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ADDENDUM TO DRAFT RED HERRING PROSPECTUS DATED DECEMBER 31, 2025

(Scan this QR code to view this Addendum)



CRAFTECH PAPER MILLS LIMITED
(Formerly Known as Craftech 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 'Craftech 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 '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 Structure" beginning on page 149 of the Draft Red Herring Prospectus.

Registered Office Karwa Complex, Opp. Panchayat Office, Main Road, NA, Latur – 413512, Maharashtra;
Telephone: 02382-299249;

Website: www.craftechpaper.com; E-mail: admin@craftechpaper.com Contact Person: Pragya Abhay Mishra (Company Secretary and Compliance Officer); CIN: U21024MH2016PLC285602

PROMOTERS OF OUR COMPANY– SURYAKANT BANSILAL KARWA AND YASH SURYAKANT KARWA
ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED DECEMBER 31, 2025: NOTICE TO INVESTORS
(“THE ADDENDUM”)

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 ₹ [●]/- EACH, AT AN OFFER PRICE 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 ₹[●]/- EACH, AT AN OFFER PRICE 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.

Potential Investors may note the following:

“Definitions and Abbreviations”, “Summary of the Offer Document”, “Risk Factors”, “General Information”, “Capital Structure”, “Objects of the Offer”, “Basis for Offer Price”, “Business Overview”, “Our Management”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments”, “Government and Other Approvals”, “Other Regulatory and Statutory Disclosures” and “Material Contracts and Documents for Inspection” have been updated in accordance with the suggestions made by BSE.

The above is to be read in conjunction with Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalized terms used in this Addendum shall, unless the context requires, have the meaning ascribed to them in Draft Red Herring Prospectus.

Place: Latur, Maharashtra

For and on behalf of Craftech Paper Mills Limited

Date: April 08, 2026

SD/-

Pragya Abhay Mishra

Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGER TO THE OFFER

REGISTRAR TO THE OFFER



HORIZON MANAGEMENT PRIVATE LIMITED



MAASHITLA SECURITIES PRIVATE LIMITED

Address: 56E, Hemanta Basu Sarani, Stephen House, 4th Floor, Room No. 62, Kolkata -700001
Tel No.: +91 33 4600 0607
Email: smeipo@horizon.net.co
Investor Grievance ID: investor.relations@horizon.net.co
Website: www.horizonmanagement.in
Contact Person: Mr. Narendra Bajaj
SEBI Registration No.: INM000012926
CIN: U74140WB1996PTC077991

Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi-110034
Tel No.: 011-47581432
Email: investor.ipo@maashitla.com
Investor Grievance ID: investor.ipo@maashitla.com
Website: www.maashitla.com
Contact Person: Mr. Mukul Agrawal
SEBI Registration No.: INR000004370
CIN: U67100DL2010PTC208725

BID/OFFER PERIOD

BID/OFFER OPENS ON: [●]

BID/OFFER CLOSES ON: [●]

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(Please scan this QR code to view the
Draft Red Herring prospectus)**CRAFTECH PAPER MILLS LIMITED**
(Formerly Known as Craftertech 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: admin@craftechpaper.com Contact No.: 02382-299249	www.craftechpaper.com

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
Fresh Issue & Offer for Sale	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/- 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 "Other Regulatory and Statutory Disclosures - Eligibility for the Offer" 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 "Offer Structure" beginning on page 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 ₹)*
Yash Suryakant Karwa	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 35 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 3 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
 HORIZON MANAGEMENT PRIVATE LIMITED	Narendra Bajaj	Email- smeipo@horizon.net.co Tel.: +91 33 46000607

REGISTRAR TO THE OFFER

Name and Logo	Contact Person	Email & Telephone
 MAASHITLA SECURITIES PRIVATE LIMITED	Mukul Agrawal	Email- investor.ipo@maashitla.com 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)



CRAFTECH PAPER MILLS LIMITED
 (Formerly Known as Craftech 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 'Craftech 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 '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 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.craftechpaper.com; E-mail: admin@craftechpaper.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 ₹ [●] EACH, AT AN OFFER PRICE 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 ₹ [●] EACH, AT AN OFFER PRICE 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 3 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

REGISTRAR TO THE OFFER



HORIZON MANAGEMENT PRIVATE LIMITED



MAASHITLA SECURITIES PRIVATE LIMITED

Address: 56E, Hemanta Basu Sarani, Stephen House, 4th Floor, Room No. 62, Kolkata -700001
Tel No.: +91 33 4600 0607
Email: smeipo@horizon.net.co
Investor Grievance ID: investor.relations@horizon.net.co
Website: www.horizonmanagement.in
Contact Person: Mr. Narendra Bajaj
SEBI Registration No.: INM000012926
CIN: U74140WB1996PTC077991

Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi-110034
Tel No.: 011-47581432
Email: investor.ipo@maashitla.com
Investor Grievance ID: investor.ipo@maashitla.com
Website: www.maashitla.com
Contact Person: Mr. Mukul Agrawal
SEBI Registration No.: INR000004370
CIN: U67100DL2010PTC208725

BID/OFFER PERIOD

ANCHOR PORTION BID/OFFER PERIOD*: [●]

BID/OFFER OPENS ON: [●]

BID/OFFER CLOSES ON^:** [●]

*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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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

Note: The disclosures in the Chapter “Definitions and Abbreviations” beginning on page 2 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

OFFER RELATED TERMS

Terms	Description
Draft Red Herring Prospectus/ DRHP	Draft Red Herring Prospectus dated December 31, 2025 issued in accordance with Section 26, 28 and 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Market Making Agreement	The Market Making Agreement dated March 06, 2026 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 Horizon Financial Consultants Private Limited.
Underwriting Agreement	The Agreement entered into between the Underwriter, our Company and the Selling Shareholder dated March 06, 2026.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in Mumbai, Maharashtra 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 Mumbai, Maharashtra 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

Terms	Description
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, BSMART and Associates LLP.

(The remainder of this page have been intentionally kept blank)

SECTION II- SUMMARY OF THE OFFER DOCUMENT

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 transaction during the period ended September 30, 2025	Amount of transaction during the year ended March 31, 2025	Amount of transaction during the year ended March 31, 2024	Amount of transaction during the year ended March 31, 2023
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

*The company is Purchasing Solar Power from Mr. Suryakant Bansilal Karwa. Solar power plant mentioned have an installed capacity of 1000 KWP, located at gat no.106, chincholiroawadi, Latur. The electricity generated from the said solar power plant is procured by the Company for captive consumption to meet a portion of its operational power requirements.

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:

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the period ended September 30, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2024	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2023	% of RPT to Revenue from Operations
Yash Karwa	CFO & Whole-	Director's Remuneration	3.60	0.06%	7.20	0.07%	7.20	0.09%	6.00	0.07%

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the period ended September 30, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2024	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2023	% of RPT to Revenue from Operations
	time Director	Loans & Advances Given	-	0%	4.19	0.04%	1.05	0.01%	108.36	1.24%
		Loans & Advances Repaid	-	0%	9.66	0.10%	3.04	0.04%	29.50	0.34%
		Interest on Loan	5.70	0.10%	11.06	0.11%	-	0.00%	10.54	0.12%
Suryakant Karwa	Managing Director	Purchases	22.65	0.38%	65.36	0.65%	59.66	0.75%	24.52	0.28%
		Loans & Advances Given	805.05	13.55%	1,656.42	16.45%	225.00	2.81%	139.00	1.59%
		Loans & Advances Repaid	172.10	2.90%	1,462.59	14.53%	1.59	0.02%	95.24	1.09%
		Interest on Loan	60.98	1.03%	111.18	1.10%	-	0.00%	99.96	1.14%
Deelip R Mane	Director (Resigned on May 26, 2025)	Loans & Advances Repaid	475.12	8.00%	-	0.00%	-	0.00%	-	0.00%
		Loans & Advances Given	-	0.00%	-	0.00%	-	0.00%	50.00	0.57%
		Interest on Loan	-	0.00%	-	0.00%	-	0.00%	5.62	0.06%
Ritesh D. Mane	Director (Resigned on May 26, 2025)	Loans & Advances Repaid	8.56	0.14%	-	0.00%	-	0.00%	-	0.00%
		Loans & Advances Given	-	0.00%	-	0.00%	-	0.00%	2.22	0.03%
		Salary	-	0.00%	-	0.00%	3.08	0.04%	3.08	0.04%
		Interest on Loan	-	0.00%	-	0.00%	-	0.00%	0.18	0.00%
Brinda Yash Karwa	Non-Executive Director	Loans & Advances Repaid	20.14	0.34%	0.16	0.00%	-	0.00%	-	0.00%
		Interest on Loan	0.84	0.01%	1.61	0.02%	-	0.00%	1.10	0.01%

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the period ended September 30, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2025	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2024	% of RPT to Revenue from Operations	Amount of transaction during the year ended March 31, 2023	% of RPT to Revenue from Operations
		Loans & Advances Given	-	0.00%	-	0.00%	-	0.00%	4.00	0.05%
Shailaja Karwa	Spouse of Suryakant Karwa	Loans & Advances Given	-	0.00%	24.00	0.24%	-	0.00%	12.00	0.14%
		Loans & Advances Repaid	155.02	2.61%	0.85	0.01%	-	0.00%	-	0.00%
		Interest on Loan	6.48	0.11%	8.45	0.08%	-	0.00%	8.72	0.10%
Mukesh Karwa	Brother of Suryakant Karwa	Loans & Advances Repaid	131.89	2.22%	1.05	0.01%	-	0.00%	7.52	0.09%
		Interest on Loan	5.52	0.09%	10.52	0.10%	8.76	0.11%	8.14	0.09%
Aparna Karwa	Brother's Spouse of Suryakant Karwa	Loans & Advances Repaid	67.46	1.14%	1.54	0.02%	18.48	0.23%	3.00	0.03%
		Interest on Loan	2.82	0.05%	5.38	0.05%	-	0.00%	6.03	0.07%
Sai Developers	Suryakant Karwa is a Partner.	Loans & Advances Given	250.00	4.21%	17.24	0.17%	235.00	2.94%	115.00	1.31%
		Loans & Advances Repaid	267.24	4.50%	-	0.00%	230.95	2.89%	119.05	1.36%

SECTION III - RISK FACTORS

Note: The Risk Factors beginning on page 33 of the Draft Red Herring Prospectus dated December 01, 2025, have been revised, modified, renumbered, and rearranged to reflect the Company's assessment of their materiality, in line with SEBI (ICDR) Regulations, 2018. These changes have been undertaken only with respect to internal risk factors.

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 5 customers to revenue from operations for the six months period ended September 30, 2025 is set out below:

(₹ in lakhs)

S. No.	Particulars	Amount	% of Revenue
1.	Customer 1	985.08	16.96%
2.	Customer 2	547.03	9.42%
3.	Customer 3	487.65	8.39%
4.	Customer 4	427.01	7.35%
5.	Customer 5	373.66	6.43%

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

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
Top 1	985.08	16.96	1,426.70	14.56	1,186.13	15.27	1,879.05	22.32
Top 5	2,820.43	48.55	5,362.26	54.71	4,047.64	52.10	5,156.12	61.25
Top 10	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.

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.

The contribution of our top 5 suppliers to total purchases for the six months period ended September 30, 2025 is set out below:

(₹ in lakhs)

S. No.	Particulars	Amount	% of Purchase
1.	Supplier 1	484.52	11.29%
2.	Supplier 2	256.23	5.97%
3.	Supplier 3	236.76	5.52%
4.	Supplier 4	209.92	4.89%
5.	Supplier 5	184.53	4.30%

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

The contribution of our top 10 suppliers to total purchases for the six months period ended September 30, 2025, and for Fiscal 2025, Fiscal 2024, and Fiscal 2023 is set out below:

(₹ 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	%
Supplier 1	484.52	11.29	797.97	10.46	697.64	10.99	762.32	10.12
Supplier 5	1,371.96	31.98	2,403.84	31.50	1,684.15	26.53	2,403.62	31.92
Supplier 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.*

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. Though the Company has not experienced any past instances of disruption, shutdown, material breakdown of machinery, regulatory non-compliance, labour unrest, industrial accident, or any similar event at its manufacturing facility that resulted in significant operational disruption or material adverse effect on its business, financial condition or results of operations, there can be no assurance that such events will not occur in the future, which may adversely affect our business, financial condition and results of operations.

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	23.31%	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%
-Qatar	-	-	-	-	-	-	25.41	0.30%
-UK	-	-	-	-	-	-	17.38	0.21%
-SEZ/EOU Unit (Andhra Pradesh)	-	-	33.55	0.34%	92.98	1.20%	113.07	1.34%

-Angola (Deemed Export)	-	-	-	-	-	-	164.47	1.95%
-High Sea Sales	38.45	0.66%	-	-	-	-	-	-
Total	5,809.38	100.00%	9,801.96	100.00%	7,769.24	100.00%	8,417.62	100.00%

*As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated January 12, 2026.

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.

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. The details of such delays are set out below:

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Financial Year	Tax Period	Date of filing	Due Date	Delay	Reason
2025-26	November	21/12/2025	20/12/2025	1	Renconciliation Delay
2024-25	November	21/12/2024	20/12/2024	1	Renconciliation Delay
2024-25	October	21/11/2024	20/11/2024	1	Renconciliation Delay
2024-25	August	25/09/2024	20/09/2024	5	Renconciliation Delay
2024-25	April	29/05/2024	20/05/2024	9	Renconciliation Delay
2023-24	March	24/04/2024	20/04/2024	4	Renconciliation Delay
2023-24	February	21/03/2024	20/03/2024	1	Renconciliation Delay
2023-24	January	29/02/2024	20/02/2024	9	Renconciliation Delay
2023-24	October	24/11/2023	20/11/2023	4	Renconciliation Delay
2023-24	September	21/10/2023	20/10/2023	1	Renconciliation Delay
2023-24	August	21/09/2023	20/09/2023	1	Renconciliation Delay
2023-24	July	08/09/2023	20/08/2023	19	Renconciliation Delay
2022-23	March	25/04/2023	20/04/2023	5	Renconciliation Delay
2022-23	February	30/03/2023	20/03/2023	10	Renconciliation Delay
2022-23	January	02/03/2023	20/02/2023	10	Renconciliation Delay
2022-23	November	11/01/2023	20/12/2022	22	Renconciliation Delay
2022-23	October	28/11/2022	20/11/2022	8	Renconciliation Delay
2022-23	September	04/11/2022	20/10/2022	15	Renconciliation Delay
2022-23	August	29/09/2022	20/09/2022	9	Renconciliation Delay
2022-23	July	03/09/2022	20/08/2022	14	Renconciliation Delay
2022-23	June	10/08/2022	20/07/2022	21	Renconciliation Delay
2022-23	May	09/07/2022	20/06/2022	19	Renconciliation Delay

Financial Year	Tax Period	Date of filing	Due Date	Delay	Reason
2022-23	April	25/05/2022	20/05/2022	5	Renconciliation Delay
2021-22	February	04/04/2022	20/03/2022	15	Renconciliation Delay
2021-22	December	11/02/2022	20/01/2022	22	Reconciliation Delay
2021-22	November	01/01/2022	20/12/2021	12	Renconciliation Delay
2021-22	October	31/12/2021	20/11/2021	41	Renconciliation Delay
2021-22	August	21/09/2021	20/09/2021	1	Renconciliation Delay
2021-22	July	13/09/2021	20/08/2021	24	Covid Disruptions
2021-22	June	31/08/2021	20/07/2021	42	Covid Disruptions
2021-22	May	17/07/2021	20/06/2021	27	Covid Disruptions
2021-22	April	16/07/2021	20/05/2021	57	Covid Disruptions
2020-21	March	02/06/2021	20/04/2021	43	Covid Disruptions
2020-21	February	29/04/2021	20/03/2021	40	Covid Disruptions
2020-21	January	23/03/2021	20/02/2021	31	Covid Disruptions
2020-21	December	02/02/2021	20/01/2021	13	Covid Disruptions
2020-21	November	01/02/2021	20/12/2020	43	Covid Disruptions
2020-21	October	31/12/2020	20/11/2020	41	Covid Disruptions
2020-21	September	19/11/2020	20/10/2020	30	Covid Disruptions
2020-21	July	01/10/2020	20/09/2020	11	Covid Disruptions
2020-21	August	01/10/2020	20/08/2020	42	Covid Disruptions
2020-21	June	02/09/2020	20/07/2020	44	Covid Disruptions
2020-21	May	28/08/2020	20/06/2020	69	Covid Disruptions
2020-21	April	22/08/2020	20/05/2020	94	Covid Disruptions
2019-20	March	13/06/2020	20/04/2020	54	Covid Disruptions
2019-20	September	26/10/2019	20/10/2019	6	Renconciliation Delay
2019-20	July	03/09/2019	20/08/2019	14	Renconciliation Delay
2018-19	March	23/04/2019	20/04/2019	3	Renconciliation Delay
2018-19	January	21/02/2019	20/02/2019	1	Renconciliation Delay
2018-19	September	28/10/2018	20/10/2018	8	Renconciliation Delay
2018-19	June	01/08/2018	20/07/2018	12	Renconciliation Delay

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Financial Year	Tax Period	Date of filing	Due Date	Delay	Reason
2021-22	October	12/11/2021	11/11/2021	1	Reconciliation Delay
2020-21	March	27/04/2021	11/04/2021	16	Reconciliation Delay
2020-21	February	12/03/2021	11/03/2021	1	Reconciliation Delay
2020-21	December	02/02/2021	10/01/2021	23	Reconciliation Delay
2020-21	November	20/01/2021	10/12/2020	41	Covid Disruption
2020-21	October	21/11/2020	10/11/2020	11	Covid Disruption
2020-21	September	16/11/2020	10/10/2020	37	Covid Disruption
2020-21	July	29/09/2020	10/09/2020	19	Covid Disruption
2020-21	August	29/09/2020	10/08/2020	50	Covid Disruption
2020-21	June	15/08/2020	10/07/2020	36	Covid Disruption
2020-21	April	01/08/2020	10/06/2020	52	Covid Disruption

Financial Year	Tax Period	Date of filing	Due Date	Delay	Reason
2020-21	May	01/08/2020	10/05/2020	83	Covid Disruption
2019-20	March	02/06/2020	10/04/2020	53	Covid Disruption
2019-20	February	20/03/2020	10/03/2020	10	Covid Disruption
2019-20	January	17/02/2020	10/02/2020	7	Reconciliation Delay
2019-20	December	12/01/2020	10/01/2020	2	Reconciliation Delay
2019-20	November	19/12/2019	10/12/2019	9	Reconciliation Delay
2019-20	October	20/11/2019	10/11/2019	10	Reconciliation Delay
2019-20	August	26/10/2019	10/10/2019	16	Reconciliation Delay
2019-20	September	26/10/2019	10/09/2019	46	Reconciliation Delay
2019-20	July	04/09/2019	10/08/2019	25	Reconciliation Delay
2019-20	June	20/07/2019	10/07/2019	10	Reconciliation Delay
2019-20	May	20/06/2019	10/06/2019	10	Reconciliation Delay
2019-20	April	18/05/2019	10/05/2019	8	Reconciliation Delay
2018-19	March	23/04/2019	10/04/2019	13	Reconciliation Delay
2018-19	February	10/04/2019	10/03/2019	31	Reconciliation Delay
2018-19	January	26/02/2019	10/02/2019	16	Reconciliation Delay
2018-19	December	31/01/2019	10/01/2019	21	Reconciliation Delay
2018-19	October	19/12/2018	10/12/2018	9	Reconciliation Delay
2018-19	November	19/12/2018	10/11/2018	39	Reconciliation Delay
2018-19	August	12/11/2018	10/10/2018	33	Reconciliation Delay
2018-19	September	12/11/2018	10/09/2018	63	Reconciliation Delay
2018-19	July	11/08/2018	10/08/2018	1	Reconciliation Delay
2018-19	June	01/08/2018	10/07/2018	22	Reconciliation Delay
2018-19	April	30/05/2018	10/05/2018	20	Reconciliation Delay
2017-18	March	30/04/2018	10/04/2018	20	Reconciliation Delay
2017-18	December	07/02/2018	10/01/2018	28	Reconciliation Delay
2017-18	September	28/12/2017	10/10/2017	79	Reconciliation Delay
2017-18	July	04/09/2017	10/08/2017	25	Reconciliation Delay

The applicable late fees and interest, wherever required, have been duly paid. There have been no delays in filing of income tax returns. However, any demand or penalty raised by the concerned GST authority for such late filing in future may have a material adverse effect on our business, financial condition, and results of operations.

10. Any non-compliance with labor law–related statutory contribution and filing obligations could adversely affect our financial condition.

Our Company is subject to various labor and employment laws in India, including requirements relating to the timely deposit of statutory contributions and filing of returns under employee provident fund and employee state insurance. Any demand, interest, damages or penalty that may be raised by the concerned authorities in the future on account of delayed or non-payment of statutory dues or non-compliance with filing requirements for any previous or current period could adversely affect our financial condition. In the past, there have been no delays or defaults in payment of statutory dues or filing of returns relating to employee provident fund and employee state insurance by our Company. However, compliance with such laws involves ongoing procedural and administrative requirements, and we cannot assure you that there will be no delay or default in the future due to factors such as changes in applicable laws, interpretations by regulatory authorities, or operational or human errors. Any such delay or default may result in regulatory action, including the levy of interest, damages or penalties, which could adversely affect our business, financial condition, results of operations and reputation.

11. 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. While the Company has not experienced any material industrial accidents or safety-related incidents at our manufacturing facilities that resulted in significant injury, major operational disruption or material regulatory action in the past, there can be no assurance that such incidents will not occur in the future, which may adversely affect our business, financial condition and results of operations.

13. 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. While the Company has not experienced any material strikes, work stoppages or significant labour shortages that have adversely affected our operations, there can be no assurance that such events will not occur in the future, which may adversely impact our business, cash flows and results of operations. Further, any such disruptions in our business may adversely affect our business and cash flows and results of operations.

14. 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:

Particulars	(₹ in Lakhs)			
	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.

15. 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. The loss was primarily on account of:

- i. **High Finance Costs:** Finance costs in FY 2022–23 were significant, amounting to ₹385.16 lakhs, which exerted substantial pressure on profit margins.

- ii. **Underutilization of Capacity:** The Company’s production capacity was underutilized in FY 2022–23, operating at 55.60% compared to 60.80% in FY 2023–24. This lower production resulted in reduced absorption of fixed costs.
- iii. **Higher Cost of Materials Consumed:** The raw material utilization percentage in FY 2022–23 stood at 81.20% of revenue, compared to 78.87% in FY 2023–24. This underutilization resulted in an additional notional cost of approximately ₹203.84 lakhs {8,748.57*(81.20% - 78.87%)}

Although the Company has reported profits in subsequent periods, there can be no assurance that such profitability will be sustained in the future.

19. 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.

22. 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 there have been no instance of any negative publicity in the past and 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.

26. 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)

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)
(A)	Current assets						
(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

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
		<i>(Actual-Restated)</i>	<i>(Actual-Restated)</i>	<i>(Actual-Restated)</i>	<i>(Actual-Restated)</i>	<i>(Estimated)</i>	<i>(Projected)</i>
(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
	Total current assets (A)	3,227.40	3,250.68	4,341.75	4,875.69	5,166.00	6,289.00
(B)	Current liabilities						
(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
	Total current liabilities (B)	574.30	869.40	1,053.69	881.39	1,274.00	1,521.00
(C)	Total working capital requirements (C = A – B)	2,653.10	2,381.28	3,288.06	3,994.30	3,892.00	4,768.00
(D)	Funding pattern						
(a)	IPO proceeds	-	-	-	-	-	900.00
(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	3,892.00	3,868.00
	Total	2,653.10	2,381.28	3,288.06	3,994.30	3,892.00	4,768.00

Note: Pursuant to the certificate dated April 08, 2026 issued by the Statutory Auditor.

Assumptions for our estimated working capital requirement

Particulars	Holding Level for year/period ended					
	March 31, 2023 <i>(Actual-Restated)</i>	March 31, 2024 <i>(Actual-Restated)</i>	March 31, 2025 <i>(Actual-Restated)</i>	September 30, 2025 <i>(Actual-Restated)</i>	March 31, 2026 <i>(Estimated)</i>	March 31, 2027 <i>(Projected)</i>
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
Current Assets		
1	Inventory	<p>The Company maintains inventory levels based on demand forecasts, production planning, and delivery schedules to ensure timely execution of orders and uninterrupted manufacturing operations. The inventory holding period was 68 days in Fiscal 2023, 76 days in Fiscal 2024, 57 days in Fiscal 2025, and 50 days for the six-month period ended September 30, 2025, reflecting improved inventory management and better alignment between procurement and production. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024</u> The Inventory levels were maintained at moderate levels making it as 18.57% of total sales and the inventory days stood at 68 days in FY 2023. The Inventory levels increased as a percentage of sales due to relatively lower sales during the year, resulting in a temporary build-up of inventory and higher holding period in FY 2024 making it to 20.70% of total sales and the inventory days increased to 76 days in the financial year.</p> <p><u>FY 2024 to FY 2025</u> The inventory levels have been reduced tactically to ensure utilization of extra raw materials held in previous period thereby making it to 15.68% of the total sales. Although inventory levels declined in absolute terms, the Company witnessed a significant increase in sales during FY 2025 by optimizing the production process. The inventory levels were reduced to 57 days in FY 2025 from 76 days in FY 2024.</p> <p><u>For Period ended September 30, 2025</u> The increase in inventory as a percentage of sales is primarily due to the lower sales base for the six-month period, while inventory is maintained to support ongoing production and expected demand in subsequent periods. The inventory levels stood at 27.27% of total sales and thereby reducing the days to 50 days in the period ended September 30, 2025.</p> <p><u>FY 2026 and FY 2027</u> Going forward, in line with the projected increase in scale of operations and higher production volumes, the Company intends to maintain adequate levels of raw materials and finished goods to avoid supply disruptions and support timely delivery commitments. Accordingly, the inventory holding period is expected to stabilise at around 56 days for Fiscal 2026 and Fiscal 2027, which is considered optimal and consistent with the Company’s operational requirements and growth plans.</p>
2	Trade Receivables	<p>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. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024:</u> In FY 2023 the Trade receivables were relatively lower with shorter collection period reflecting 11.02% of sales and the trade receivable days stood at 40 days. In FY 2024, Receivables increased along with the collection period due to expansion in customer base and extension of higher credit periods to support sales</p>

S. No.	Particulars	Assumptions
		<p>growth reflecting 16.49% of total sales. The trade receivable days have increased to 60 days due to such leverage.</p> <p><u>FY 2024 to FY 2025</u> The trade payable days increased to 83 days in FY 2025 due to significant growth in sales and higher exposure to bulk customers, who typically operate on longer credit cycles reflecting 22.83% of the total sales compared to 16.49% in FY 2024. The higher credit period allowed our company to sell our products at an increased profit margins thereby increasing the PAT margins.</p> <p><u>Period ended September 30, 2025</u> The trade receivable for the period was about 39.18% of total sales primarily due to the lower sales base for the six-month period, while receivables represent cumulative outstanding balances. However, the average collection period improved to 72 days compared to FY 2025, reflecting better collection efficiency during the period.</p> <p><u>FY 2026 and FY 2027</u> We had trade receivables days of 72 days during the period ended September 30, 2025 and the same is expected around 76 days for FY 2026 and 73 days for FY 2027. Trade receivables are expected to rise due to higher sales volumes and a moderate increase in debtor days, reflecting expansion of the customer base and higher institutional and bulk sales.</p>
Current Liabilities		
1	Trade Payables	<p>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 payment days to increase to 27 days for Fiscal 2026 and Fiscal 2027 respectively. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024:</u> In FY 2023 the Trade payables were relatively lower, with quicker payment cycles, as the Company maintained a conservative approach towards supplier payments to ensure smooth procurement and the trade payable days stood at 20 days in FY 2023. However, Trade payables increased in FY 2024 due to higher procurement levels and better credit terms negotiated with suppliers and the payable days stood at 39 days and accounted for 10.72% of the Purchases whereas it was only 5.46% in FY 2023.</p> <p><u>FY 2024 to FY 2025:</u> The trade payable days stood at 36 days in FY 2025 which is in line with 39 days in FY 2024.</p> <p><u>Period ended September 30, 2025</u> The payable period decreased to 19 days primarily due to faster settlement of dues during the period and timing of payments around the reporting date. The lower outstanding balance is also attributable to cut-off effects, wherein payments were made towards the end of the period. The trade payable were 10.64% of the purchases during the period which is also in line with the payable levels maintained by the company.</p> <p><u>For FY 2026 and FY 2027</u> Trade payable days are projected to increase to 27 days in Fiscal 2026 and Fiscal 2027, primarily due to higher procurement volumes arising from increased manufacturing activity. At the same time, the Company continues to follow timely settlement practices, which enable it to avail cash discounts from suppliers, improve profitability, and ensure compliance with applicable MSME payment norms.</p>

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.

30. An inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating.

We have entered into, and may continue to enter into, financing arrangements that contain certain financial and non-financial covenants and repayment obligations. Our ability to comply with these covenants and to meet our debt servicing obligations is dependent on our future financial performance, cash flows, and other factors, some of which are beyond our control. Any failure to comply with the terms of our financing agreements, including delays or defaults in repayment of principal or interest, or breaches of covenants, may entitle lenders to demand accelerated repayment, impose penalties, enforce security interests, or restrict our ability to access additional financing. Such events could adversely affect our business, financial condition, cash flows, and credit rating, and there can be no assurance that we will be able to meet our debt obligations in a timely manner.

31. Our Company has taken unsecured loans that may be recalled by the lenders as per the terms agreed by them with company.

Our Company has availed certain unsecured loans which are repayable on demand or may be recalled by the lenders in accordance with the terms agreed with our Company. As these loans are not secured and may be recalled at the discretion of the lenders, there can be no assurance that such lenders will not demand repayment at short notice. Any such recall could require us to deploy significant cash resources or seek alternative financing, which may not be available on favourable terms or at all. This could adversely affect our liquidity, business operations, financial condition, and cash flows.

32. We are yet to place orders for the equipment proposed to be funded through this Offer. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost over-runs and our business, results of operations, financial condition and cash flows may be adversely affected.

We are yet to place orders for certain equipment proposed to be funded through the Offer. Accordingly, the timely implementation of our proposed capital expenditure plans is dependent on various factors, including the placement of purchase orders, vendor availability, delivery schedules, installation timelines, and successful commissioning of such equipment. Any delay in placing the orders, or any failure, delay, or inability on the part of vendors to supply, install, or commission the equipment in a timely manner, or at all, may result in time and cost overruns. Such delays or cost escalations could adversely affect our business, results of operations, financial condition, and cash flows, and there can be no assurance that the proposed capital expenditure will be implemented as currently envisaged.

35. Our Company is reliant on the demand from the paper and packaging industry for a significant portion of our revenue. Any downturn in the paper and packaging industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company’s business and results of operations.

A significant portion of our Company’s revenue is derived from customers operating in the paper and packaging industry. Accordingly, our business, financial condition, cash flows, and results of operations are substantially dependent on demand from this industry. Any downturn, slowdown, or adverse developments in the paper and packaging industry, including changes in market conditions, raw material prices, regulatory environment, technological shifts, or reduced end-user demand, could negatively affect our sales and profitability. Further, our inability to increase, diversify, or effectively manage our sales, expand our customer base, or respond to changing customer requirements may adversely impact our business and results of operations. There can be no assurance that demand from the paper and packaging industry will continue at current levels, and any reduction in such demand may have a material adverse effect on our Company.

36. Our Company derives its revenue from a single product. Any inability to anticipate or adapt to technological advancements or product upgrades, failure to maintain consistent product quality, or any reduction in demand for such product could materially and adversely affect our revenue from operations, business, financial condition, and growth prospects.

Our Company derives revenue of ₹10,069.30 for the fiscal year 2025 from a single product, which constituted 100% of our total sales as on March 31, 2025. Our continued reliance on a single product and a single business segment exposes us to various risks, including, but not limited to, a reduction in demand for such product in the future; increased competition from regional and national players; the development of superior or more cost-effective technologies; fluctuations in the prices and availability of raw materials; changes in applicable laws, regulations and import duties; and adverse general economic conditions. Any occurrence of such events could significantly reduce our revenues and may materially and adversely affect our results of operations and financial condition. While our strategies include market share enhancement and expansion of product portfolio there can be no assurance that such strategies will be implemented successfully or will result in product diversification or revenue growth in the near term, and until such time, our business will remain substantially dependent on a single product. For more details on our strategies refer to the chapter titled “*Business Overview – Our Strategies*” beginning on page 126 of this Draft Red Herring Prospectus.

37. 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 of misconduct by any of our employees in the past there, can be no assurance that we will not experience any such adverse event in future.

38. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact the results of operations.

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables:

Particulars	For the Financial Year ended on			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Trade Receivables	2,327.8	2,299.10	1,318.36	864.48

(₹ in Lakhs)

There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. While we have not faced such incidents in the past, if we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

39. 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 unit. 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. While the Company currently operates only one manufacturing unit and relies on its existing sanctioned electricity connection for its power requirements, any disruption in the availability of electricity may adversely affect our manufacturing activities.

Further, reliance on alternative or independent sources of power may not always be feasible on a cost-effective basis, as such alternatives typically involve significant capital expenditure and higher per-unit costs of electricity. 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.

43. *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. Our Company has received no objection certificates from all our financial lenders in connection with this Offer and the related corporate actions including NOC from HDFC Bank Limited to change capital structure, conversion to public company changes in management, repayment of loans, and expansion of business operations. 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.

~~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.~~

46. *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. The Company has not experienced any past instances of material liability claims, contract disputes, invocation of indemnities, completion of work by customers at the Company’s risk and cost, or any similar events that resulted in significant financial liability, material loss, or material adverse effect on its business, financial condition or results of operations. However, there can be no assurance that such events will not occur in the future, which may adversely affect our business, financial condition and results of operations.

48. *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 certain costs, which are as such, not directly dependent on sales revenue. Such costs primarily comprise electricity expenses and employee wages relating to our manufacturing operations. The Company owns its manufacturing unit and, accordingly, does not incur any lease or rental expenses in respect thereof. Other than the aforesaid, the Company does not have any significant operating expenses that are independent of revenue. Any shortfall in sales may cause 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 is committed to meeting 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.

51. Our Company has made issuance of equity shares in last one year which may be less than the issue price.

Our Company has issued equity shares during the last one year at prices that may be lower than the price at which the Equity Shares are being offered pursuant to this Offer, and investors should not rely on such issuance prices as being indicative of the market price of the Equity Shares after listing. The Offer price has been determined by the Company in consultation with the Book Running Lead Managers after considering various factors, including the Company's financial performance, growth prospects, industry conditions, and prevailing market conditions. There can be no assurance that the market price of the Equity Shares upon listing will be equal to or higher than the Offer price, and investors may suffer a loss on their investment. The past issuance of equity shares at lower prices may also adversely affect investor perception of the Equity Shares.

52. Exchange rate fluctuations may adversely affect our results of operations as we import a significant value of raw materials from various countries internationally. Exposed to foreign currency exchange rate fluctuations may adversely impact our results of operations, cash flows and cause our financial results to fluctuate.

We are exposed to foreign exchange related risks as a portion of our revenue from our operations are in foreign currency. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and as a result, suffer losses on account of foreign currency fluctuations. We do not enter into foreign currency hedging transactions from time to time, hence there is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

53. We will not receive any proceeds from the Offer for sale portion.

Our Company will not receive any proceeds from the Offer for Sale portion of the Offer, and all such proceeds will be received by the Selling Shareholder. Accordingly, the Offer for Sale will not result in any inflow of funds to our Company, and we will not be able to use the proceeds from the Offer for Sale to fund our operations, capital expenditure, working capital requirements, or for any other corporate purposes. Investors should consider that the benefits of the Offer for Sale to our Company are limited to the listing of the Equity Shares on the Stock Exchanges and the enhancement of our visibility and brand image, and there can be no assurance that such benefits will result in improved financial performance or shareholder value.

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SECTION IV – INTRODUCTION

GENERAL INFORMATION

Note: The disclosures in the Chapter “General Information” beginning on page 61 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

MARKET MAKER TO THE OFFER

Name: Horizon Financial Consultants Private Limited
Address: 56E, Hemanta Basu Sarani, Stephen House, 4th Floor, Room No-62, Kolkata-700001
Tel No.: +91 033 4067 5333
Contact Person: Anil Todi
Email: comp@horizon.net.co
Website: www.horizonfinancial.co.in
SEBI Registration No.: INZ000171033

UNDERWRITING

Our Company and Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% underwritten by Horizon Management Private Limited in the capacity of Underwriter to the Offer.

The Underwriting Agreement is dated March 06, 2026 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
Name: Horizon Management Private Limited Address: 19 R N Mukherjee Road, Main Building, 2 nd Floor, Kolkata- 700001 Tel No.: +91 33 4600 0607 Email: smeipo@horizon.net.co	Up to 59,96,000	[●]	100%

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.

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 March 06, 2026 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

Name	Horizon Financial Consultants Private Limited
Correspondence Address	56E, Hemanta Basu Sarani, Stephen House, 4 th Floor, Room No-62, Kolkata-700001
Tel No.	+91 033 4067 5333

E-Mail Id	comp@horizon.net.co
Website	www.horizonfinancial.co.in
Contact Person	Anil Todi
SEBI Registration No.	INZ000171033

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

Horizon Financial Consultants Private Limited, 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:

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CAPITAL STRUCTURE

Note: The disclosures in the Chapter “Capital Structure” beginning on page 72 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

CLASSES OF SHARES

Notes to the Capital Structure:-

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
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 Suryakant Karwa (25 equity shares) and Umakant Bharatlal Karwa (25 equity shares) and Mukesh Chandrakant Karwa (25 equity shares)	46,00,000	10	Nil	Other than Cash	1,38,00,000

*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.

The company had sufficient reserves available for capitalization at the time of the bonus issue.

b) Preference Share Capital

5. 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
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November 18, 2025	Bonus Issue in the ratio one (1) Equity Shares for every two (2) Equity Shares on November 17, 2025*#	46,00,000	10	Nil	Capitalization of reserves and surplus
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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.*

The company had sufficient reserves available for capitalization at the time of the bonus issue.

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OBJECTS OF THE OFFER

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. The Company’s existing boiler is currently operating at 100% capacity and has become a key bottleneck in further scaling up production. Accordingly, to support the anticipated increase in demand and align with the Company’s growth plans, the Company proposes to purchase a new boiler to enhance steam generation capacity and enable higher production levels.

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
CHEEMA BOILERS LIMITED							
1.	Design, Engineering, Manufacturing, Supply of One NO. 21 TPH, 45 KG/CM ² (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	570.00	570.00	102.60	672.60	CBL/2717/2025-26 (Valid till: March 20, 2026)

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
CHEEMA BOILERS LIMITED							
		paper, ensuring consistent product quality.					
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 (<50MG/Nm ³ , 3 Fields)	The Electrostatic Precipitator (ESP) is installed as a pollution control equipment to capture and remove particulate matter from flue gases generated during boiler operations.	250.00	250.00	45.00	295.00	CBL/2717/2025-26 (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)
	Total			1,305.00	234.90	1,539.90	

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
CHEEMA BOILERS LIMITED							
	Amount to be Funded from Net Proceeds			750.00	-	-	
	Amount to be Funded from Internal Accruals			555.00	-	-	

MATERIAL APPROVALS NOT OBTAINED OR APPLIED FOR:

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority
1.	Boiler Registration Certificate*	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
2.	Steam Certificate (Fitness Certificate) *	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
3.	Factory License*	Factories Act, 1948 & the Maharashtra Factories Rules, 1963	Directorate of Industrial Safety and Health (Labour Department)
4.	Consent to Establish**	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and the Environment Protection Act, 1986	Maharashtra Pollution Control Board

*The above-mentioned certificates are not applicable as on date and therefore have not been applied for. Once the order for purchase of the new boiler is placed, the requisite drawings and technical details of the boiler will be submitted and the applications for the necessary licenses will be made. The said certificates are expected to be obtained within 25–30 days from the date of submission of the applications.

** Consent to Establish would be required for the installation of the New Boiler as well as the installation of the Steam Turbine Generator (STG) which would be applied once the order for the purchase of the Boiler and STG would be made. The said certificate is expected to be obtained within 15–20 days from the date of submission of the applications.

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
TRIVENI TURBINES LIMITED							
1.	2 MW back pressure STG	The 2 MW back pressure Steam Turbine Generator, along	285.00	285.00	51.30	336.30	WEQ2511938-R1

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
TRIVENI TURBINES LIMITED							
	along with its auxiliaries:	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.					(Valid till: March 23, 2026)
	Total			285.00	51.30	336.30	
	Amount to be Funded from Net Proceeds			250.00	-	-	
	Amount to be Funded from Internal Accruals			35.00	-	-	

MATERIAL APPROVALS NOT OBTAINED OR APPLIED FOR:

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority
1.	Boiler Registration Certificate*	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
2.	Steam Certificate (Fitness Certificate) *	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
3.	Factory License*	Factories Act, 1948 & the Maharashtra Factories Rules, 1963	Directorate of Industrial Safety and Health (Labour Department)
4.	Consent to Establish**	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and the Environment Protection Act, 1986	Maharashtra Pollution Control Board

*The above-mentioned certificates are not applicable as on date and therefore have not been applied for. Once the order for purchase of the new boiler is placed, the requisite drawings and technical details of the boiler will be submitted and the applications for the necessary licenses will be made. The said certificates are expected to be obtained within 25–30 days from the date of submission of the applications.

** Consent to Establish would be required for the installation of the New Boiler as well as the installation of the Steam Turbine Generator (STG) which would be applied once the order for the purchase of the Boiler and STG would be made. The said certificate is expected to be obtained within 15–20 days from the date of submission of the applications.

3. Funding the Working Capital requirement of our company

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 April 08, 2026 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 April 06, 2026 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)
(A)	Current assets						
(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
	Total current assets (A)	3,227.40	3,250.68	4,341.75	4,875.69	5,166.00	6,289.00
(B)	Current liabilities						
(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
	Total current liabilities (B)	574.30	869.40	1,053.69	881.39	1,274.00	1,521.00
(C)	Total working capital requirements (C = A – B)	2,653.10	2,381.28	3,288.06	3,994.30	3,892.00	4,768.00
(D)	Funding pattern						
(a)	IPO proceeds	-	-	-	-	-	900.00
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	2,653.10	2,381.28	3,288.06	3,994.30	3,892.00	3,868.00

	and/or internal accruals						
	Total	2,653.10	2,381.28	3,288.06	3,994.30	3,892.00	4,768.00

Note: Pursuant to the certificate dated April 08, 2026 issued by the Statutory Auditor

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
Current Assets		
1	Inventory	<p>The Company maintains inventory levels based on demand forecasts, production planning, and delivery schedules to ensure timely execution of orders and uninterrupted manufacturing operations. The inventory holding period was 68 days in Fiscal 2023, 76 days in Fiscal 2024, 57 days in Fiscal 2025, and 50 days for the six-month period ended September 30, 2025, reflecting improved inventory management and better alignment between procurement and production. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024</u> The Inventory levels were maintained at moderate levels making it as 18.57% of total sales and the inventory days stood at 68 days in FY 2023. The Inventory levels increased as a percentage of sales due to relatively lower sales during the year, resulting in a temporary build-up of inventory and higher holding period in FY 2024 making it to 20.70% of total sales and the inventory days increased to 76 days in the financial year.</p> <p><u>FY 2024 to FY 2025</u> The inventory levels have been reduced tactically to ensure utilization of extra raw materials held in previous period thereby making it to 15.68% of the total sales. Although inventory levels declined in absolute terms, the Company witnessed a significant increase in sales during FY 2025 by optimizing the production process. The inventory levels were reduced to 57 days in FY 2025 from 76 days in FY 2024.</p> <p><u>For Period ended September 30, 2025</u> The increase in inventory as a percentage of sales is primarily due to the lower sales base for the six-month period, while inventory is maintained to support ongoing production and expected demand in subsequent periods. The inventory levels stood at 27.27% of total sales and thereby reducing the days to 50 days in the period ended September 30, 2025.</p> <p><u>FY 2026 and FY 2027</u> Going forward, in line with the projected increase in scale of operations and higher production volumes, the Company intends to maintain adequate levels of raw materials and finished goods to avoid supply disruptions and support timely delivery commitments. Accordingly, the inventory holding period is expected to stabilise at around 56 days for Fiscal 2026 and Fiscal 2027, which is considered optimal and consistent with the Company’s operational requirements and growth plans.</p>
2	Trade Receivables	<p>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</p>

		<p>for Fiscal 2026 and Fiscal 2027 respectively. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024:</u> In FY 2023 the Trade receivables were relatively lower with shorter collection period reflecting 11.02% of sales and the trade receivable days stood at 40 days. In FY 2024, Receivables increased along with the collection period due to expansion in customer base and extension of higher credit periods to support sales growth reflecting 16.49% of total sales. The trade receivable days have increased to 60 days due to such leverage.</p> <p><u>FY 2024 to FY 2025</u> The trade payable days increased to 83 days in FY 2025 due to significant growth in sales and higher exposure to bulk customers, who typically operate on longer credit cycles reflecting 22.83% of the total sales compared to 16.49% in FY 2024. The higher credit period allowed our company to sell our products at an increased profit margins thereby increasing the PAT margins.</p> <p><u>Period ended September 30, 2025</u> The trade receivable for the period was about 39.18% of total sales primarily due to the lower sales base for the six-month period, while receivables represent cumulative outstanding balances. However, the average collection period improved to 72 days compared to FY 2025, reflecting better collection efficiency during the period.</p> <p><u>FY 2026 and FY 2027</u> We had trade receivables days of 72 days during the period ended September 30, 2025 and the same is expected around 76 days for FY 2026 and 73 days for FY 2027. Trade receivables are expected to rise due to higher sales volumes and a moderate increase in debtor days, reflecting expansion of the customer base and higher institutional and bulk sales.</p>
Current Liabilities		
1	Trade Payables	<p>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 payment days to increase to 27 days for Fiscal 2026 and Fiscal 2027 respectively. The year wise explanation for fluctuation in the past have been provided below:</p> <p><u>FY 2023 to FY 2024:</u> In FY 2023 the Trade payables were relatively lower, with quicker payment cycles, as the Company maintained a conservative approach towards supplier payments to ensure smooth procurement and the trade payable days stood at 20 days in FY 2023. However, Trade payables increased in FY 2024 due to higher procurement levels and better credit terms negotiated with suppliers and the payable days stood at 39 days and accounted for 10.72% of the Purchases whereas it was only 5.46% in FY 2023.</p> <p><u>FY 2024 to FY 2025:</u> The trade payable days stood at 36 days in FY 2025 which is in line with 39 days in FY 2024.</p> <p><u>Period ended September 30, 2025</u> The payable period decreased to 19 days primarily due to faster settlement of dues during the period and timing of payments around the reporting date. The lower outstanding balance is also attributable to cut-off effects, wherein payments were made towards the end of the period. The trade payable were 10.64% of the purchases during the period which is also in line with the payable levels maintained by the company.</p>

		<p>For FY 2026 and FY 2027</p> <p>Trade payable days are projected to increase to 27 days in Fiscal 2026 and Fiscal 2027, primarily due to higher procurement volumes arising from increased manufacturing activity. At the same time, the Company continues to follow timely settlement practices, which enable it to avail cash discounts from suppliers, improve profitability, and ensure compliance with applicable MSME payment norms.</p>
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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. No.	Name of Lender and date of sanction	Nature of Borrowings	Interest rate (%) p.a.	Repayment Terms	Prepayment penalties, if any	Sanctioned Amount	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.	1700.00	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 Guarant

S . N o .	Name of Lender and date of sanction	Nature of Borrowings	Interest rate (% p.a.)	Repayment Terms	Prepayment penalties, if any	Sanctioned Amount	Amount Outstanding as on September 30, 2025	Date of Sanction	Security
									ee & Collateral security of Factory Land & Building and Karwa Complex Property owned by the Directors of Company
	Total					1700.00	1,666.56		

(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.

PUBLIC OFFER EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Manager, fees payable to legal counsels, Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and expenses for any corporate advertisements consistent with past practice of our Company (not including expenses relating to marketing and advertisements undertaken in connection with the Offer), which shall be borne solely by our Company; and (ii) the applicable tax payable on transfer of Offered Shares which shall be borne by the respective Selling Shareholders, our Company and each of the Selling Shareholders shall share the costs and expenses in proportion to the number of Equity Shares issued and allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, in accordance with applicable law including Section 28(3) of the Companies Act, 2013. Our Company shall advance the cost and expenses of the Offer and our Company will be reimbursed, severally and not jointly, by each of the Selling Shareholders for their respective proportion of such costs and expenses. Such payments, expenses and taxes, to be borne by the Selling Shareholders will be deducted from the proceeds from the sale of Offered Shares, in accordance with applicable law, in proportion to its respective Offered Shares. Further, in the event the Offer is withdrawn or the requisite approvals required for the Offer are not received, the Company and each of the Selling Shareholders shall, in accordance with the manner stated above, share the costs and expenses (including all applicable taxes) directly attributable to the Offer, in proportion to the extent of the amount proposed to be raised by the Company through the Fresh Issue and the amount corresponding to the extent of participation of each Selling Shareholder in the Offer for Sale.

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	[•]	[•]	[•]
Fees Payable to the Market Makers to the offer	[•]	[•]	[•]
Payment for Printing & Stationery, Postage, etc.	[•]	[•]	[•]
Fees Payable to Practicing company secretary and Legal Advisors	[•]	[•]	[•]
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).	[•]	[•]	[•]
Total Estimated Offer Expenses	[•]	[•]	[•]

* 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.

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 33 of the Draft Red Herring Prospectus.

BRIDGE FINANCING FACILITIES

We have not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

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BASIS FOR OFFER PRICE

Note: The disclosures in the Chapter “Basis for Offer Price” beginning on page 100 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

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 and Associates LLP, Chartered Accountants, by their certificate dated December 15, 2025.

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

Type of transaction	Weighted average cost of acquisition (₹ per equityshares)	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

The detailed calculations for the above have been provided below:

Date of allotment	Number of shares issued	Face value (Rs.)	Issue price per share (Rs.)	Nature of allotment	Nature of consideration	Total consideration (in Rs.)
September 30, 2025	12,00,000	10	25	Right Issue	Cash	3,00,00,000
November 18, 2025	46,00,000	10	-	Bonus	-	-
Weighted average cost of acquisition of Primary Transactions						5.17

Date of allotment	Number of shares issued	Face value (Rs.)	Issue price per share (Rs.)	Nature of allotment	Nature of consideration	Total consideration (in Rs.)
16/05/2025	24,00,000	10	21	Acquisition	Cash	5,04,00,000
16/05/2025	-250	10	21	Transfer	Cash	-5,250
Weighted average cost of acquisition of Secondary Transactions						21

SECTION V – ABOUT THE COMPANY

BUSINESS OVERVIEW

Note: The disclosures in the Chapter “**Our Business**” beginning on page 126 of the Draft Red Herring Prospectus dated December 31, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

BUSINESS OVERVIEW

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

(Source: <https://www.ibef.org/industry/paper-packaging>)

Our Presence

As of the date of this Draft Red Herring Prospectus, the Company does not have any export obligations.

Geographical Area Wise Revenue Break up

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	23.31%	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%
-Qatar	-	-	-	-	-	-	25.41	0.30%
-UK	-	-	-	-	-	-	17.38	0.21%
-SEZ/EOU Unit (Andhra Pradesh)	-	-	33.55	0.34%	92.98	1.20%	113.07	1.34%
-Angola (Deemed Export)	-	-	-	-	-	-	164.47	1.95%
-High Sea Sales	38.45	0.66%	-	-	-	-	-	-
Total	5,809.38	100.00%	9,801.96	100.00%	7,769.24	100.00%	8,417.62	100.00%

*As certified by BSMART and Associates LLP, Independent Chartered Accountant pursuant to their certificate dated January 12, 2026.

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

Currently, our Company manufactures only one type of product i.e. kraft paper of different thickness as per the requirement of the client.

SWOT ANALYSIS

The following table sets forth a summary of the key strengths, weaknesses, opportunities and threats relating to our business and the industry in which we operate.

Strengths	Weaknesses
<p>Favourable industry growth environment The Indian kraft paper industry is witnessing sustained growth, driven by increasing demand for packaging from sectors such as e-commerce, FMCG, pharmaceuticals, agriculture and organised retail. The shift towards paper- based and recyclable packaging materials, supported by environmental considerations and regulatory preferences, has further strengthened demand. Operating in a structurally growing industry provides us with opportunities for capacity utilisation, scale efficiencies and long-term business expansion.</p> <p>Strategic regional presence West and Central India, including Maharashtra, account for a significant share of India’s kraft paper consumption due to the concentration of manufacturing, logistics and consumption centres. Our manufacturing facility located in Latur provides proximity to key regional markets in Maharashtra and adjoining states, enabling reduced logistics costs, faster delivery timelines and closer customer engagement, which may enhance competitiveness in the regional market</p> <p>Sustainability-linked product positioning Kraft paper is widely recognised as a recyclable, biodegradable and environmentally preferable packaging material compared to plastic-based alternatives. Increasing regulatory and consumer focus on sustainable packaging solutions has led to greater acceptance of kraft paper products. This trend supports long-term demand visibility and aligns our business with evolving sustainability preferences of customers.</p>	<p>Exposure to raw material price volatility Our operations depend on the availability of waste paper and other fibre inputs, the prices of which are influenced by domestic supply- demand dynamics, import dependence and global market conditions. Volatility in raw material costs may adversely impact operating margins, particularly in periods when cost increases cannot be immediately passed on to customers.</p> <p>Competitive and fragmented industry structure The Indian kraft paper industry is highly competitive and fragmented, with the presence of numerous small and medium-scale manufacturers. Periods of excess capacity or aggressive pricing by competitors may exert pressure on selling prices, capacity utilisation and profitability.</p> <p>Regulatory and compliance-related cost pressures The paper manufacturing industry is subject to stringent environmental regulations relating to effluent treatment, emissions, water usage and waste disposal. Compliance with evolving environmental standards may require ongoing capital expenditure and operating costs, which could impact margins and cash flows.</p>
Opportunities	Threats
<p>Value-added product diversification There is a growing opportunity to move up the value chain by expanding into higher-strength, specialty and value-added grades of kraft paper, including customised and application-specific products. Such products typically command higher realisations, have relatively lower price sensitivity and may face less competition compared to commoditised grades.</p> <p>Strong demand outlook for packaging materials</p>	<p>Inflation in raw material, power and fuel costs Increases in the cost of waste paper, fibre, power, fuel and transportation may adversely affect our cost structure. Any inability to pass on such increases to customers in a timely manner may result in margin compression.</p> <p>Industry overcapacity and pricing pressure The addition of new capacities across the industry, if not matched by demand growth, may lead to</p>

<p>The continued growth of e-commerce, FMCG, pharmaceuticals, food processing and organised retail is driving demand for corrugated boxes and packaging solutions, thereby supporting increased consumption of kraft paper. This structural demand tailwind presents opportunities for volume growth and long-term customer relationships</p> <p>Regional supply advantages and customer proximity Our location in Latur enables us to cater efficiently to customers in Maharashtra and neighbouring states, offering advantages such as shorter lead times, lower freight costs and flexibility in order fulfilment. These factors may support customer retention and help build stronger regional market presence.</p> <p>Availability of government incentives We currently benefit from certain incentives and support schemes provided by the Government of Maharashtra. Such incentives may assist in improving project viability, reducing operating costs and supporting future expansion initiatives, subject to continued eligibility and compliance with applicable conditions.</p>	<p>oversupply conditions. This could result in lower capacity utilisation, pricing pressure and reduced profitability across the sector.</p> <p>Regulatory and environmental risks The paper industry remains exposed to risks arising from changes in environmental regulations, pollution control norms and raw-material sourcing policies. Any tightening of regulations or delays in obtaining approvals may necessitate additional capital expenditure, increase compliance costs or impact operational continuity.</p>
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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 %
Main Process												
Kraft Paper Manufacturing	24000	20000	83.33	48000	33350	69.48	48000	29180	60.80	48000	26690	55.60
Sub Process involved												
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

**The proposed capex would increase the overall capacity to 72,000MT from 48,000 MT per annum thereby enabling us to meet the increased demand. However, the Capacity Utilization could only be ascertained after the initial trial runs after the proposed capex.*

RAW MATERIAL AND SOURCING

We procure recycled fibre (OCC and mixed waste paper), adhesives, additives and consumables from domestic and imported sources.

UTILITIES

The solar power plant has an installed capacity of 1000 KWP, and is located at gat no.106, chincholiroawadi, Latur. The electricity generated from the said solar power plant is procured by the Company for captive consumption to meet a portion of its operational power requirements. The PPA has been entered into for a term of 25 years, in accordance with the agreed terms and conditions. Power supplied under the PPA is utilized for the Company's manufacturing and other operational activities, thereby supporting reliable power availability and use of renewable energy in its operations.

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 27, 2026 to April 28, 2026	Marine Open Policy	7,500.00	6.19*
IFFCO-TOKIO General Insurance Company Limited	43393146	January 28, 2026 to January 27, 2027	Workmen Compensation Policy	90	0.48

**The said policy was extended for 3 months vide extension letter dated 27/01/2026 against the premium paid at the last time and no new payment has been done for this extension.*

HUMAN RESOURCES

The detailed bifurcation have been provided below:

Sr No.	Department	No. Of Employees
1.	Accounts & Finance, Secretarial	6
2.	Quality	3
3.	Marketing	4
4.	Purchase	3

5.	Sales and Administration	4
6.	Production & Maintenance	45
Total		65

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	Area	Use
Lease Agreement	Karwa Complex, Main Road, Opposite Panchayat Office, Latur, Maharashtra	Suryakant Karwa (“Lessor”)	Craftech Paper Mills Limited through it’s 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	845 Sq. Ft	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 Rathi (“Sellers”)	Craftech Paper Mills Private Limited through it’s 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	30,000 St. Mtr	Factory Premises

**No related party transaction was reported in respect of lease rent paid to the lessor, as the arrangement was not governed by a formal lease agreement during the relevant period. In order to strengthen compliance and documentation, the Company has subsequently entered into a formal lease agreement with effect from October 1, 2025 for a period of 11 months, under which rent is being paid*

OUR MANAGEMENT

Note: The disclosures in the Chapter “Our Management” beginning on page 240 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

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)
<p>Suryakant Bansilal Karwa Designation: Chairman and Managing Director DIN: 02903619 Date of Birth: May 08, 1959 Qualifications: He has completed his Higher Secondary Certificate in the year 1978 and has subsequently attended Principal KM Kundani College of Pharmacy in the year 1981. Experience: 23 years Address: Karwa Complex, Main Road, Mitra Nagar, Latur, Maharashtra – 413512 Occupation: Business Date of expiration of current term of office: Managing Director for a period of 3 years with effect from September 24, 2025 Period of Directorship: Since Incorporation</p>	66	<ul style="list-style-type: none"> • Karwa Energy and Infrastructure Private Limited
<p>Avinash Ashok Mandhana Designation: Independent Director DIN: 11300327 Date of Birth: September 05, 1997 Qualifications: He holds a Bachelor of Business Administration degree and a Master’s degree in Global Business. Experience: 06 years Address: 1432 Shrivishnu Banglow, Lale Plot, Near Venkatesh Mandir, Venkatesh Nagar, Sangli, Maharashtra – 416416. Occupation: Service Date of expiration of current term of office: Independent Director for a period of 5 years with effect from September 30, 2025. Period of Directorship: Independent Director for a period of 5 years with effect from September 30, 2025.</p>	28	Nil

BRIEF PROFILES OF OUR DIRECTORS

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 and was previously associated with eClernx Services Limited from 2021 to 2024 as process manager and before that with Octagon Foods LLP as assistant manager from 2019 to 2020. He has over 06 years of experience in the FMCG and financial services industries.

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:

Basic Salary	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.
Previous Year Remuneration	Nil
Term	Period of three years w.e.f. September 24, 2025
Duties	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
Reimbursement	Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company
Other Terms and Conditions/ Perquisites and allowances of expenses	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:

Basic Salary	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.
Previous Year Remuneration	Remuneration paid to Mr. Yash Suryakant Karwa during the financial year ended March 31, 2025 was ₹7.20 lakhs.
Term	Period of five years w.e.f. September 24, 2025
Duties	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
Reimbursement	Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company
Other Terms and Conditions/ Perquisites and allowances of expenses	Perquisites in accordance with the rules of the Company as applicable.

COMMITTEES OF THE BOARD

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 and Chief Financial Officer

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Key Managerial Personnel of our Company

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 bearing ACS No.: 42731. 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.

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SECTION VI – FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENT

Note: The disclosures in the Chapter “Restated Financial Statement” beginning on page 178 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

Sr. No	Particulars	Page Nos.
1.	Restated Financial Statement	F- 1 to F- 44

SECTION VII – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Note: The disclosures in the Chapter “Outstanding Litigations and Material Developments” beginning on page 195 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

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)
Involving Our Company		
Direct Tax	01	0.02
Indirect Tax	Nil	Nil
Our Promoters		
Direct Tax	01	4.62
Our Directors (other than Promoters)		
Direct Tax	02	1.51
Total	04	6.15

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

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	4,62,220/-	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.
2024	2024202437306465045T	1,638/-	Demand was raised under Section 245/245(1) of the Income Tax Act, 1961, against our Director, Brinda Yash Karwa, on September 19, 2024. The demand is still pending 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'.*

**There are certain e-proceedings pending against our Director i.e. Brinda Yash Karwa. However, as on date the same have not been converted to 'Outstanding Demands'.*

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GOVERNMENT AND OTHER APPROVALS

MATERIAL APPROVALS NOT OBTAINED OR APPLIED FOR:

Sr. No.	Nature of registration	Applicable Laws	Issuing Authority
1.	Boiler Registration Certificate*	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
2.	Steam Certificate (Fitness Certificate) *	Boilers Act, 2025 & Indian Boilers Regulations, 1950	Directorate of Steam Boilers
3.	Factory License*	Factories Act, 1948 & the Maharashtra Factories Rules, 1963	Directorate of Industrial Safety and Health (Labour Department)
4.	Consent to Establish**	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and the Environment Protection Act, 1986	Maharashtra Pollution Control Board

**The above-mentioned certificates are not applicable as on date and therefore have not been applied for. Once the order for purchase of the new boiler is placed, the requisite drawings and technical details of the boiler will be submitted and the applications for the necessary licenses will be made. The said certificates are expected to be obtained within 25–30 days from the date of submission of the applications.*

*** Consent to Establish would be required for the installation of the New Boiler as well as the installation of the Steam Turbine Generator (STG) which would be applied once the order for the purchase of the Boiler and STG would be made. The said certificate is expected to be obtained within 15–20 days from the date of submission of the applications.*

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Note: The disclosures in the Chapter “Other Regulatory and Statutory Disclosures” beginning on page 207 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

ELIGIBILITY FOR THE OFFER

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.

13. Based on the Restated Financial Statements for the six months period ended September 30, 2025 and for the financial year ended March 31, 2025, the Company’s Net Tangible Assets as at September 30, 2025 and March 31, 2025 were more than ₹3 Crores. The detailed working in this regard is provided below.

(₹ in Lakhs)

Particulars	September 30, 2025	March 31, 2025
Net Assets	1817.68	983.33
Less: Intangible Assets and Intangible Assets under Development	-	-
Net Tangible Assets*	1817.68	983.33

(*Net Assets = Total Assets – Current Liabilities – Non-Current Liabilities)

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:

(₹ in Lakhs)

Particulars	September 30, 2025
Long Term Borrowing (A)	1,717.41
Short Term Borrowing (B)	3,010.52
Total Debt (C)	4,727.93
Net Worth (D)	1,817.68
Debt-Equity Ratio (C/D)	2.60

Additionally, the Leverage ratio (Total Debts to Equity) of the Company as on period ended March 31, 2025 is 4.93:1 which is more than the limit of 3:1. The working is given below:

(₹ in Lakhs)

Particulars	March 31, 2025
Long Term Borrowing (A)	3,156.75
Short Term Borrowing (B)	1,692.77
Total Debt (C)	4,849.52
Net Worth (D)	983.33
Debt-Equity Ratio (C/D)	4.93

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 i.e. HDFC Bank Limited, 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.*

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SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Note: The disclosures in the Chapter “Material Contracts and Documents for Inspection” beginning on page 276 of the Draft Red Herring Prospectus dated December 01, 2025, shall be updated, as applicable, with the below mentioned information in the Red Herring Prospectus and Prospectus:

Material Contracts

4. Market Making Agreement dated March 06, 2026 between our Company, the Selling Shareholder, the Book Running Lead Manager and the Market Maker.
5. Underwriting Agreement dated March 06, 2026 between our Company, the Selling Shareholder, the Book Running Lead Manager and the Underwriter.

Material Documents

8. Copies of Annual Reports of our Company for the preceding three Financial Years i.e., 2025, 2024 and 2023.
20. Certificate dated April 08, 2026, from BSMART and Associates LLP, Chartered Accountants, issued with respect to the working capital of the Company.
21. Certificate dated December 15, 2025, from BSMART and Associates LLP, Chartered Accountants, issued with respect to the financial indebtedness of the Company.

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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: April 08, 2026

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 Addendum to 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 Addendum to Draft Red Herring Prospectus are true and correct.

DECLARATION

SIGNED BY WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER OF OUR COMPANY

Name	Designation	Signature
Yash Suryakant Karwa	Whole-time Director & Chief Financial Officer	Sd/-

Place: Latur, Maharashtra

Date: April 08, 2026

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 Addendum to 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 Addendum to 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: April 08, 2026

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 Addendum to 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 Addendum to 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: April 08, 2026

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 Addendum to 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 Addendum to Draft Red Herring Prospectus are true and correct.

DECLARATION

SIGNED BY INDEPENDENT DIRECTOR OF OUR COMPANY

Name	Designation	Signature
Pawan Balkisan Daga	Independent Director	Sd/

Place: Latur, Maharashtra

Date: April 08, 2026

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 Addendum to 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 Addendum to 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: April 08, 2026

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 Addendum to 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 Addendum to Draft Red Herring Prospectus are true and correct.