonus)</b>	19.76	12.29	7.89	7.55
<b>Net Asset Value Per Share<sup>2</sup> (₹) (Post-bonus)</b>	15.15	8.19	5.26	5.03
<b>Current Ratio<sup>1</sup></b>	1.88	1.58	1.22	1.41
<b>Earning before Interest, Tax and Depreciation</b>	985.58	1032.79	537.77	583.68

and Amortization <sup>1</sup> (EBITDA)				
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# Bank Processing charges have not been considered in the above figure

\*As Right issue of 12,00,000 shares were made on 30.09.2025, the effect of such average is not appearing.

**Notes -**

1. Ratios have been calculated as below:

Earnings Per Share (₹)

(EPS):

$$\frac{A}{EI \text{ \& } E2}$$

Return on Net Worth (%):

$$\frac{A}{H}$$

Net Asset Value per equity share (₹):

$$\frac{H}{F1 \text{ \& } F2}$$

Current Ratio:

$$\frac{I}{J}$$

Earnings before Interest, Tax and Depreciation and Amortization (EBITDA):

$$A + (B+C+D)$$



# CAPITALISATION STATEMENT

(₹ in Lakhs)

Particulars	Pre-Issue 30.09.2025	Post-Issue
<b>Borrowings</b>		
Short term debt (A)	1666.56	*
Long Term Debt (B)	3061.38	*
<b>Total debts (C)</b>	<b>4727.94</b>	*
<b>Shareholders' funds</b>		
Share capital	920.00	*
Reserve and surplus - as Restated	897.68	*
<b>Total shareholders' funds (D)</b>	<b>1817.68</b>	*
<b>Long term debt / shareholders' funds (B/D)</b>	<b>1.68</b>	*
<b>Total debt / shareholders' funds (C/D)</b>	<b>2.60</b>	*

(\*) The corresponding post-Offer figures are not determinable at this stage pending the completion of the public issue and hence have not been furnished.

## Notes:

1. Short-term debts represent amounts which are expected to be paid / payable within 12 months and exclude instalments of term loans repayable within 12 months.
2. Long-term debts represent debts other than short-term debts as defined above, but include instalments of term loans repayable within 12 months, which are grouped under other current liabilities.
3. The figures disclosed above are based on the restated statement of Assets and Liabilities of the Company as at September 30, 2025.

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### STATEMENT OF FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and other business requirements.

Our Company has obtained the necessary consent required under the loan agreements entered into in connection with and for undertaking activities in relation to the Issue, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

### SECURED BORROWINGS

As on September 30, 2025 we have availed secured loans of which the total outstanding amount secured loan is ₹1,740.04 Lakhs as of date, the details of which are as under:

Name of Lender	Nature of Loan & Facility	Amount Sanctioned (₹ in Lakhs) #	Amount Outstanding as on September 30 2025 (₹ in Lakhs)	Rate of interest (%)	Security	Repayment Schedule (including moratorium period)
HDFC Bank	Term Loan	130.77	73.48	9.09%	Secured primarily against hypothecation of Stock, Trade Receivables and FD for Bank guarantee & Collateral security of Factory Land & Building and Karwa Complex Property owned by the Directors of Company	32 Monthly Principal repayment including interest 9.09% of ₹4,62,995/-
HDFC Bank	Cash Credit	1700.00	1,666.56	9.00%	Cash Credit from HDFC Bank is secured by Hypothecation of Book Debtors, Stock of the Company and FD for Bank Guarantee & Collateral security of Factory Land & Building and Karwa Complex Property owned by the Directors of Company	Repayable on Demand (Annual Renewal)
<b>Total</b>			<b>1,740.04</b>			

### UNSECURED BORROWINGS

As on September 30 2025, we have availed unsecured loans details of which are as under:

Sr. No.	Nature of the Lender	Nature of Loan Facility	Amount Sanctioned (₹ in Lakhs)	Amount Outstanding as on September 30, 2025 (₹ in Lakhs)	Rate of interest	Security	Repayment Schedule (including moratorium period)
1	Suryakant Karwa	Unsecured Loan	-	2,787.77	6.00%	Unsecured Loan	Repayable on demand.

Sr. No.	Nature of the Lender	Nature of Loan Facility	Amount Sanctioned (₹ in Lakhs)	Amount Outstanding as on September 30, 2025 (₹ in Lakhs)	Rate of interest	Security	Repayment Schedule (including moratorium period)
2	Yash Karwa	Unsecured Loan	-	200.13	6.00%	Unsecured Loan	Repayable on demand.
<b>Total</b>				<b>2,987.90</b>			

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## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ending on September 30, 2025 and the financial years ended March 31, 2025, 2024, and 2023. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "**Financial Information of the Company**" and the chapter titled "**Restated Financial Statement**" on page 178 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "**Risk Factors**" on page 33 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the chapter titled "**Forward-Looking Statements**" on page 22 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Craftech Paper Mills Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "**Restated Financial Statements**" for the period ended on September 30, 2025 and Financial Years 2025, 2024 and 2023 included in this Draft Red Herring Prospectus beginning on page 178 of this Draft Red Herring Prospectus.

### BUSINESS OVERVIEW

Craftech Paper Mills Limited (the "**Company**") is an integrated kraft paper manufacturer based in Latur, Maharashtra, engaged in the production of recycled kraft paper ranging from 100–300 GSM and BF 18-28 for use in corrugation, industrial packaging, paper bags and allied applications. Our manufacturing process is based on 100% recycled fibre and is operated under a Zero Liquid Discharge ("**ZLD**") framework.

We serve a diversified base of dealers, distributors, packaging converters, corrugated box manufacturers and regional trading houses across Western, Southern and Central India. With growing demand for sustainable and recyclable packaging solutions, our product portfolio positions us to capture opportunities arising from the expansion of the domestic packaging ecosystem and the increasing shift towards eco-friendly materials. The Corporate Identification Number of our Company is U21024MH2016PLC285602.

The company has its **Registered Office** at Karwa Complex, Opp Panchayat Office Main Road, Latur, Maharashtra, India, 413512.

The company has its **Manufacturing Unit** at Gut No. 106, Chincholirao Wadi, Behind Manjra Sugar Factory Latur – 413512, Maharashtra, India.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD

#### DISCUSSION ON RESULT OF OPERATION

##### *Our Significant Accounting Policies*

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled "**Restated Financial Statements**" beginning on page 178 of the Draft Red Herring Prospectus.

##### *Overview of Revenue & Expenditure*

Our revenue and expenses are reported in the following manner:

## Revenues

- Revenue from operations**

Our Company's revenue includes income from the manufacturing, processing, trading, import/export, and distribution of Kraft paper, paper boards, and specialized paper products.

- Other Income**

Our other income mainly consists of Interest income, Rental Income, Exchange gain and Miscellaneous Income.  
(₹ in Lakhs)

Particulars	For the period ended			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Income				
Revenue from Operations	5,940.61	10,069.30	7,996.77	8,748.57
% of total revenue	99.71%	99.97%	99.91%	99.88%
Other income	17.57	2.94	7.16	10.53
% of total revenue	0.29%	0.03%	0.09%	0.12%
<b>Total Revenue</b>	<b>5,958.18</b>	<b>10,072.24</b>	<b>8,003.94</b>	<b>8,759.10</b>

- Expenditure**

Our total expenditure primarily consists of cost of material consumed, Changes in inventories of finished goods, Purchase of Stock-in-trade, Employee Benefit Expenses, Depreciation and Amortization Expenses, Finance Costs, and Other Expenses.

- Employment Benefit Expenses**

It includes salaries and wages including Directors Remuneration, Contribution to provident and other funds, and Gratuity.

- Cost of raw materials consumed**

This relates to the cost of material purchased primarily consists of Raw materials, Stores and spare parts and Other Direct Costs.

- Changes in Inventories of finished goods**

This relates to the change in inventory of finished goods, work-in-progress and stock-in-trade.

- Other Expenses**

It includes Direct Expenses such as Labour Charges, Power & Fuel, Freight Inward. Additionally, it covers Indirect Expenses like Bank Charges, Business Promotion Expenses, Commission, Discount, Forex Loss, Freight Outward, Insurance, Legal and Professional Fees, Rates, Fees, and Taxes, Repairs and Maintenance (for Plant and Machinery and Others), Rent, Security Expenses, Travelling & Lodging Expenses, Payments to Auditors, and Office & Miscellaneous Expenses

- Finance Costs**

Our finance costs mainly include Interest Expense, Other Borrowing costs such as Processing Fees and other charges.

- Depreciation**

Depreciation includes depreciation and amortization.

**RESULTS OF OUR OPERATION**

(₹ in Lakhs)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Incomes:</b>				
Revenue from Operations	5,940.61	10,069.30	7,996.77	8,748.57
% of total revenue	99.71%	99.97%	99.91%	99.88%
% Increase/(Decrease)	-	25.92%	-8.59%	-3.20%
Other income	17.57	2.94	7.16	10.53
% of total revenue	0.29%	0.03%	0.09%	0.12%
% Increase/(Decrease)	-	-58.96%	-31.94%	-95.25%
<b>Total Revenue</b>	<b>5,958.18</b>	<b>10,072.24</b>	<b>8,003.94</b>	<b>8,759.10</b>
% Increase/(Decrease)	-	25.84%	-8.62%	-5.40%
<b>Expenses:</b>				
Cost of raw material consumed	4,180.18	7,716.43	6,307.51	7,104.01
% of total revenue	70.16%	76.61%	78.81%	81.10%
% Increase/(Decrease)	-	22.34%	-11.21%	-16.52%
Purchases of stock-in-trade	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
Changes in inventories of finished goods, and stock-in-trade	69.07	-8.06	11.70	-87.01
% of total revenue	1.16%	-0.08%	0.15%	-0.99%
% Increase/(Decrease)	-	-168.87%	113.45%	0.00%
Employee Benefit expenses	40.35	63.68	66.11	57.10
% of total revenue	0.68%	0.63%	0.83%	0.65%
% Increase/(Decrease)	-	-3.68%	15.77%	-
Other expenses	659.29	1,257.62	1,072.63	1,087.54
% of total revenue	11.07%	12.49%	13.40%	12.42%
% Increase/(Decrease)	-	17.25%	-1.37%	-
<b>Total Expense</b>	<b>4,948.88</b>	<b>9,029.67</b>	<b>7,457.96</b>	<b>8,161.64</b>
% of total revenue	83.06%	89.65%	93.18%	93.18%
% Increase/(Decrease)	-	21.07%	-8.62%	-5.51%
<b>Profit before Interest, Depreciation and Tax</b>	<b>1,009.30</b>	<b>1,042.57</b>	<b>545.98</b>	<b>597.46</b>
% of total revenue	16.94%	10.35%	6.82%	6.82%
Depreciation and amortization Expenses	123.75	258.59	243.57	226.71
% of total revenue	2.08%	2.57%	3.04%	2.59%
% Increase/(Decrease)	-	6.17%	7.44%	11.07%
<b>Profit before Interest and Tax</b>	<b>885.56</b>	<b>783.98</b>	<b>302.40</b>	<b>370.75</b>
% of total revenue	14.86%	7.78%	3.78%	4.23%
Financial Charges	160.14	310.57	204.23	385.16
% of total revenue	2.69%	3.08%	2.55%	4.40%
% Increase/(Decrease)	-	52.07%	-46.98%	15.29%

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Profit before Tax and Extraordinary Expenses</b>	<b>725.42</b>	<b>473.42</b>	<b>98.18</b>	<b>-14.41</b>
% of total revenue	12.18%	4.70%	1.23%	-0.16%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>725.42</b>	<b>473.42</b>	<b>98.18</b>	<b>-14.41</b>
% of total revenue	12.18%	4.70%	1.23%	-0.16%
% Increase/(Decrease)	-	382.21%	781.21%	-103.32%
<b>Tax expenses</b>				
Tax Expense for Current Year	176.96	-	-	-
Short Provision	-	-	-	-
Deferred Tax	14.11	121.30	70.79	5.49
<b>Total tax expenses</b>	<b>191.07</b>	<b>121.30</b>	<b>70.79</b>	<b>5.49</b>
% of total revenue	3.21%	1.20%	0.88%	0.06%
<b>Restated profit/(loss) after Tax</b>	<b>534.35</b>	<b>352.12</b>	<b>27.39</b>	<b>-19.90</b>
% of total revenue	8.97%	3.50%	0.34%	-0.23%
% Increase/(Decrease)	-	1185.64%	237.65%	-104.59%

## **REVIEW OF OPERATIONS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**

### **Revenue from Operations**

Our revenue from operations for the period ended September 30, 2025 was ₹5,940.61 Lakhs which was about 99.71% of the total revenue and which comprises of revenue from Domestic, Export Sales and other operating revenues such as scrap sales, PSI Government Grant, export incentives and other operating revenue.

### **Other Income**

Our other income for the period ended September 30, 2025 was ₹17.57 Lakhs which was about 0.29% of the total revenue and which includes Interest income, Rental Income, Exchange gain and Miscellaneous Income.

### **Expenditure**

#### **Cost of raw material consumed**

The cost of material consumed for the period ended September 30, 2025 were ₹4,180.18 Lakhs which has about 70.16% of the total revenue.

#### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

The Changes in inventories of finished goods, work-in-progress and stock-in-trade for the period ended September 30, 2025 was ₹69.07 Lakhs which was about 1.16% of total revenue.

#### **Employee Benefits expenses**

The employee benefits expenses for the period September 30, 2025 were ₹40.35 Lakhs which was about 0.68% of the total revenue and which includes Salaries and Wages, Directors Remuneration, Contribution to provident and other funds, and Gratuity.

#### **Other Expenses**



Other Expenses for the period September 30, 2025 were ₹659.29 Lakhs which was about 11.07% of the total revenue and which includes Direct Expenses such as Labour Charges, Power & Fuel, Freight Inward. Additionally, it covers Indirect Expenses like Bank Charges, Business Promotion Expenses, Commission, Discount, Forex Loss, Freight Outward, Insurance, Legal and Professional Fees, Rates, Fees, and Taxes, Repairs and Maintenance (for Plant and Machinery and Others), Rent, Security Expenses, Travelling & Lodging Expenses, Payments to Auditors, and Office & Miscellaneous Expenses

### **EBIDTA**

Our EBITDA for the period ended September 30, 2025 were ₹1,009.30 Lakhs which was about 16.94% of the total revenue

### **Financial Costs**

Financial costs for the period ended September 30, 2025 were ₹160.14 Lakhs which was about 2.69% of the total revenue and which consists of Interest Expense, Other Borrowing costs such as Processing Fees and other charges.

### **Depreciation**

Depreciation for the period ended September 30, 2025 were ₹123.75 Lakhs which was about 2.08% of the total revenue and it consists of depreciation and amortization expenses.

### **Tax Expenses**

Net Current Tax Expense for the period ended September 30, 2025 was ₹191.07 Lakhs.

### **Profit /(Loss) after Tax**

PAT for the period ended September 30, 2025 was ₹534.35 Lakhs which was about 8.97% of the total revenue.

## **REVIEW OF OPERATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

### **Revenue from Operations**

Our revenue from operations for the financial year ended March 31, 2025 was ₹10,069.30 Lakhs which was about 99.97% of the total revenue and which comprises of revenue from Domestic, Export Sales, scrap sales, PSI Government Grant, export incentives and other operating revenue.

### **Other Income**

Our other income for the financial year ended March 31, 2025 was ₹2.94 Lakhs which was about 0.03% of the total revenue and which includes Interest income, Rental Income, Exchange gain and Miscellaneous Income.

### **Expenditure**

#### **Cost of raw material consumed**

The cost of material consumed for the financial year ended March 31, 2025 were ₹7,716.43 Lakhs which has about 76.61% of the total revenue.

#### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

The Changes in inventories of finished goods, work-in-progress and stock-in-trade for the financial year ended March 31, 2025 was ₹(8.06) Lakhs which was about -0.08% of total revenue.

### **Employee Benefits expenses**

The employee benefits expenses for the financial year March 31, 2025 were ₹63.68 Lakhs which was about 0.63%

of the total revenue and which includes Salaries and Wages, Directors Remuneration, Contribution to provident and other funds, and Gratuity.

**Other Expenses**

Other Expenses for the financial year March 31, 2025 were ₹1,257.62 Lakhs which was about 12.49% of the total revenue and which includes Direct Expenses such as Labour Charges, Power & Fuel, Freight Inward. Additionally, it covers Indirect Expenses like Bank Charges, Business Promotion Expenses, Commission, Discount, Forex Loss, Freight Outward, Insurance, Legal and Professional Fees, Rates, Fees, and Taxes, Repairs and Maintenance (for Plant and Machinery and Others), Rent, Security Expenses, Travelling & Lodging Expenses, Payments to Auditors, and Office & Miscellaneous Expenses

**EBIDTA**

Our EBITDA for the financial year ended March 31, 2025 were ₹1,042.57 Lakhs which was about 10.35% of the total revenue.

**Financial Costs**

Financial costs for the financial year ended March 31, 2025 were ₹310.57 Lakhs which was about 3.08% of the total revenue and which consists of Interest Expense, Other Borrowing costs such as Processing Fees and other charges.

**Depreciation**

Depreciation for the financial year ended March 31, 2025 were ₹258.59 Lakhs which was about 2.57% of the total revenue and it consists of depreciation and amortization expenses.

**Tax Expenses**

Net Current Tax Expense for the financial year ended March 31, 2025 was ₹121.30 Lakhs.

**Profit /(Loss) after Tax**

PAT for the period ended March 31, 2025 was ₹352.12 Lakhs which was about 3.50% of the total revenue.

**FISCAL YEAR ENDED MARCH 31, 2025 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024****Total Revenue:**

Our Total Revenue increased by 25.84% to ₹10,072.24 Lakhs for fiscal year ended March 31, 2025 from ₹8,003.94 Lakhs for fiscal year ended March 31, 2024.

**Revenue from Operations**

Revenue has increased both in terms of value and in percentage by ₹2,072.53 Lakhs and 25.92%, from ₹7,996.77 Lakhs in the fiscal year ended March 31, 2024 to ₹10,069.30 Lakhs in the fiscal year ended March 31, 2025. The increase in revenue was on account of increase in Domestic sales and other operating revenue.

**Other Income**

Our other income decreased in terms of value and percentage by Rs (4.22) Lakhs and -58.96% respectively, to ₹2.94 Lakhs for fiscal year ended March 31, 2025 from ₹7.16 Lakhs for fiscal year ended March 31, 2024. The decrease was majorly due to reduced Interest on Income Tax Refund.

**Expenditure**

Total Expenditure has increased both in terms of value and percentage by ₹1,571.71 Lakhs and 21.07%

respectively, from ₹7,457.96 Lakhs in the fiscal year ended March 31, 2024 to ₹9,029.67 Lakhs in the fiscal year ended March 31, 2025.

#### **Cost of raw materials consumed**

Cost of Materials consumed increased both in terms of value and in percentage by ₹1,408.92 Lakhs and 22.34% respectively, from ₹6,307.51 Lakhs in the fiscal year ended March 31, 2024 to ₹7,716.43 Lakhs in the fiscal year ended March 31, 2025. Cost of Material Consumed increased mainly due to increase in Purchase of Raw Material.

#### **Changes 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 decreased by -168.87% from ₹11.70 Lakhs in the fiscal year ended March 31, 2024 to ₹(8.06) Lakhs in the fiscal year ended March 31, 2025. The same was decreased mainly due to lower inventory levels.

#### **Employee Benefit Expenses**

Employee Benefit Expenses decreased in terms of value and percentage decreased by ₹(2.43) Lakhs and -3.68% from ₹66.11 Lakhs in the fiscal year ended March 31, 2024 to ₹63.68 Lakhs in the fiscal year ended March 31, 2025. Overall employee cost was decreased due to general decrease in directors' remuneration, employee's salary and wages.

#### **Other Expenses**

Other Expenses increased in terms of value and percentage increased by ₹184.99 Lakhs and 17.25% respectively from ₹1,072.63 Lakhs in the fiscal year ended March 31, 2024 to ₹1,257.62 Lakhs in the fiscal year ended March 31, 2025. Other Expenses was increased mainly due to increase in Labour Charges, Power & Fuel, Repairs & Maintenance Expenses, Security expenses, Legal & Professional Fees, Payment to Auditors, Bank Charges, and MSME Interest.

#### **EBIDTA**

Earnings before Interest, Depreciation and Tax has increased both in terms of value and in percentage by ₹496.59 Lakhs and 90.95% respectively from ₹545.98 Lakhs in the fiscal year ended March 31, 2024 to ₹1,042.57 Lakhs in the fiscal year ended March 31, 2025. The increase in EBITDA was majorly due to decrease in overall expense compared to revenue. For instance, total expense was 93.18% of the total revenue in Fiscal 2024 whereas it was reduced to 89.65% of the total revenue in Fiscal 2025.

#### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹106.34 Lakhs and 52.07% respectively from ₹204.23 Lakhs in the fiscal year ended March 31, 2024 to ₹310.57 Lakhs in the fiscal year ended March 31, 2025. Finance Costs was increased mainly due to higher interest out go led by increase in borrowings.

#### **Depreciation & Amortization Expenses**

Depreciation in terms of value and in percentage increased by ₹15.02 Lakhs and 6.17% respectively from ₹243.57 Lakhs in the fiscal year ended March 31, 2024 to ₹258.59 Lakhs in the fiscal year ended March 31, 2025. Increase in depreciation is due to increase in assets and is general in nature.

#### **Tax Expenses**

Net Current Tax Expense for the financial year ended March 31, 2025 was ₹121.30 Lakhs, while for financial year ended March 31, 2024 Net Current Tax Expense was ₹70.79 Lakhs.

#### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by ₹324.73 Lakhs and 1,185.64% respectively from profit of ₹27.39 Lakhs in the fiscal year ended March 31, 2024 to profit of ₹352.12 Lakhs in the fiscal year ended March 31, 2025. Net profit was

decrease in overall expense compared to revenue. For instance, total expense was 93.18% of the total revenue in Fiscal 2024 whereas it was reduced to 89.65% of the total revenue in Fiscal 2025.

### **FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023**

#### **Total Revenue:**

Our Total Revenue decreased in terms of value and percentage by ₹(755.16) Lakhs and -8.62% respectively, to ₹8,003.94 Lakhs for fiscal year ended March 31, 2024 from ₹8,759.10 Lakhs for fiscal year ended March 31, 2023.

#### **Revenue from operations**

Revenue from operations has decreased both in terms of value and percentage by ₹751.80 Lakhs and (8.59%) respectively, from ₹8,748.57 Lakhs in the fiscal year ended March 31, 2023 to ₹7,996.77 Lakhs in the fiscal year ended March 31, 2024. The decrease in revenue was due to lower domestic and export sales.

#### **Other Income**

Our Other Income decreased both in terms of value and percentage by ₹(3.36) Lakhs and -31.94% respectively, to ₹7.16 Lakhs for fiscal year ended March 31, 2024 from ₹10.53 Lakhs for fiscal year ended March 31, 2023. The increase was majorly due to increased Interest on Income Tax Refund.

#### **Expenditure**

Total Expenditure decreased in terms of value and percentage by ₹703.68 Lakhs and (8.62%) respectively, from ₹8,161.64 Lakhs in the fiscal year ended March 31, 2023 to ₹7,457.96 Lakhs in the fiscal year ended March 31, 2024. Overall expenditure was decreased mainly due decrease in expenditure for raw materials consumed and decrease in finance costs.

#### **Cost of Material Consumed**

Cost of Material Consumed decreased in terms of value and percentage by ₹(796.50) Lakhs and (11.21%) respectively, from ₹7,104.01 Lakhs in the fiscal year ended March 31, 2023 to ₹6,307.51 Lakhs in the fiscal year ended March 31, 2024. Cost of Material Consumed was decreased mainly due to decrease in Purchases of raw materials during the period by (15.68%).

#### **Changes in inventories of finished goods, and stock-in-trade**

Changes in inventories of finished goods, work in progress and stock-in-trade increased by 113.45% from ₹(87.01) Lakhs in the fiscal year ended March 31, 2024 to ₹11.70 Lakhs in the fiscal year ended March 31, 2025. The same was increased mainly due to higher inventory levels.

#### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹9.01 Lakhs and 15.77% respectively, from ₹57.10 Lakhs in the fiscal year ended March 31, 2023 to ₹66.11 Lakhs in the fiscal year ended March 31, 2024. Overall employee cost was increased due to increase in highly paid employees and gratuity contributions.

#### **Other Expenses**

Other Expenses in terms of value and percentage decreased by ₹14.91 Lakhs and (1.37%) respectively, from ₹1,087.54 Lakhs in the fiscal year ended March 31, 2023 to ₹1,072.63 Lakhs in the fiscal year ended March 31, 2024. Other Expenses decreased mainly due to decrease in Freight Outwards.

#### **EBIDTA**

Earnings Before Interest, Depreciation and Tax has decreased in terms of value and percentage by ₹(51.48) Lakhs

and -8.62% respectively, from ₹597.46 Lakhs in the fiscal year ended March 31, 2023 to ₹545.98 Lakhs in the fiscal year ended March 31, 2024. Profit Before Interest, Depreciation and Tax was decreased due to in decrease in Revenue from Operations.

### Finance Costs

Finance Costs in terms of value and percentage decreased by ₹180.93 Lakhs and (46.98%) respectively from ₹385.16 Lakhs in the fiscal year ended March 31, 2023 to ₹204.23 Lakhs in the fiscal year ended March 31, 2024. Finance Costs was decreased mainly due to decrease in lower interest outgo due to reduced borrowings.

### Depreciation & Amortization Expenses

Depreciation in terms of value and percentage increased by ₹16.86 Lakhs and 7.44% respectively from ₹226.71 Lakhs in the fiscal year ended March 31, 2023 to ₹243.57 Lakhs in the fiscal year ended March 31, 2024. Increase in depreciation is due to increase in assets and is general in nature.

### Tax Expenses

Net Current Tax Expense for the financial year ended March 31, 2024 was ₹70.79 Lakhs, while for financial year ended March 31, 2023 Net Current Tax Expense was ₹5.49 Lakhs.

### Net Profit after Tax and Extraordinary items

Net Profit has increased in terms of value and percentage by ₹47.29 Lakhs and 237.65% respectively from loss of ₹ (19.90) Lakhs in the fiscal year ended March 31, 2023 to profit of ₹ 27.39 Lakhs in the fiscal year ended March 31, 2024. Net profit was decreased due to in decrease in Revenue from Operations.

### Cash Flows

(₹ in Lakhs)

Particulars	For the period ended	For the year ended		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Net Cash from Operating Activities	121.79	128.63	818.85	310.51
Net Cash from Investing Activities	(146.05)	(145.69)	(548.86)	(297.22)
Net Cash used in Financing Activities	24.43	17.19	(270.30)	(16.56)

#### Cash Flows from Operating Activities

Net cash generated from operating activities for the period ended September 30, 2025 stood at ₹121.79 Lakhs, as against an EBITDA of ₹1,009.30 Lakhs. For Fiscal 2025, net cash from operating activities amounted to ₹128.63 Lakhs, compared with an EBITDA of ₹1,042.57 Lakhs.

During Fiscal 2024, the Company generated ₹818.85 Lakhs of net cash from operating activities, while EBITDA for the same period was ₹545.98 Lakhs. In Fiscal 2023, net cash from operating activities was ₹310.51 Lakhs, as compared to an EBITDA of ₹597.46 Lakhs. Variations between EBITDA and operating cash flows across periods were primarily attributable to changes in working capital components, interest payments, and tax outflows.

#### Cash Flows from Investment Activities

Net cash used in investing activities for the period ended September 30, 2025 was ₹146.05 Lakhs, primarily on account of capital expenditure towards purchase of fixed assets amounting to ₹147.03 Lakhs.

For Fiscal 2025, net cash outflow from investing activities was ₹145.69 Lakhs, mainly due to acquisition of fixed assets aggregating ₹152.71 Lakhs. In Fiscal 2024, net cash used in investing activities stood at ₹548.86 Lakhs, largely attributable to purchase of fixed assets amounting to ₹529.46 Lakhs and deposits placed with banks.

During Fiscal 2023, the Company recorded a net cash outflow of ₹297.22 Lakhs from investing activities, primarily due to acquisition of fixed assets amounting to ₹296.39 Lakhs and bank deposits.

### **Cash Flows from Financing Activities**

Net cash generated from financing activities for the period ended September 30, 2025 was ₹24.43 Lakhs, despite repayment of long-term borrowings amounting to ₹146.22 Lakhs and interest payments of ₹153.99 Lakhs, supported mainly by proceeds from short-term borrowings.

For Fiscal 2025, net cash from financing activities stood at ₹17.19 Lakhs, primarily reflecting higher interest payments of ₹303.72 Lakhs and repayment of short-term borrowings of ₹98.64 Lakhs.

In Fiscal 2024, net cash used in financing activities amounted to ₹270.30 Lakhs, mainly due to repayment of long-term borrowings of ₹148.56 Lakhs and interest payments of ₹204.23 Lakhs. For Fiscal 2023, net cash used in financing activities was ₹16.56 Lakhs, primarily on account of interest payments aggregating ₹385.16 Lakhs.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled *“Financial Information of the Company”* and chapter titled *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”*, beginning on page 178 and 184, respectively of this Draft Red Herring Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled *“Risk Factors”* and *“Management’s Discussion and Analysis of Financial Conditions and Result of Operations”*, beginning on page 33 and 184 respectively of this Draft Red Herring Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled *“Risk Factors”* beginning on page 33 of this Draft Red Herring Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

### **6. Total Turnover of Each Major Industry Segment in which the Issuer Operates**

Our business is limited to a single reportable segment

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new services or business segment.

**8. The extent to which business is seasonal.**

Our Company's business is not seasonal.

**9. Competitive conditions.**

Competitive conditions are as described under the chapters titled ***"Industry Overview"*** and ***"Business Overview"*** beginning on page 111 and 126, respectively of this Draft Red Herring Prospectus.

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## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be ‘material’ as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters or Directors (collectively, the “**Relevant Parties**”). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

*Except as stated in this section, there are no: (i) criminal proceedings and (ii) actions by statutory or regulatory authorities, involving our Key Managerial Personnel’s (“**KMP’s**”)*

*For the purpose of (iv) above, Our Board, in its meeting held on December 15, 2025 determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Company will be considered as material litigation (“**Material Litigation**”) based on lower of the threshold criteria mentioned below:*

*Litigation where the value or expected impact in terms of value, exceeds the lower of the following:*

- (i) As per the policy of materiality defined by the board of directors of the Company where the aggregate amount involved in such individual litigation exceeds 5% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*Or*

- (a) two percent of turnover, as per the latest annual restated financial statements of our Company being ₹197.33 Lakhs; or*
- (b) two percent of net worth, as per the latest annual restated financial statements of our Company, except in case the arithmetic value of the net worth is negative being ₹22.48 Lakhs; or*
- (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of our Company being ₹5.99 Lakhs.*

*It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial / arbitral forum.*

*All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

#### 1. LITIGATIONS INVOLVING OUR COMPANY

##### **Outstanding Litigations against our Company**

##### **a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Company.

##### **b. Actions by regulatory/Statutory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

**c. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated or pending against our Company.

***Outstanding Litigation by the Company***

**a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Company.

**b. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated by our Company

**c. Compounding Applications**

Our Company has, *suo moto*, on December 11, 2025, filed two compounding applications before the Registrar of Companies, Mumbai (“RoC”) under Section 39 read with Section 441 of the Companies Act, 2013, seeking compounding of certain non-compliances relating to returns of allotment filed in Form PAS-3. The non-compliances inter alia relate to: (a) a return of allotment filed vide **SRN G78390275** in respect of a rights issue, wherein the rights issue was inadvertently kept open beyond the statutorily permissible period of 30 days; and (b) a return of allotment filed vide **SRN T70730734** in respect of conversion of an existing loan into equity shares, which was inadvertently reported as an allotment for cash instead of an allotment otherwise than for cash. The Company has submitted that the aforesaid non-compliances were inadvertent, unintentional, and without any malafide intent, and has prayed that the said offences be compounded pursuant to Section 441 of the Companies Act, 2013, and the penalty, if any, be adjudicated in accordance with applicable provisions of the Companies Act, 2013. These matters are currently pending before the RoC.

**2. LITIGATIONS INVOLVING OUR PROMOTERS**

***Outstanding Litigations against our Promoters***

**a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoters.

**b. Actions by regulatory/Statutory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Promoters.

**c. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated or pending against our Promoters.

***Outstanding Litigation by our Promoters***

**a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoters.

**b. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated by our Promoters, except as disclosed below:

- 1. Civil Writ Petition No. 2217 of 2019 filed by Suryakant Bansilal Karwa against Varsha Tukaram Kalshetti before the Bombay High Court.**

Our Promoter Mr. Suryakant Bansilal Karwa (“**Petitioner**”) filed Civil Writ Petition No. 2217 of 2019 before the Hon’ble Bombay High Court, Aurangabad Bench, against Varsha Tukaram Kalshetti (“**Respondent**”) under Article 227 of the Constitution of India, challenging the order dated August 02, 2018 passed by the Maharashtra State Consumer Disputes Redressal Commission, Aurangabad. The case arises from a consumer dispute related to the alleged construction defects in a row house purchased by the Respondent under the Petitioner’s “Tulips Housing Project.” The District Consumer Forum, Latur, by an ex-parte order dated March 16, 2018 in Consumer Complaint No. 220 of 2017, awarded compensation of ₹2,07,000 against the Petitioner. The Petitioner’s appeal along with a delay condonation application was dismissed in default by the State Commission without issuance of notice, allegedly due to procedural irregularities and non-appearance of counsel. Aggrieved, the Petitioner sought quashing of the impugned order, restoration of the appeal, and stay on execution of the District Forum’s order. The matter is currently pending.

### **3. LITIGATIONS INVOLVING OUR DIRECTORS**

#### ***Outstanding Litigations against our Directors***

##### **a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Directors.

##### **b. Actions by regulatory/Statutory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Directors.

##### **c. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated or pending against our Directors.

#### ***Outstanding Litigation by the Directors***

##### **a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Directors.

##### **b. Other material pending proceedings**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated by our Directors.

### **4. LITIGATIONS INVOLVING OUR KEY MANAGERIAL PERSONNELS**

#### ***Outstanding Litigations against our Key Managerial Personnel***

##### **a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Key Managerial Personnel.

##### **b. Actions by regulatory/Statutory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Key Managerial personnel.

#### ***Outstanding Litigation by the Key Managerial Personnel***

##### **a. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Key Managerial Personnel.

## 5. TAX CLAIMS

Except as disclosed below, there are no proceedings related to direct and indirect taxes involving our Company, Promoters and Directors (other than promoters) :

Nature of Case	Number of cases	Total amount involved (₹ in Lakhs)
<b>Involving Our Company</b>		
Direct Tax	03	0.47
Indirect Tax	Nil	Nil
<b>Our Promoters</b>		
Direct Tax	01	4.59
<b>Our Directors (other than Promoters)</b>		
Direct Tax	01	1.49
<b>Total</b>	<b>05</b>	<b>6.55</b>

Direct Tax proceedings related to our Company -

### (1) Income tax

Assessment Year	Demand Reference Number	Demand Amount (in ₹)	Current Status
Nil			

### (2) TDS

Financial Year	Document Identification Number	Demand Amount (in ₹)	Current Status
2018-19	-	2,260/-	The amount is outstanding on TDS Traces Portal
2022-23	-	18,240/-	The amount is outstanding on TDS Traces Portal
2024-25	-	26,990/-	The amount is outstanding on TDS Traces Portal

Indirect Tax proceedings related to our Company –

### (3) GST

Assessment Year	Document Identification Number	Demand Amount (in ₹)	Current Status
Nil			

Direct Tax proceedings related to our Promoters –

Assessment Year	Demand Reference Number	Demand Amount (in ₹)	Current Status
2007	2009200751011314571T	4,59,112/-	Demand was raised under Section 143 (1)(a) of the Income Tax Act, 1961, against our Promoter, Mr. Suryakant Bansilal Karwa, on February 18, 2009. The demand is still pending for adjudication.

\*There are certain e-proceedings pending against our Promoter i.e. Suryakant Bansilal Karwa. However, as on date the same have not been converted to 'Outstanding Demands'.

*Direct Tax proceedings related to our Directors (other than Promoters)*

Assessment Year	Demand Reference Number	Demand Amount (in ₹)	Current Status
2022	2024202240417823743T	1,49,730/-	Demand was raised under Section 143 (1)(a) of the Income Tax Act, 1961, against our Independent Director, Mr. Pawan Balkisan Daga, on August 16, 2024. The demand is still pending for adjudication.

*\*There are certain e-proceedings pending against our Independent Director i.e. Pawan Balkisan Daga. However, as on date the same have not been converted to 'Outstanding Demands'.*

**6. OUTSTANDING DUES TO CREDITORS**

Our Board, in its meeting held on December 15, 2025 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company on consolidated basis, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest Restated Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Financial Statements, our total trade payables as on September 30, 2025 was ₹456.48 Lakhs and accordingly, creditors to whom outstanding dues exceed ₹22.82 Lakhs have been considered as 'material' creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as on September 30, 2025 by our Company on Standalone basis are set out below:

*(₹ in Lakhs)*

Types of creditors	Number of creditors	Amount involved
Outstanding dues to Micro, small and medium enterprises	3	100.87
Outstanding dues to Material Creditors (MSME)	3	90.92
Outstanding dues to other Creditors	76	264.69
<b>Total</b>	<b>82</b>	<b>456.48</b>

*Certified by BSMART and Associates LLP, Chartered Accountants, pursuant to their certificate dated December 15, 2025.*

**7. MATERIAL DEVELOPMENT SINCE DATE OF LAST BALANCE SHEET**

There have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled "*Management Discussion and Analysis of Financial Position and Results of Operations*" beginning on page 184 of this Draft Red Herring Prospectus.

## GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals issued by relevant central and state authorities under various rules and regulations. Set out below is an indicative list of consents, licenses, registrations, permissions, and approvals obtained by our Company which are considered material and necessary for the purposes of undertaking their respective businesses and operations (“**Material Approvals**”). Some of these may expire in the ordinary course of business, the applications for renewal of which are submitted in accordance with applicable procedures and requirements.

Unless otherwise stated, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus. Except as disclosed in this section, no further Material Approvals are required for carrying on the present business operations of our Company. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “**Key Industry Regulations**” beginning on page 141 of this Draft Red Herring Prospectus. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, please refer to the section titled “**Risk Factors**” beginning on page 33 of this Draft Red Herring Prospectus.

### MATERIAL APPROVALS IN RELATION TO THE OFFER

1. The Board of Directors have, pursuant to a resolution passed at its meeting held on November 18, 2025 authorized the Offer, subject to the approval of the shareholders of our Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of our Company have, pursuant to a special resolution passed in the shareholders meeting held on November 29, 2025, authorized the Offer under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

### AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated May 29, 2025, with the National Securities Depository Limited (NSDL), and the Registrar and Transfer Agent, who, in this case, is Maashitla Securities Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated October 07, 2025, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Maashitla Securities Private Limited for the dematerialization of its shares.
3. Our Company's International Securities Identification Number (“**ISIN**”) is INE20RY01011.

### MATERIAL APPROVALS IN RELATION TO THE COMPANY

#### A. Material approvals in relation to incorporation

S. No.	Description	Registration/ Approval/ Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation as “Craftech Paper Mills Private Limited”	U21024MH2016PTC285602	Companies Act, 2013	Registrar of Companies, Central Registration Centre	September 06, 2016	Perpetual
2.	Certificate of Incorporation upon change of name from “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited”	U21024MH2016PLC285602	Companies Act, 2013	Registrar of Companies, Central Processing Centre	August 27, 2025	Perpetual

**B. Approvals from tax authorities**

S. No.	Description	Registration/ Approval/ Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	PAN	AAGCC6234P	Income Tax Act, 1961	Income Tax Department, Government of India	September 06, 2016	Perpetual
2.	TAN	NSKC03215C	Income Tax Act, 1961	Income Tax Department, Government of India	September 06, 2017	Perpetual
3.	GST Registration Certificate – Maharashtra	27AAGCC6234P1Z7	Central Goods and Services Tax Act, 2017	Goods and Service Tax Department	July 01, 2017	Perpetual
4.	Legal Entity Identifier Code	335800HZ4RS4BLQD3J92	RBI Guidelines and Payment and Settlement Systems Act, 2007	Legal Entity Identifier India Limited	October 19, 2022	October 19, 2027
5.	Certificate of Registration of Professional tax*	27411485811P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Goods and Service Tax Department	February 1, 2019	Perpetual
6.	Certificate of Importer Exporter Code	AAGCC6234P	The Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade, Ministry of Commerce and Industry	July 17, 2018	Perpetual

\*The said certifications are in the name of “Craftech Paper Mills Private Limited”. The Company is in the process of getting the name changed from “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited” for all the certifications.

**C. Material approvals in relation to the business of our Company**

S. No.	Description	Registration/ Approval/ Reference Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	UDYAM Registration Certificate	UDYAM-MH-16-0011837	Micro, Small and Medium Enterprises Development	Ministry of Micro, Small and Medium Enterprises,	September 18, 2021	Perpetual



S. No.	Description	Registration/ Approval/ Reference Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
			Act, 2006	Government of India		
2.	Certificate of Verification	LCR NO: CLM25751518  Sr. NO: 91202526524942	The Legal Metrology Act, 2009 & The Maharashtra Legal Metrology (Enforcement) Rules, 2011	Inspector of Legal Metrology, Latur-1 Division	March 04, 2025	December 14, 2026
3.	Certificate of Verification	LCR NO: CLM25751518 Sr. NO: 91202526524940	The Legal Metrology Act, 2009 & The Maharashtra Legal Metrology (Enforcement) Rules, 2011	Inspector of Legal Metrology, Latur-1 Division	March 04, 2025	December 14, 2026
4.	Certificate of Verification	LCR NO: CLM25751518 Sr. NO: 91202526524941	The Legal Metrology Act, 2009 & The Maharashtra Legal Metrology (Enforcement) Rules, 2011	Inspector of Legal Metrology, Latur-1 Division	March 04, 2025	December 14, 2026
5.	Factory License	License No: 10039706  Reg No: 11240202930000000	Factories Act, 1948 & the Maharashtra Factories Rules, 1963	Directorate of Industrial Safety and Health (Labour Department)	July 12, 2024	December 31, 2026
6.	Permission under Electricity Act / Load Sanction*	SE/LTR/TS-IV/2018- 19/04735	Electricity Act, 2003	Maharashtra State Electricity Distribution Co. Ltd.	October 26, 2018	Perpetual
7.	Certificate of Stability	SHC / CPML / STAB / 2025-26 / 01	Maharashtra Factory Rules, 1963	M/s Safety and Health Consultant	December 03, 2025	December 01, 2030
8.	Certificate for use of a Boiler #1	MR/17596	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers	November 12, 2025	November 11, 2026
9.	Certificate for use of a Boiler #2**	MR/18538	Boilers Act, 2025 & Indian Boilers Regulations,	Directorate of Steam Boilers	October 27, 2025	April 26, 2026

S. No.	Description	Registration/ Approval/ Reference Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
			1950			

*\*The said certifications are in the name of “Craftech Paper Mills Private Limited”. The Company is in the process of getting the name changed from “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited” for all the certifications.*

*\*\*The Company has been issued a provisional order dated December 17, 2025 by the Directorate of Steam Boilers permitting the use of boiler pending the grant of the certificate for use of boiler.*

#### D. Quality certifications of our Company

S. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	ISO Certificate 9001:2015 for Processing, Sales, Storage, Distribution of Kraft Paper Rolls	E20251137075	Royal Assessments Private Limited	November 21, 2025	November 20, 2028

#### E. Labour and commercial approvals of our Company

S. No.	Description	Registration/ Approval/ Certificate Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952*	10001658159SLP	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Employee Provident Fund Organisation	October 25, 2024	Perpetual
2.	Registration under Employees' State Insurance Corporation (ESIC)*	25000335980000801	Employee's State Insurance Act, 1948	Sub-Regional Office, Employees State Insurance Corporation, Maharashtra	October 25, 2024	Perpetual

*\*The said certifications are in the name of “Craftech Paper Mills Private Limited”. The Company is in the process of getting the name changed from “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited” for all the certifications.*

#### F. Environment related approvals of our Company

S. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Consent to Operate for Kraft Paper unit	MPCB-CONSENT-AMENDMENT-0000018568/CR/2511000142	Maharashtra Pollution Control Board	April 15, 2024	February 28, 2029
2.	Consent to Establish*	BO/JD(WPC)/0000030981/E./HOD/1802000324	Maharashtra Pollution Control Board	February 08, 2018	Until Commissioning of the unit or five years, whichever is

S. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
					earlier.

\*The said certification is in the name of "Craftech Paper Mills Private Limited".

**G. The details of domain name registered on the name of our company**

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	craftechpaper.com	Registrar: Go Daddy. com, LLC IANA ID: 146	July 23, 2020	July 23, 2026

**MATERIAL APPROVALS APPLIED FOR BUT NOT RECEIVED**

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority	Date of Application	Application Number
1.	Fire NOC	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	MIDC Fire and Safety Department	December 19, 2025	546/25
2.	Certificate of Enrolment of Professional tax	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Goods and Service Tax Department	December 23, 2025	-
3.	Registration certificate of Establishment	Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017	Labour Department, Mumbai	December 23, 2025	112820632503



**MATERIAL APPROVALS EXPIRED AND RENEWAL TO BE APPLIED FOR**

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority
Nil			

**MATERIAL APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR**

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority
Nil			

## INTELLECTUAL PROPERTY

Sr. No.	Description	Logo/Wordmark	Class	Date of Application	Application Number	Status
3.		CPML	16	December 19, 2025	7409151	Formalities Chk Pass
4.		Craftech	16	December 19, 2025	7409152	Formalities Chk Pass

For further details, please refer to the chapters titled “**Business Overview**” and “**Risk Factor**”, beginning on pages 126 and 33, respectively, of this Draft Red Herring Prospectus.

**IT MUST HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

*(The remainder of this page have been kept intentionally blank)*

## **GROUP COMPANIES**

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'Group Companies', our Company has considered such companies (other than a subsidiary) with which they are related party transactions during the period for which Restated Financial Statements has been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards.

Accordingly, all such companies (other than a subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the parameters outlined above, our Company does not have any Group Companies as on the date of this Draft Red Herring Prospectus.

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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER AND DETAILS OF RESOLUTION PASSED FOR THE OFFER

#### Corporate Approvals

The Board of Directors has, pursuant to a resolution passed at its meeting held on November 18, 2025 authorized the Offer, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013. The shareholders of Craftech Paper Mills Limited, the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on November 29, 2025 authorized the Offer under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

### AUTHORISATION BY THE SELLING SHAREHOLDER

The Selling Shareholder have confirmed and authorized their participation in the Offer for Sale in relation to the Offered Shares, as set out below:

S. No.	Name of the Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Aggregate amount of Offer for Sale (₹ in Lakhs)	Date of Consent Letter
1.	Yash Suryakant Karwa	6,46,000	[●]	December 16, 2025

#### Note:

1. The Equity Shares being offered by the Selling Shareholder in the Offer for Sale have been held by them for a period of at least on year prior filing to the Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.
2. The Equity Shares proposed to be offered by the Selling Shareholder in the Offer for Sale are free from any lien, encumbrance, transfer restrictions or third- party rights.
3. The Offer for Sale by the Selling Shareholder shall be limited to such number of Equity Shares which, in aggregate, shall not exceed 50% of the pre-offer shareholding of the Selling Shareholder, on fully diluted basis.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, and our Promoter Group, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by SEBI, any securities market regulator in any other jurisdiction, or any other governmental authority/court, nor have they been identified as Willful Defaulters or Fraudulent Borrowers by the RBI or any other authority.

### CONFIRMATION UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018

Under the SBO Rules certain persons who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Red Herring Prospectus, there are no such significant beneficial owners in our Company.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET IN ANY MANNER. IF YES, ANY OUTSTANDING ACTION AGAINST THEM INITIATED BY THE BOARD IN THE PAST 5 YEARS

None of our Directors are, in any manner, associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors in the past 5 years.

### ELIGIBILITY FOR THE OFFER

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this Offer. Our Company is an “**Unlisted Issuer**” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post Offer paid-up capital is more than ten crore and can Offer Equity Shares to the public and propose to list the same on the SME Platform of BSE Limited.

**We confirm that:**

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Offer will be 100% underwritten and that the Book Running Lead Manager to the Offer shall underwrite minimum 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to chapter titled “**General Information**” beginning on page 61 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or Equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within Four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of Four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 61 of this Draft Red Herring Prospectus.
5. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its Promoters, Promoter Group or directors are not debarred from accessing the capital markets by SEBI.
6. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our Promoters or Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI.
7. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the Company nor any of its Promoter or Directors is a Wilful Defaulter or a Fraudulent Borrower.
8. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Company’s Promoter or Directors is a Fugitive Economic Offender.
9. In accordance with Regulation 229(4) of the SEBI (ICDR) Regulations, our Company has not been converted from proprietorship/partnership firm or a limited liability partnership in the last financial year.
10. In accordance with Regulation 229(5) of the SEBI (ICDR) Regulations, there has been no change of promoter of our Company or there are no new promoter’s who have acquired more than fifty percent of the shareholding of our Company in past one years preceding the date of this Draft Red Herring Prospectus.
11. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE and BSE is the Designated Stock Exchange.
12. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.



13. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share capital is fully Paid-up.
14. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialized form.
15. In accordance with Regulation 230(1)(h) of the SEBI (ICDR) Regulations, the object of the Offer should not consist of repayment of loan taken from promoter, promoter group or any related party, from the offer proceeds, directly or indirectly.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated October 07, 2025 and National Securities Depository Limited (NSDL) dated May 29, 2025 for dematerialization of its Equity Shares already issued and proposed to be offered.
2. In accordance with Regulation 245(1) and (2) of the SEBI (ICDR) Regulation, 2018 read along with SEBI ICDR Regulations, the Offer documents shall contain the following:
3. All material disclosures which are true and adequate so as to enable the applicants to take an informed investment decision;
4. Disclosures specified in the Companies Act, 2013;
5. Disclosures specified in Part A of Schedule VI;
6. Details pertaining to Employees' Provident Fund and Employee State Insurance Corporation;
7. Fees of Book Running Lead Manager;
8. In accordance with Regulation 246 of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR Regulations the Book Running Lead Manager shall ensure that the Company shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
9. In accordance with Regulation 268 of the SEBI ICDR Regulation, read along with SEBI ICDR (Regulations) 2018, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, and amendments thereto, the Companies Act 2013 and applicable laws.
10. Our Company has a website i.e. [www.craftechpaper.com](http://www.craftechpaper.com)
11. The Equity Shares of our Company held by our Promoters are in dematerialized form; and
12. All the Equity Shares 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.
13. Based on the Restated Financial Statements as on September 30, 2025, the Company's net tangible assets for the period ended on September 30, 2025 was more than ₹3 Crores and the working is given below:

(₹ in Lakhs)

Particulars	September 30, 2025
Net Assets	1817.68
Less: Intangible Assets and Intangible Assets under Development	-
<b>Net Tangible Assets*</b>	1817.68

(\*Net Assets = Total Assets – Current Liabilities – Non-Current Liabilities)

14. Based on the Restated Financial Statements, Company's net worth for the period ended September 30, 2025 and for the 3 preceding financial years preceding the application date is given below and it has Net worth of at least ₹1 Crore for 2 preceding full financial years:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Paid-Up Share Capital	920.00	800.00	800.00	800.00
Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	897.68	183.33	(168.79)	(196.18)
<b>Net Worth</b>	1817.68	983.33	631.21	603.82

15. The Company confirms that it has operating profit (earnings before interest, depreciation and tax) from operations for at least 2 out of 3 previous financial years preceding the application date as per the Restated Financial Statements.

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<b>Net Profit before</b>	725.42	473.42	98.18	(14.41)
Add: Finance Cost	153.99	303.72	203.18	381.91
Add: Depreciation and Amortisation Expenses	123.75	258.59	243.57	226.71
Less: Other Income	(17.57)	(2.94)	(7.16)	(10.53)
<b>Operating Profit (EBITDA)</b>	985.58	1032.79	537.77	583.68

16. The Leverage ratio (Total Debts to Equity) of the Company as on period ended September 30, 2025 is 2.60:1 which is less than the limit of 3:1. The working is given below:

Particulars	September 30, 2025
Long Term Borrowing (A)	1,717.41
Short Term Borrowing (B)	3,010.52
<b>Total Debt (C)</b>	4,727.93
<b>Net Worth (D)</b>	1,817.68
<b>Debt-Equity Ratio (C/D)</b>	2.60

17. The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

18. The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither are they the promoters or directors of such companies on which the consequence of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance.
19. Our Company confirms that the directors are not disqualified/ debarred by any of the Regulatory Authority.
20. Our company confirms that there are no pending default in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the applicant company and promoters/ promoting company(ies).
21. Our company confirms that there are no pending default in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the applicant company and promoters/ promoting company(ies).
22. There has been no change in name of company within the last one year.
23. There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.
24. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval
25. The Net worth of our company as mentioned above is computed as per the definition given in SEBI ICDR Regulations.
26. Our Company has not been referred to NCLT under the Insolvency and Bankruptcy Code, 2016.
27. There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
28. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under the Insolvency and Bankruptcy Code against the Company and Promoting companies.

We further confirm that we comply with all the above requirements/ conditions so as to be eligible to be listed on the SME Platform of BSE.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT 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 THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED IS EXPECTED TO EXERCISE**

**DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, , HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) AS PER OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ 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 THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.**

**DISCLAIMER FROM OUR COMPANY, PROMOTERS, DIRECTORS, SELLING SHAREHOLDER AND THE BOOK RUNNING LEAD MANAGER**

Our Company, Promoters, Directors, Selling Shareholder and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Agreement entered between the Book Running Lead Manager, our Company and Selling Shareholder on December 16, 2025 and the Underwriting Agreement dated [●] entered into between the Underwriter, our Company and Selling Shareholder and the Market Making Agreement dated [●] entered into among the Market Maker, our Company and Selling Shareholder.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

**Note:**

Bidders who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

**DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law)

with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Latur, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. 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 sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **ELIGIBILITY AND TRANSFER RESTRICTIONS**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “Qualified Institutional Buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF BSE**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter Ref.: [●] dated [●], permission to the Company to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this draft Offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the Offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer document; nor does it warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## LISTING

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on BSE SME.

BSE 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 on the SME Platform is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, the our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days of the Bid/Offer Closing Date. If Equity Shares are not Allotted pursuant to the Offer within three (3) Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

## CONSENTS

Consents in writing of Our Directors, Our Promoters, the Selling Shareholder, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor & Peer Review Auditor, Our Banker(s) to the Company, Book Running Lead Manager, Registrar to the Offer, Legal Advisor to the Offer, Banker to the Offer/Sponsor Bank\*, Underwriter to the Offer\* and Market Maker to the Offer\* to act in their respective capacities have been obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus/ Prospectus with RoC.*

## EXPERTS TO THE OFFER

Except for the reports mentioned in the chapters titled “**Statement of Tax Benefits**”, “**Other Financial Information**”, “**Statement of Financial Indebtedness**”, “**Industry Overview**”, “**Outstanding Litigations and Material Developments**” beginning on pages 107, 179, 182, 111 and 195 respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor and Chartered Engineer for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act 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, 1933.

## PREVIOUS PUBLIC OR RIGHTS ISSUE, IF ANY, DURING LAST FIVE YEARS

Our Company has not undertaken any public issue or rights issue during the last five years preceding the date of this Draft Red Herring Prospectus.



## PARTICULARS REGARDING CAPITAL ISSUES BY THE COMPANY DURING THE LAST THREE YEARS

Our Company has not issued any capital during the last three years preceding the date of this Draft Red Herring Prospectus.

## COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF THE EQUITY SHARES IN THE LAST FIVE YEARS

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the 5 (Five) years preceding the date of this Draft Red Herring Prospectus.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC / RIGHTS ISSUE OF OUR COMPANY

Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed promoters, group companies, subsidiaries or associates, Performance vis-à-vis Objects is not applicable.

## PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

### A. Horizon Management Private Limited

#### 1. Price information on past issues handled by Horizon Management Private Limited

Sr · No.	Issue Name	Issue Size (₹ in Lakhs)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
1	Cosmic CRF Limited	5,721.08	314	30-06-2023	251.2	10.83 %	2.23 %	6.70 %	2.16 %	87.24 %	10.23 %
2	Baba Food Processing (India) Limited	3,288.06	76	15-11-2023	76	6.93 %	7.66 %	23.48 %	9.86 %	23.75 %	12.10 %
3	MVK Agro Food Product Limited	6,588.00	120	07-03-2024	79	36.29 %	0.09 %	52.98 %	2.71 %	33.27 %	12.38 %
4	Shree Karni Fabcom Limited	4,249.44	227	14-03-2024	260	67.18 %	1.68 %	88.35 %	5.05 %	193.22 %	12.60 %
5	Veritaas Advertising Limited	848.16	114	21-05-2024	275	40.00 %	4.38 %	49.53 %	8.93 %	51.39 %	4.45 %
6	Tunwal E-Motors Limited	11,564.00	59	23-07-2024	64	9.87 %	1.19 %	26.56 %	1.53 %	25.82 %	5.21 %
7	Forcas Studio Limited	3,744.00	80	26-08-2024	152	34.42 %	3.72 %	37.85 %	4.41 %	46.71 %	8.86 %



Sr · N o.	Issue Name	Issue Size (₹ in Lakhs)	Issu e Pric e (₹)	Listi ng date	Openi ng price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
8	Osel Devices Limited	7,065.6 0	160	24- 09- 2024	198.0 5	5.03 %	5.80 %	3.56 %	9.07 %	26.18 %	2.13 %
9	Thinking Hats Entertainm ent Solutions Limited	1,508.7 6	44	03- 10- 2024	60	6.23 %	3.75 %	25.18 %	6.36 %	47.25 %	5.56 %
10	Onyx Biotec Limited	2,934.1 0	61	22- 11- 2024	54.05	5.99 %	1.34 %	9.99 %	15.74 %	-6.94%	3.79 %
11	Abha Power and Steel Limited	3,854.4 0	75	04- 12- 2024	81.9	33.29 %	1.14 %	60.99 %	25.94 %	59.71 %	1.02 %
12	Citichem India Limited	1,260.0 0	70	03- 01- 2025	70	46.41 %	13.00 %	62.06 %	3.70 %	62.86 %	5.62 %
13	Rexpro Enterprises Limited	5,365.0 0	145	29- 01- 2025	117	24.06 %	15.29 %	27.18 %	5.06 %	31.97 %	6.55 %
14	Swasth Foodtech India Limited	1493	94	28- 02- 2025	94	8.88 %	6.30 %	64.03 %	11.52 %	66.90 %	9.03 %
15	Super Iron Foundry Limited	6,805.3 0	108	19- 03- 2025	108	62.75 %	3.78 %	67.79 %	8.13 %	53.98 %	8.40 %
16	Divine Hira Jewellers Limited	3,183.8 4	90	24- 03- 2025	85.5	39.77 %	2.44 %	39.01 %	5.86 %	2.87%	6.07 %
17	Neetu Yoshi Ltd	7,704.0 0	75	04- 07- 2025	105	1.10 %	3.20 %	26.43 %	2.68 %	N.A.	N.A.
18	Swastika Castal Limited	1,406.6 0	65	28- 07- 2025	67	20.24 %	1.00 %	21.04 %	4.96 %	N.A.	N.A.
19	Parth Electrical & Engineerin g Ltd	4,972.1 6	170	11- 08- 2025	182.7 0	54.43 %	1.58 %	39.00 %	3.69 %	N.A.	N.A.
20	L. T. Elevator Limited	3,937.4 4	78	19- 09- 2025	136.0 1	2.20 %	2.10 %	30.87 %	2.25 %	N.A.	N.A.

Sr. No.	Issue Name	Issue Size (₹ in Lakhs)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
21	Workmates Core2Cloud Solution Limited	6,981.14	204	18-11-2025	387.60	6.44 %	0.23 %	N.A.	N.A.	N.A.	N.A.
22	Clear Secured Services Limited	8,560.00	132	08-12-2025	119	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
23	Methodhub Software Limited	10,249.00	194	12-12-2025	155.20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

## 2. Summary statement of price information of past issues handled by Horizon Management Private Limited

Limited														
Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in Lakhs)	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%
Main Board														
2024-25	Nil													
2023-24	Nil													
2022-23	Nil													
SME Board														
2025-26	7	33,564.3	-	-	2	2	1	2	-	-	-	-	-	-
2024-25	12	49,626.1	1	5	6	-	-	-	5	4	1	-	1	1
2023-24	4	19,846.5	1	-	1	1	-	1	2	-	-	2	-	-
2022-23	N.A.													

### Note:

- Based on date of listing.
- CNX NIFTY and BSE SENSEX have been considered as the benchmark index.
- Price on NSE or BSE is considered for all of the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.
- In case the 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> calendar day is a holiday or scrips are not traded, then data from previous trading day has been considered.

## TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNIG LEAD MANAGER

The following table provides details of the track record of past issues handled by the Book Running Lead Manager:

Sr. No.	Book Running Lead Manager	Website
1.	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

### STOCK MARKET DATA OF EQUITY SHARES

This being an Initial Public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, subject to applicable law, any applicant 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. On the receipt of such application/s, SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount, whichever is higher in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount, whichever is higher.

SEBI pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. The compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day under the SEBI circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, April 20, 2022 and August 9, 2023 shall stand modified to the extent stated in this Circular.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

### DISPOSAL OF INVESTOR GRIEVANCES BY THE COMPANY

The Company has appointed Registrar to the Offer, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the

complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running Lead Manager and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs/ Sponsor Bank including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Company has appointed Pragya Abhay Mishra as the Company Secretary and Compliance Officer of our company, for this Offer she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Pragya Abhay Mishra  
**Company Secretary & Compliance Officer**  
Craftech Paper Mills Limited  
Tel No.: 02382-299249  
Email: [admin@craftechpaper.com](mailto:admin@craftechpaper.com)  
Website: [www.craftechpaper.com](http://www.craftechpaper.com)

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **OTHER CONFIRMATIONS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

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## SECTION VIII – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being Offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.*

*Please note that in terms of SEBI Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, Individual Investors applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Bid-cum- Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.*

### THE OFFER

The present Public Offer of up to 59,96,000 Equity Shares and Fresh Issue of up to 53,50,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on November 18, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on November 29, 2025 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### RANKING OF THE EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Offer, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, **“Provision of the Articles the Association of the Company”**, beginning on page 263 of this Draft Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled **“Dividend Policy”** and **“Provision of the Articles the Association of the Company”** beginning on page 177 and 263 respectively of this Draft Red Herring Prospectus.

### FACE VALUE, OFFER PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹10/- and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Marathi edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 website of the Stock Exchange. The Offer Price shall be determined by our Company and in consultation with the Book Running Lead Manager, 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 of the Equity Shares of our Company, subject to applicable laws.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “*Provisions of the Articles of Association of the company*” beginning on page 263 of this Draft Red Herring Prospectus.

### ALLOTMENT ONLY IN DEMATERIALIZED FORM

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented



by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Offer.

- Tripartite Agreement dated May 29, 2025 between NSDL, Our Company and Registrar to the Offer; and
- Tripartite Agreement dated October 07, 2025 between CDSL, Our Company and Registrar to the Offer.

#### **MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE SME (SME platform of BSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Offer shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and the monies collected shall be unblocked forthwith within four (4) days of closure of Offer.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/ authorities in Latur, Maharashtra, India.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and 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.**

#### **JOINT HOLDERS**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh



nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Offer is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the Investors require changing the nomination, they are requested to inform their respective depository participant.

#### **WITHDRAWAL OF THE OFFER**

Our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Offer after the Bid/Offer Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper 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. The Book Running Lead Manager through, the Registrar of the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, the Offer is also subject to 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 Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer or Offer for Sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchange(s). 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.

#### **BID/OFFER PROGRAM**

Events	Indicative Date
BID/OFFER OPENS ON	[●] <sup>1</sup>
BID/OFFER CLOSES ON	[●] <sup>2*</sup>
Finalization 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 or UPI ID (T+2)	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

Note :-

<sup>1</sup>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 in accordance with the SEBI (ICDR) Regulations.

<sup>2</sup>Our Company, in consultation with the Book Running Lead Manager, 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.

\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Offer Closing Date for cancelled /withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of INR 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 Exchange 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 blocked funds other than the original application amount shall be instantly revoked and the Bidder shall be compensated at a uniform rate INR 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 different amount (i.e., the blocked amount less the Bid Amount) shall be instantly revoked and the Bidder shall be compensated at a uniform rate of INR 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 three Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of INR 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding three 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. The Bidder shall be compensated in the manner specified in the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/CIR/2024/0154 dated November 11, 2024, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above time table is indicative and does not constitute any obligation on our Company, the Selling Shareholder or 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 BSE SME is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Offer Period (except for the Bid/Offer Closing Date). On the Bid/Offer Closing Date, the Application Forms will be accepted only between 10:00 a.m. to 4:00 p.m. (IST) for Individual Investor and non-institutional Bidders. The time for applying for Individual Bidders on Bid/Offer Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and BSE taking into account the total number of applications received up to the closure of timings.

#### 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 IIs	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) where Bid Amount is upto ₹500,000	Only between 10:00 a.m. and up to 5:00 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 Non-Institutional Investors where Bid Amount is more than ₹500,000)	Only between 10:00 a.m. and up to 12:00 p.m. IST
Modification/Revision of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories	Only between 10:00 a.m. on the Bid/Offer Opening Date and up to 5:00 p.m. IST on Bid/Offer Closing Date

Upward Revision of Bids by IIs	Only between 10:00 a.m. on the Bid/Offer Opening Date and up to 5:00 p.m. IST on Bid/Offer Closing Date
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*\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

*# Any category of Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Bidders

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

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 application by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any, shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, 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 the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Offer Closing Date and, in any case, not later than 3.00 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 Bid-Cum- Application Forms are received on the Bid/Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/ hardware system or otherwise.

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

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

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/Offer Period. 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. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, 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, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

#### **MINIMUM SUBSCRIPTION**

This Offer is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the Company becomes liable to repay it, the Company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 200 (Two Hundred).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information - Underwriting*” on page 61 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than two Lots. Provided that minimum application size shall be above ₹2,00,000.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Offer.

#### **RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the Pre-Offer Equity Shares and Promoter minimum contribution in the Offer as detailed under section titled “**Capital Structure**” beginning on page 72 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “**Provisions of the Articles of Association of the company**” beginning on page 263 this Draft Red Herring Prospectus.

## MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI (ICDR) Regulation, 2018 read, where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board: Provided that no further issue of capital shall be made unless:

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).

If the Paid-up Capital of the company is at least ₹10 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

Parameter	Migration policy from BSE SME Platform to Main Board
<b>Paid up Capital</b>	Atleast ₹10 Cr.
<b>Market Capitalisation</b>	Average of 6 months markets cap Migration: ₹100 Cr. Direct listing: ₹1000 Cr. Note: For the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.
<b>Market Liquidity</b>	<ul style="list-style-type: none"> <li>At least 5% of the weighted average number of equity shares listed should have been traded during such six months period;</li> <li>Trading on atleast 80% of days during such 6 months period;</li> <li>Minimum average daily turnover of ₹10 lacs and minimum daily turnover of ₹ 5 lacs during the 6 months period;</li> </ul>



	<ul style="list-style-type: none"> <li>Minimum Average no. of daily trades of 50 and minimum daily trades of 25 during the said 6 months period.</li> </ul> <p>Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.</p>
<b>Operating Profit (EBIDTA)</b>	<p>Average of ₹15 Cr. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of ₹ 10 crores in each of the said 3 years.</p> <p>In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name</p>
<b>Net Worth</b>	₹ 1 Cr. - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
<b>Net Tangible Assets</b>	<p>At least ₹3 Cr. on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:</p> <p>Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project.</p>
<b>Promoter holding</b>	At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement Not applicable to companies that have sought listing through IPO, without identifiable promoters.
<b>Lock In of promoter/ promoter group shares</b>	6 months from the date of listing on the BSE. Not applicable to SME companies migrating to main board.
<b>Regulatory Action</b>	<ol style="list-style-type: none"> <li>No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors.</li> <li>The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower.</li> <li>Promoters or directors are not fugitive economic offender.</li> <li>The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP.</li> <li>Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.</li> </ol>
<b>Promoter Shareholding</b>	100% in demat form
<b>Compliance with LODR regulations</b>	3 years track record with no pending non-compliance at the time of making the application.
<b>Track Record in terms of Listing</b>	Listed for atleast 3 years
<b>Public Shareholder</b>	Minimum 1000 as per latest shareholding pattern
<b>Other Parameters</b>	<ol style="list-style-type: none"> <li>No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies.</li> <li>Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME.</li> <li>Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application , 2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure</li> </ol>

<b>Score ID</b>	No pending investor complaints on SCORES
<b>Business Consistency</b>	Same line of business for 3 years. At least 50% of the revenue from operations from such continued business activity
<b>Audit Qualification</b>	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

**Notes:**

- a) Net worth definition to be considered as per definition in SEBI (ICDR) Regulations.
- b) Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
- c) The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
- d) If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
- e) The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
- f) Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
- g) BSE decision w.r.t admission of securities for listing and trading is final.
- h) BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
- i) The companies are required to submit documents and comply with the extant norms.
- j) The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company

## MARKET MAKING

The Equity Shares offered through this Offer are proposed to be listed on the BSE SME (SME platform of BSE), wherein the Book Running Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the BSE SME.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled ***“General Information - Details of the Market Making Arrangements for this Offer”*** beginning on page 61 of this Draft Red Herring Prospectus.

## AS PER THE EXTENT GUIDELINE OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS OFFER

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be



prescribed by the Government of India/ RBI while granting such approvals.

#### **APPLICATION BY ELIGIBLE NRI'S, FPI'S, VCF'S, AIF'S REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **PRE-OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Offer advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **ALLOTMENT ONLY IN DEMATERIALISED FORM**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Offer before filing this Draft Red Herring Prospectus:

- Tripartite Agreement dated May 29, 2025 between NSDL, Our Company and Registrar to the Offer; and
- Tripartite Agreement dated October 07, 2025 between CDSL, Our Company and Registrar to the Offer;
- The Company has following ISIN: INE20RY01011.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

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## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post Offer paid up capital is more than ten crore rupees and up to twenty-five crore rupees shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an Offer please refer chapters titled “*Terms of the Offer*” and “*Offer Procedure*” beginning on pages 220 and 237 of this Draft Red Herring Prospectus.

### OFFER STRUCTURE

The present Offer is of upto 59,96,000 Equity Shares of face value of ₹ 10/- each (“**Equity Shares**”) for cash at a price of ₹ [●] per equity share (“**Offer Price**”) aggregating to ₹ [●] Lakhs (“**the Offer**”) by the Company comprising of a fresh issue of upto 53,50,000 equity shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs (“**Fresh Issue**”) and an Offer for Sale of upto 6,46,000 equity shares of face value of ₹ 10 each by Yash Suryakant Karwa (“**Selling Shareholder**”) (“**Offer for Sale**”) aggregating to ₹ [●] Lakhs, out of which upto [●] equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share aggregating to ₹ [●] Lakhs will be reserved for subscription by Market (the “**Market Maker Reservation Portion**”).

The Offer comprises reservation of up to [●] Equity Shares of ₹10/- each for subscription by the designated Market Maker (“**Market Maker Reservation Portion**”) and Net Offer to Public of up to [●] Equity Shares of ₹10/- each (the “**Net Offer**”). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process. This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process in compliance with Regulation 252 of the SEBI (ICDR) Regulations:

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders/ Investors	Individual Bidders / Investors
Number of Equity Shares available for allotment/allocation*	Upto [●] Equity Shares of face value of ₹ 10/- each	Not more than [●] Equity Shares of face value of ₹ 10/- each.	Not less than [●] Equity Shares of face value of ₹ 10/- each.	Not less than [●] Equity Shares of face value of ₹ 10/- each.
Percentage of Offer Size available for allocation/allotment	[●] of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will 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 QIB Portion. The unsubscribed portion in the Mutual Fund	Not less than 15% of the Net Offer, subject to the following: one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 Lakhs; and two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10 Lakhs.	Not less than 35% of the Net Offer.

		Portion will be added to the Net QIB Portion.		
<b>Basis of allotment/allocation if respective category is oversubscribed<sup>(3)</sup></b>	Firm Allotment	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Upto [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Upto [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Upto 60% of the QIB Portion of up to [●] Equity Shares each may be allocated on a discretionary basis to Anchor Investors, 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.</p>	<p>Subject to the availability of shares in Non-Institutional investors' category, the allotment of equity shares to each non-institutional category shall not be less than the minimum application size in Non-Institutional investor category, and the remaining shares, if any, shall be allotted on a Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.</p>	<p>Minimum allotment of [●] Equity Shares of face value of ₹ 10/-. For details, please refer chapter titled <b>"Offer Procedure"</b> beginning on page 237 of this Draft Red Herring Prospectus.</p>
<b>Mode of allotment</b>	Compulsorily dematerialized form.			
<b>Minimum Bid</b>	[●] Equity Shares of face value of ₹ 10/- each	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Application exceeds two lots.	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Application exceeds two lots.	[●] Equity Shares of face value of ₹ 10/- each
<b>Maximum Bid</b>	[●] Equity Shares of face	Such number of Equity Shares in multiples of [●]	Such number of Equity Shares in multiples of [●] Equity Shares of face	Such number of Equity Shares in two lots so that the

	value of ₹ [●]/- each	Equity Shares of face value of ₹ 10/- each not exceeding the size of the Net Offer, subject to applicable limits	value of ₹ 10/- each not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Bid Amount exceeds ₹ 200,000.
<b>Trading Lot</b>	[●] Equity Shares of face value of ₹ 10/- each, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares of face value of ₹ 10/- each and in multiples thereof	[●] Equity Shares of face value of ₹ 10/- each and in multiples thereof	[●] Equity Shares of face value of ₹ 10/- each and in multiples thereof
<b>Bid Lot</b>	[●]			
<b>Allotment Lot</b>	[●]			
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bidding</b>	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process.	Through ASBA Process via Banks or by using UPI ID for payment.
<b>Who can apply</b>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident: Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares so that the Bid Amount shall be above two lots, accordingly, the minimum application size shall be above ₹ 200,000.

		IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.		
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*\*Subject to finalization of basis of allotment.*

*This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

- (1) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an offer for at least 25% of the post offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) Subject to valid Bids being received at or above the Offer price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the chapter titled “Offer Procedure” beginning on page 237 of this Draft Red Herring Prospectus.*

The Bids by FPIs with certain structures as described under “**Offer Procedure - Bids by FPIs**” beginning on page 237 of this Draft Red Herring Prospectus, 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.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. 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.

### WITHDRAWAL OF THE OFFER

In accordance with SEBI (ICDR) Regulations, the Company and Selling Shareholder, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Offer, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the Pre-Offer and Price Band Advertisement have appeared and the Stock Exchange will also be informed promptly. If our Company and the Selling Shareholder withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

### BID/OFFER PROGRAM

Event	Indicative Date
Bid/Offer Opening Date*	[●]
Bid/ Offer Closing Date**#	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account Id Linked Bank Account* (T+2)	[●]
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	[●]
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	[●]

The above time table is indicative and does not constitute any obligation on our Company. 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 BSE SME is taken within three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

*\*\*Our Company may in consultation with the BRLM, 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.*

*\*\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

*# In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Offer Closing Date for cancelled /withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of INR 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 Exchange 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 blocked funds other than the original application amount shall be instantly revoked and the Bidder shall be compensated at a uniform rate INR 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 different amount (i.e.,*

*the blocked amount less the Bid Amount) shall be instantly revoked and the Bidder shall be compensated at a uniform rate of INR 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 three Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of INR 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding three 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. The Bidder shall be compensated in the manner specified in the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/CIR/2024/0154 dated November 11, 2024, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

Bids and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Offer Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only individual applicants, which may be extended up to such time as deemed fit by BSE SME after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to BSE SME within half an hour of such closure.

It is clarified that Applications not uploaded, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## OFFER PROCEDURE

All Bidders should read the General Information Document for investing in public offers prepared and issued in accordance with circular no. 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 offers 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 Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document, which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and Allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of Bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint Bids in cases of individual, multiple Bids and instances when a Bid would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Bids; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.

With effect from July 01, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with an existing timeline of T+6 days was mandated for a period of three months or launch of five main board public offers, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020.

Thereafter, the final reduced timeline of T+3 days for the UPI Mechanism for bids by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all offers opening on or after September 01, 2023 and on a mandatory basis for all offers opening on or after December 01, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, and the SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 (“SEBI RTA Master Circular”) has introduced certain additional measures for streamlining the process of initial public Offers and redressing investor grievances.

Furthermore, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022, all individual Bidders in initial public offerings (opening on or after May 01, 2022) whose bid sizes are up to ₹5,00,000/- (Rupees Five Lakhs only) shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 01, 2022, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/ 2022/75 dated May 30, 2022, bids made using the ASBA facility in initial public offerings (opening on or after September 01, 2022) shall be processed only after bid monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of the public offer process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI

Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The list of Banks that have been notified by SEBI as issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> . The list of Stock Brokers, Depository Participants (DP), Registrar to an Offer and Share Transfer Agent (RTA) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above-mentioned website of BSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches/ offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in>. For details on <https://www.sebi.gov.in> designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Offer and Share Transfer Agent (“RTA”) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above-mentioned website of BSE.

Further, the SEBI ICDR Master Circular dated November 11, 2024 (“SEBI ICDR Master Circular”) consolidated the aforementioned circulars and rescinded these circulars to the extent they relate to the SEBI ICDR Regulations. Furthermore, pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application size are up to ₹5 Lakhs shall use the UPI Mechanism and 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. In terms of the SEBI ICDR Master Circular, 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).

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and is not liable for any amendment, modification, or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, Our Company and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for Bid in this Offer.

## BOOK BUILDING PROCEDURE

The offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 229(2) of the SEBI ICDR Regulations.

The Allocation to the public shall be made in accordance with Regulation 253 of the SEBI ICDR, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.

Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional

Investors (of which one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 Lakhs; and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10 Lakhs) and not less than 35% of the Net Offer shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the CBDT dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022, dated March 30, 2022, press release dated March 28, 2023 and any subsequent press releases in this regard.**

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and 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 dematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.**

#### PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public offer 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 offer closure to listing from six Working Days to up to three Working Days. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has reduced the time period for listing of equity shares pursuant to a public offer from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public offers opening on or after September 01, 2023 and has been made applicable on a mandatory basis for public offers opening on or after December 01, 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 01, 2019 until March 31, 2019 or floating of five main board public offers, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an Individual Bidder 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 offer closure to listing continued to be six Working Days.

**Phase II:** This phase became applicable from July 01, 2019 and was to initially continue for a period of three months or floating of five main board public offers, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 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 had extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by Individual Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, prescribed that all individual bidders applying in Initial Public Offerings opening on or after May 01, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, 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.

**Phase III:** This phase became applicable on a voluntary basis for all offers opening on or after September 01, 2023 and on a mandatory basis for all offers opening on or after December 01, 2023 vide SEBI circular bearing number SEBI/HO/CFD/TPDI/CIR/P/2023/140 dated August 09, 2023. In this phase, the time duration from public offer closure to listing has been reduced to three Working Days.

The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. The Offer is being made under Phase III of the UPI (on a mandatory basis).

The processing fees for Bids made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make a Bid Cum Application Form as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

All SCSBs issuing facility of making application in public offers 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.

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 BRLM will be required to compensate the concerned investor.

## **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 relevant Bidding Centres, and our Registered and Corporate Office. Electronic copies of the Bid cum Application Forms will also be available for download on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the Individual Investors 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. 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. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. Individual Investors (other than the Individual Investors 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. Individual Investors using the UPI Mechanism, 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 NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs



### ANCHOR INVESTORS ARE NOT PERMITTED TO PARTICIPATE IN THE OFFER THROUGH THE ASBA PROCESS

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. 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.

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, NIBs, IBs and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

\*Excluding electronic Bid cum Application Forms.

**Notes:**

1. Electronic Bid cum Application forms and the abridged prospectus will also be for download on the websites of BSE (www.bseindia.com)
2. Bid cum Application Forms for Anchor Investors shall be available at the office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

**The Equity Shares offered will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law 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 state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offer and sales occur.**

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

### ELECTRONIC REGISTRATION OF BIDS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 4.00 p.m. of the Offer Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a. the applications accepted by them,
  - b. the applications uploaded by them
  - c. the applications accepted but not uploaded by them or
  - d. with respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - a. The applications accepted by any Designated Intermediaries
  - b. The applications uploaded by any Designated Intermediaries or
  - c. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will issue an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;

- Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the abovementioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated /allotted either by our Company.
  10. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non-Institutional Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs send confirmation of funds blocked (Final Certificate) to the Registrar to the Offer.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

**PARTICIPATION BY THE PROMOTERS, PROMOTER GROUP, THE BRLM, THE SYNDICATE MEMBER(S) AND PERSONS RELATED TO THE PROMOTERS/PROMOTER GROUP/THE BRLM**

Except as stated below, neither the BRLM nor any associate of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

1. Mutual Funds sponsored by entities which are associate of the BRLM;
2. Insurance companies promoted by entities which are associate of the BRLM;
3. AIFs sponsored by the entities which are associate of the BRLM; or
4. FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.
5. Pension funds (registered with the Pension Fund Regulatory and Development Authority established



under.

6. Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹2500 Lakhs) sponsored by entities which are associates of the BRLM.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoters and the member of the Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

#### BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### BIDS BY ELIGIBLE NRIS

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). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. 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 authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

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.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

For details of restrictions on investment by NRIs, please refer to the chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 260 of this Draft Red Herring Prospectus.

#### BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

## BIDS BY FPLS INCLUDING FIIP'S

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership 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 or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

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.

To ensure compliance with the applicable limits, SEBI, pursuant to Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has directed that at the time of finalization of the Basis of Allotment, the Registrar to the Offer shall:

1. use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and
2. 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 Offer 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 is permitted to offer, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions: (i) such offshore derivative instruments are offered only by persons registered as Category I FPIs, (ii) such offshore derivative instruments are offered only to persons eligible for registration as Category I FPIs, (iii) such offshore derivative instruments are offered after compliance with “know your client” norms as specified by SEBI, and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, among others, the following conditions:

1. each offshore derivative instrument is transferred to persons subject to fulfilment of SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be regarded as multiple Bids:

1. FPIs that utilize the multi-investment manager (MIM Structure) structure;
2. Offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments;
3. Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
4. 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;
5. Multiple branches in different jurisdictions of foreign bank registered as FPIs;
  6. Government and Government related investors registered as Category I FPIs; and
  7. Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to the aforesaid 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 Bidder 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 managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

For details of investment by FPIs, please refer to the chapter titled ***“Restrictions on Foreign Ownership of Indian Securities”*** beginning on page 260 of this Draft Red Herring Prospectus.

**There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation. The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents, and such participation in the Offer will be subject to the FEMA Rules.**

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to 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.
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY SEBI REGISTERED VCFS, AIFS AND FVCIS**

The SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. The SEBI VCF

Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations 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. The holding in any company by any individual VCF or FVCI 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.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public Offerings of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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 FIIs and FVCIs should note that refunds, 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.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **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, subject to applicable Law.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserve 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 as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its 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 doesn't 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.

In terms of the Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such

acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer to the chapter titled “**Key Industry Regulations**” beginning on page 141 of this Draft Red Herring Prospectus.

#### **BIDS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public offers and clear demarcated funds should be available in such account for such Bid cum applications.

#### **BIDS BY INSURANCE COMPANIES**

The exposure norms in case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

For insurers are prescribed under the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, as amended (“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. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

#### **BIDS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹25 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important NBFCs 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 and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **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:

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Manager.



2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹200 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200 Lakhs
3. 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and will be completed on the same day.
5. Our Company in consultation with the Book Running Lead Manager will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹200 Lakhs; (b) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200 Lakhs but up to ₹2,500 Lakhs, subject to a minimum Allotment of ₹100 Lakhs per Anchor Investor; and (c) in case of allocation above ₹2,500 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 Lakhs, and an additional 10 Anchor Investors for every additional ₹2,500 Lakhs, subject to minimum Allotment of ₹100 lakhs per Anchor Investor.
6. 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 Book Running Lead Manager before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. 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 Allocation 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 Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
9. 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 and the remaining 50% of the Equity Shares Allotted to Anchor Investors will be locked in for a period of 30 days from the date of Allotment.
10. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

## GENERAL INSTRUCTIONS

Please note that none of the bidders will be permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors 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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account number (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in the list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
8. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
9. 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 signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary, if applicable;
11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
12. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
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. IBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
15. 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 Sponsor Bank(s), as applicable, via the electronic mode, for blocking forms in the ASBA Account equivalent to the Bid Amount mentioned in the



Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

16. 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 no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the CBDT dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022, dated March 30, 2022, press release dated March 28, 2023, partial modification vide Circular No. 6 of 2024 dated April 23, 2024 and any subsequent press releases in this regard;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. 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;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
23. Since the Allotment will be in dematerialised form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the depository database;
24. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI;
25. UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
26. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;
28. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
29. UPI Bidders 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 may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form and,

30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) )

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheque's or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not Bid for a Bid Amount for less than ₹2,00,000/- (for Applications by Individual Bidders);
9. Do not fill up the Bid cum Application Form such that the Equity Shares Application 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 the Red Herring Prospectus;
10. Do not submit the General Index Register number instead of the PAN;
11. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
12. 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 Applicant;
13. 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;
14. 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);
15. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled "**General Information**" beginning on page 61 of this Draft Red Herring Prospectus.

## **GROUND FOR TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price
- Bids for number of Equity Shares which are not in multiples Equity Shares as specified in the Draft Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Offer Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorized employees of the Stock Exchange, along with the BRLM and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalized 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 this 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 Applicants other than to the Individual Investors, Non-Institutional 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, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The allotment of Equity Shares to each Individual Investors shall not be less than the minimum lot, subject to the availability of shares in Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

## **PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNT**

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

- In case of resident Anchor Investor “[●]”
- In case of Non-Resident Anchor Investor “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Individual Investors, who applies for minimum application size, non-institutional investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Company is required to receive a minimum subscription of 90% of the Offer.

If the Company does not receive the minimum subscription of ninety per cent of the Offer through Offer document (except in case of an Offer for sale of specified securities) on the date of closure of the Offer, or if the subscription level falls below ninety per cent. after the closure of Offer after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so offered under the Offer document, the Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the Company becomes liable to pay the amount, the Company and every director of the Company who are officers in default, shall pay interest at the rate of fifteen per cent. per annum.

## **FLOW OF EVENTS FROM THE CLOSURE OF BIDDING PERIOD (T-DAY) TILL ALLOTMENT**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.

- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

**Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

**BASIS OF ALLOTMENT**

**a. For Individual Bidders**

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares of face value of ₹10/- each at or above the Offer Price, the Allotment shall be made by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated. In the event of the Offer being over-subscribed, the Company may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange).

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price. The allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in the non-institutional investor category, and the remaining shares, if any, shall be allotted on proportionate basis.

The Offer size less Allotment to QIBs and Individual Investors shall be available for Allotment to Non-Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of face value of ₹10/- each at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares of face value of ₹10/- each at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter. The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a. The number of Equity Shares to be allocated to the successful Bidders in a particular category shall be determined.
- b. The successful Bidders, from amongst all valid Bidders in that category, shall be determined by a draw of lots, such that the total number of Equity Shares allotted in that category equals the number of Equity Shares allocated.
- c. If the proportionate allotment to any Bidder results in a number that is not a multiple of [●] Equity Shares of face value ₹10/- each, the number of Equity Shares allotted shall be rounded off to the nearest multiple of [●] Equity Shares of face value ₹10/- each, subject to a minimum allotment of [●] Equity Shares of face value ₹10/- each.

If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares of face value of ₹10/- each, results in the actual allotment being higher than the shares Offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter for [●] % of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares of face value of ₹10/- each and in multiples of [●] Equity Shares of face value of ₹10/- each thereafter, along with other QIB Bidders.
  - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares of face value of ₹10/- each.

**d. Allotment to Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Company, in consultation with the BRLM, subject to compliance with the following requirements:



1. Not more than 60% of the QIB Portion will be allocated to Anchor Investors;
2. 40% of the Anchor Investor Portion shall be reserved for domestic mutual funds and life insurance companies and pension funds, out of which 33.33% shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
3. Allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹2 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Company, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be offered to such Anchor Investors.
- d) Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

Individual Investor' means an investor who applies for minimum two lots. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

**e. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of oversubscribed Offer**

In the event of the Offer being over-subscribed, the Company may finalize the Basis of Allotment in consultation with the BSE SME (Designated Stock Exchange). The Allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Equity Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Equity Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Equity Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Equity Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
  1. Each successful Bidder shall be allotted [●] Equity Shares, and
  2. The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] Equity Shares, the Bidder would be allotted Equity Shares by rounding off to the nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.



- e) If the Equity Shares allotted on a proportionate basis to any category is more than the Equity Shares allotted to the Bidders in that category, the balance available Equity Shares or Allocation shall be first adjusted against any category, where the allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the “*Capital Structure*” mentioned in this Draft Red Herring Prospectus.
- f) ‘Individual Investor’ means an investor who applies for minimum 2 lots and the minimum application size shall be above ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director/ Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **PRE-OFFER AND PRICE BAND ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Offer and Price band advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Offer and Price band advertisement, we shall state the Bid Opening Date and the Bid/Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ALLOTMENT ADVERTISEMENT**

Our Company, the Lead Manager and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC**

- Our Company has entered into an Underwriting Agreement dated [●]
- Copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

#### **UNDERTAKINGS BY OUR COMPANY**

**We undertake as follows:**

- a. That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;

- b. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Offer Closure date;
- c. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- d. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- e. That our Promoter's contribution in full has already been brought in;
- f. That no further offer of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- g. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- h. If our Company does not proceed with the Offer after the Bid/Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer and Price Band advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- i. If our Company withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- j. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable laws for the delayed period.

#### **UTILIZATION OF OFFER PROCEEDS**

The Board of Directors of our Company certifies that:

1. 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;
2. Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer;
5. Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India, and the Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy of 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 government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “**FDI Policy**”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules 2019, a person resident outside India may make investments into India, subject to certain terms and conditions, provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

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 foreign direct investment policy and the transfer does not attract the provisions of the Takeover Regulations;
- (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and
- (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

Further, in accordance with 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, as prescribed in the Consolidated FDI Policy and the FEMA 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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 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 Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines, etc. as amended by the Reserve Bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and/or subsequent purchase or sale transactions in the Equity Shares of our Company. Investors will not offer, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws,

rules, regulations, guidelines. Our Company, the Underwriters, and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### INVESTMENT BY NON-RESIDENT INDIANS

The purchase/ sale of equity shares, debentures, preference shares, and share warrants offered by an Indian company (hereinafter referred to as “**Capital Instruments**”) of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants offered by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by an NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**US Securities Act**”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur.

Further, no offer to the public (as defined under Directive 2000/371/EC, together with any amendments) and implementing measures thereto, (*the “Prospectus Directive”*) has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Offered

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

#### INVESTMENT BY FOREIGN PORTFOLIO INVESTORS

With regards to the purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants offered by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### INVESTMENT BY OTHER NON-RESIDENTS

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments,

direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance with sectoral conditions if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.**

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**SECTION IX- PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY**

**COMPANY LIMITED BY SHARES  
(Incorporated under Companies Act, 2013)**

**ARTICLES OF ASSOCIATION  
OF  
CRAFTECH PAPER MILLS LIMITED**

*Interpretation*

**I.**

- (1) In these regulations—
  - (a) “the Act” means the Companies Act, 2013,
  - (b) “the seal” means the common seal of the company.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
- (3) “Company” means CRAFTECH PAPER MILLS LIMITED.

*Share capital and variation of rights*

**II.**

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided-
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors. Company should affix its common seal in presence of the persons required to sign the certificate.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.  
  
(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, 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 that section and rule made thereunder.  
  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### ***Lien***

9. (i) The company shall have a first and paramount lien—  
  
(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and  
  
(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.



- (ii) The company's lien, if any, on a share shall extend to all dividend payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
- Provided that no sale shall be made—
- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) 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.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### ***Calls on shares***

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) 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.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these

regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

*Transfer of shares*

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

*Transmission of shares*

23. (i) 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 shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may be from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) 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.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, or other monies payable in respect of the share, until the requirements of the notice have complied with.

#### ***Forfeiture of shares***

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall—
- (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
  - (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.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) 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;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of capital*

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (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 and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

***Capitalisation of profits***

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

***Buy-back of shares***

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

***General meetings***

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

***Proceedings at general meetings***

43. (i) 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.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

***Adjournment of meeting***

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

***Voting rights***

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares—
- (a) on a show of hands, every member present in person shall have one vote; and
- (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.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) 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.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### *Proxy*

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation, or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### *Board of Directors*

58. The number of the directors shall not be less than three (3) and shall not be more than fifteen (15).  
The following shall be the First Directors of the Company –

**MR. YASH SURYAKANT KARWA**  
**MR. SURYAKANT BANSILAL KARWA**  
**MR. DEELIP RAOSAHEB MANE**  
**MR. DINESH DEELIP MANE**



59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) 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—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### ***Proceedings of the Board***

65. (i) The Board of Directors may meet for the conduct of business, adjourn, and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.

- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. (i) 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.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened, and held.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

74. Subject to the provisions of the Act—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***The Seal***

76. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those

two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***Dividends and Reserve***

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. (i) 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.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) Any dividend, interest, or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses, or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

***Accounts***

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### ***Winding up***

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) 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.

(ii) 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.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### ***Indemnity***

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

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## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:00 a.m. and 5:00 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Offer Closing Date.

#### Material Contracts

1. Offer Agreement dated December 16, 2025 between our Company, the Selling Shareholder and the Book Running Lead Manager to the Offer.
2. Registrar to the Offer Agreement dated December 19, 2025 executed between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Banker to the Offer Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Manager, the Banker to the Offer and the Registrar to the Offer.
4. Market Making Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Market Maker.
5. Underwriting Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Underwriter.
6. Tripartite Agreement dated October 07, 2025 among CDSL, the Company and the Registrar to the Offer.
7. Tripartite Agreement dated May 29, 2025 among NSDL, the Company and the Registrar to the Offer.

#### Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated September 06, 2016 issued by the Registrar of Companies, Mumbai, Maharashtra.
3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated August 27, 2025 issued by the Registrar of Companies, Central Processing Centre, consequent upon change of Name of the company from “Craftech Paper Mills Private Limited” to “Craftech Paper Mills Limited”.
4. Copy of the Board Resolution dated November 18, 2025 authorizing the Offer and other related matters.
5. Copy of Shareholder’s Resolution dated November 29, 2025 authorizing the Offer and other related matters.
6. Site visit report dated December 24, 2025 prepared by the Book Running Lead Manager.
7. Copies of Audited Financial Statements of our Company for six months period ended September 30, 2025 and for the financial year ended March 31, 2025, March 31, 2024, March 31, 2023.
8. Copies of Annual Reports of our Company for the preceding three Fiscals i.e., 2024, 2023 and 2022.
9. Peer Review Auditor’s Report dated December 15, 2025 on the Restated Financial Statements for six months period ended September 30, 2025 and for the financial years ended March 31, 2025, March 31, 2024 and

March 31, 2023.

10. The examination report dated December 12, 2025 of our Statutory Auditors on our Restated Financial Information, included in this Draft Red Herring Prospectus.
11. Copy of the Statement of Tax Benefits dated December 15, 2025 from Peer Review Auditor.
12. Certificate dated December 15, 2025, from BSMART and Associates LLP, Chartered Accountants, issued with respect to the Key Performance Indicators (KPIs) of the Company.
13. Consent of Statutory Auditor of the Company dated December 15, 2025 from BSMART and Associates LLP, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, 2013 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, 2013 in respect of various certifications issued by them in their capacity as Statutory Auditor to our Company.
14. Consent of Chartered Engineer dated December 23, 2025 from Arup Kumar Ghosh, to include his name as required under section 26(5) of the Companies Act, 2013 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, 2013 in respect of various certifications issued by them in their capacity as Chartered Engineer to our Company.
15. Consents of the Book Running Lead Manager to the Offer, Legal Advisor to the Offer, Registrar to the Offer, Market Maker\*, Underwriter\*, Banker to the Offer/Sponsor Bank\*, Statutory and Peer Review Auditor of the Company, Bankers to our Company, Directors, Promoters, Selling Shareholder, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.

*\*The aforesaid will be appointed prior filing of Red Herring Prospectus with RoC and their consents as above mentioned will be obtained prior filing of the Red Herring Prospectus/ Prospectus with RoC.*

16. Board Resolution dated December 31, 2025 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
17. Due Diligence Certificate from Book Running Lead Manager dated [●].
18. Approval from BSE Limited vide letter dated [●] to use its name for listing of Equity Shares on the SME platform of the BSE Limited.
19. Resolution dated December 15, 2025 passed by the Audit Committee approving KPIs.

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 reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statute.

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**DECLARATIONS****SIGNED BY MANAGING DIRECTOR & CHAIRMAN OF OUR COMPANY**

Name	Designation	Signature
Suryakant Bansilal Karwa	Managing Director & Chairman	Sd/-

**Place:** Latur, Maharashtra**Date:** December 31, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.



**DECLARATION****SIGNED BY WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER OF OUR COMPANY**

<b>Name</b>	<b>Designation</b>	<b>Signature</b>
Yash Suryakant Karwa	Whole-time Director & Chief Financial Officer	Sd/-

**Place:** Latur, Maharashtra**Date:** December 31, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

## DECLARATION

### SIGNED BY NON-EXECUTIVE DIRECTOR OF OUR COMPANY

Name	Designation	Signature
Brinda Yash Karwa	Non-Executive Director	Sd/

**Place:** Latur, Maharashtra

**Date:** December 31, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

## DECLARATION

### SIGNED BY INDEPENDENT DIRECTOR OF OUR COMPANY

Name	Designation	Signature
Avinash Ashok Mandhana	Independent Director	Sd/

**Place:** Latur, Maharashtra

**Date:** December 31, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**DECLARATION****SIGNED BY INDEPENDENT DIRECTOR OF OUR COMPANY**

<b>Name</b>	<b>Designation</b>	<b>Signature</b>
Pawan Balkisan Daga	Independent Director	Sd/

**Place:** Latur, Maharashtra**Date:** December 29, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**DECLARATION**

**SIGNED BY COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Name	Designation	Signature
Pragya Abhay Mishra	Company Secretary & Compliance Officer	Sd/

**Place:** Latur, Maharashtra

**Date:** December 31, 2025

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.