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

DRAFT RED HERRING PROSPECTUS
Dated September 23, 2026
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

KOOLKING INDUSTRIES INDIA LIMITED

(formerly known as Koolking Industries India Private Limited and Koolking Udhyog Private Limited)

CORPORATE IDENTIFICATION NUMBER: U28129PB2008PLC031668

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India	Kangan Dhamija *Company Secretary and Compliance Officer*	**Email:** cs@kpmgroupindia.com **Telephone:** +91 1675-299181	www.kpmgroupindia.com

OUR PROMOTERS: SAJIV GOPAL, MALTI SOOD AND VARUN GOPAL

DETAILS OF THE OFFER TO THE PUBLIC

TYPE OF OFFER	FRESH ISSUE SIZE#	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,000.00 million	Up to 3,050,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”). For further details, see “***Other Regulatory and Statutory Disclosures – Eligibility for the Offer***” on page 475. For details in relation to share reservation among Qualified Institutional Buyers (“**QIBs**”), Non-Institutional Investors (“**NIIs**”), Retail Individual Investors (“**RIIs**”), see “***Offer Structure***” beginning on page 492.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDER	TYPE OF SELLING SHAREHOLDER	MAXIMUM NUMBER OF EQUITY SHARES BEING OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)*
Sajiv Gopal	Promoter Selling Shareholder	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	1.81
Malti Sood	Promoter Selling Shareholder	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	3.36
Varun Gopal	Promoter Selling Shareholder	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	3.17
Sugandha Sood	Promoter Group Selling Shareholder	Up to 305,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	2.30

**As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*
*For further details, see “**The Offer**” beginning on page 82.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 5. The Floor Price, Cap Price and Offer Price, determined by our Company, in consultation with the Book Running Lead Manager, and subject to applicable law, 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 the Offer Price***” beginning on page 174, 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 RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the 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 in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “***Risk Factors***” beginning on page 23.

ISSUER’S AND SELLING SHAREHOLDERS’ 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 Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly and specifically made by them in this Draft Red Herring Prospectus to the extent such statements specifically pertain to such Selling Shareholders and/or their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. No Selling Shareholders assumes any responsibility for any

other statements, disclosures and undertakings, including without limitation, any and all of the statements disclosures and undertakings made or confirmed by or relating to our Company or its business, or by any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.			
LISTING			
The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, the Designated Stock Exchange shall be [●].			
BOOK RUNNING LEAD MANAGER			
NAME AND LOGO		**CONTACT PERSON(S)**	**E-MAIL AND TELEPHONE**
KEYNOTE	Keynote Financial Services Limited	Sunu Thomas/ Archana Dhivar	**E-mail:** mbd@keynoteindia.net **Telephone:** +91 22 6826 6000
REGISTRAR TO THE OFFER			
LOGO OF THE REGISTRAR	**NAME OF THE REGISTRAR**	**CONTACT PERSON**	**E-MAIL AND TELEPHONE**
KFINTECH EXPERIENCE TRANSFORMATION	KFin Technologies Limited	M.Murali Krishna/ Williams R	**E-mail**: koolking.ipo@kfintech.com **Telephone:** +91 40 6716 2222/ 1800 309 4001

BID/ OFFER PERIOD					
ANCHOR INVESTOR BID/ OFFER PERIOD*	[●]	**BID/ OFFER OPENS ON**	[●]	**BID/ OFFER CLOSES ON**^**	[●]

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

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

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

\# *Our Company, in consultation with the BRLM, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹ 600.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus ("**RHP**") and Prospectus. The Pre-IPO Placement shall be reported to the Stock Exchange(s), within twenty-four hours of such Pre-IPO Placement transactions (in part or in entirety).*

DRAFT RED HERRING PROSPECTUS
Dated September 23, 2026
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

KOOLKING INDUSTRIES INDIA LIMITED

(formerly known as Koolking Industries India Private Limited and Koolking Udhyog Private Limited)

Our Company was originally incorporated as "K P M Udyog Private Limited" under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 13, 2008, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. The name of our Company was changed to "Koolking Udhyog Private Limited" pursuant to a resolution dated May 10, 2008, passed by our Board and a resolution dated May 29, 2008, passed by our Shareholders, post which a fresh certificate of incorporation dated June 9, 2008, was issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Subsequently, the name of our Company was changed to "Koolking Industries India Private Limited" pursuant to a resolution dated April 27, 2026, passed by our Board and a resolution dated May 19, 2026, passed by our Shareholders, post which a fresh certificate of incorporation dated May 29, 2026, was issued by Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana. On the conversion of our Company from a private limited company to a public limited company, pursuant to a resolution passed by our Board on May 29, 2026 and a special resolution passed by our Shareholders on June 8, 2026, the name of our Company was changed to "Koolking Industries India Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana on June 23, 2026. For further details of changes in the name and registered office of our Company, see "***History and Certain Corporate Matters – Brief history of our Company***" on page 336.

Corporate Identification Number: U28129PB2008PLC031668
Registered and Corporate Office: Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India;
Contact Person: Kangan Dhamija, Company Secretary and Compliance Officer; **Telephone**: +91 1675-299181; **E-mail**: cs@kpmgroupindia.com; **Website**: www.kpmgroupindia.com

OUR PROMOTERS: SAJIV GOPAL, MALTI SOOD AND VARUN GOPAL

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF KOOLKING INDUSTRIES INDIA LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH AGGREGATING UP TO ₹ 3,000.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 3,050,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE") COMPRISING UP TO 915,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH AGGREGATING UP TO ₹ [●] MILLION BY SAJIV GOPAL, UP TO 915,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH AGGREGATING UP TO ₹ [●] MILLION BY MALTI SOOD, UP TO 915,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH AGGREGATING UP TO ₹ [●] MILLION BY VARUN GOPAL (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS") AND UP TO 305,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH AGGREGATING UP TO ₹ [●] MILLION BY SUGANDHA SOOD ("PROMOTER GROUP SELLING SHAREHOLDER", TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER A FURTHER ISSUE OF SPECIFIED SECURITIES AS MAY BE PERMITTED UNDER APPLICABLE LAW, AT ITS DISCRETION, AGGREGATING UP TO ₹ 600.00 MILLION, PRIOR TO THE FILING OF THE RHP. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER, OR THAT THE OFFER MAY BE SUCCESSFUL AND WILL RESULT IN THE LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RHP AND PROSPECTUS. THE PRE-IPO PLACEMENT SHALL BE REPORTED TO THE STOCK EXCHANGE(S), WITHIN TWENTY-FOUR HOURS OF SUCH PRE-IPO PLACEMENT (IN PART OR IN ENTIRETY).

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

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company 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 the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which 40% shall be available for allocation in the following manner: (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds, as applicable at or above the price at which Equity Shares will be allocated to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) (the "**Net QIB Category**"). Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Category, the balance Equity Shares available for allocation in the Mutual Fund Portion (defined hereinafter) will be added to the remaining QIB Category for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("**NIIs**") ("**Non-Institutional Category**"), of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**RIIs**") ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID in case of UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "***Offer Procedure***" beginning on page 495.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each equity share is ₹ 5. The Floor Price, Cap Price and Offer Price, determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with the SEBI ICDR Regulations, as stated under "***Basis for the Offer Price***" beginning on page 174, 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 RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their 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 in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 23.

ISSUER'S AND SELLING SHAREHOLDERS' 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 Shareholders, severally and not jointly, accepts responsibility for and confirms only statements and undertakings expressly made by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Selling Shareholder, in such capacity, does not assume any responsibility for any other statements and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see ***"Material Contracts and Documents for Inspection"*** beginning on page 548.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
KEYNOTE	KFINTECH EXPERIENCE TRANSFORMATION
Keynote Financial Services Limited The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, India. **Telephone:** +91 22 6826 6000 **E-mail:** mbd@keynoteindia.net **Website:** www.keynoteindia.net **Investor grievance e-mail:** investors@keynoteindia.net **Contact person:** Sunu Thomas/ Archana Dhivar **SEBI Registration Number:** INM000003606	**KFin Technologies Limited** 301, The Centrium, 3rd Floor, Lal Bahadur Shastri, Nav Pada, Kurla West, Mumbai- 400 070, Maharashtra, India. **Telephone:** +91 40 6716 2222 / 1800 309 4001 **E-mail:** koolking.ipo@kfintech.com **Website:** www.kfintech.com **Investor grievance e-mail:** einward.ris@kfintech.com **Contact person:** M.Murali Krishna/ Williams R **SEBI registration no.:** INR000000221

BID/ OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	[●]	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSES ON**^	[●]

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

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

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

This page has intentionally been left blank.

TABLE OF CONTENTS

SECTION I: GENERAL ... **2**
DEFINITIONS AND ABBREVIATIONS ... 2
CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION ... 18
FORWARD-LOOKING STATEMENTS ... 21
SECTION II: RISK FACTORS ... **23**
SECTION III: INTRODUCTION ... **82**
THE OFFER ... 82
SUMMARY OF RESTATED FINANCIAL INFORMATION ... 84
SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY ... 89
SUMMARY OF RELATED PARTY TRANSACTIONS ... 90
GENERAL INFORMATION ... 93
CAPITAL STRUCTURE ... 101
SECTION IV: PARTICULARS OF THE OFFER ... **133**
OBJECTS OF THE OFFER ... 133
BASIS FOR THE OFFER PRICE ... 174
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS ... 193
SECTION V: ABOUT THE COMPANY ... **198**
INDUSTRY OVERVIEW ... 198
OUR BUSINESS ... 293
KEY REGULATIONS AND POLICIES ... 325
HISTORY AND CERTAIN CORPORATE MATTERS ... 336
OUR MANAGEMENT ... 343
OUR PROMOTERS AND PROMOTER GROUP ... 363
DIVIDEND POLICY ... 367
SECTION VI: FINANCIAL INFORMATION ... **368**
RESTATED FINANCIAL INFORMATION ... 368
OTHER FINANCIAL INFORMATION ... 425
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ... 428
CAPITALISATION STATEMENT ... 457
FINANCIAL INDEBTEDNESS ... 458
SECTION VII: LEGAL AND OTHER INFORMATION ... **460**
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS ... 460
GOVERNMENT AND OTHER APPROVALS ... 465
OUR GROUP COMPANY ... 472
OTHER REGULATORY AND STATUTORY DISCLOSURES ... 474
SECTION VIII: OFFER RELATED INFORMATION ... **485**
TERMS OF THE OFFER ... 485
OFFER STRUCTURE ... 492
OFFER PROCEDURE ... 495
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES ... 517
SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION ... **519**
SECTION X: OTHER INFORMATION ... **548**
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION ... 548
DECLARATIONS ... **551**

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meanings as provided below. References to any legislation, act, regulation, statute, rule, guideline, policy, circular, notification, direction clarification shall be to such legislation, act, regulation, statute, rule, guideline, policy, circular, notification, direction, clarification, or articles of association or memorandum of association as amended, updated, supplemented, re-enacted or modified and replacements notified from time to time, under such provisions.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SEBI Act, the Depositories Act, or the rules and regulations made in each such Acts or Regulations. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

*Notwithstanding the foregoing, terms in the sections titled "**Objects of the Offer**",* "***Basis for the Offer Price***", "***Statement of Possible Special Tax Benefits***", "***Industry Overview***", "***Our Business***", "***Key Regulations and Policies***", "***History and Certain Corporate Matters***", "***Financial Information***", "***Outstanding Litigation and Material Developments***", "***Other Regulatory and Statutory Disclosures",*** "***Offer Procedure***", and "***Description of Equity Shares and Main Provisions of Articles of Association***" *beginning on pages 133, 174, 193, 198, 293, 325, 336, 368, 460, 474, 495 and 519, respectively, will have the meaning ascribed to such terms in the relevant sections.*

General terms

Term	Description
"our Company" or "the Company" or "the Issuer" or "we" or "us" or "our"	Koolking Industries India Limited, a company incorporated under the Companies Act, 1956 and having its registered and corporate office at Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India

Company related terms

Term	Description
"Articles of Association" or "AoA" or "Articles"	Articles of association of our Company, as amended from time to time
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, namely, SCV & Co. LLP having FRN: 000235N/ N500089
Audit Committee	Audit committee of our Board as described in the section titled "***Our Management – Committees of our Board – Audit Committee***" on page 350
"Board" or "Board of Directors"	Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof. For further details, see "***Our Management – Board of Directors***" on page 343
CARE	Care Analytics and Advisory Private Limited
CARE Report	The industry report titled "*Industry Research Report on Electronics System Design and Manufacturing*" dated September, 2026, which is exclusively prepared for the purpose of the Offer and issued by CARE and is commissioned and paid for by our Company pursuant to an engagement letter with CARE dated October 29, 2025, exclusively for the purposes of the Offer. This report will be available on the website of our Company at https://kpmgroupindia.com/industry-reports from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date
Chairperson and Whole-time Director	The chairperson and whole-time director of our Company, being, Sajiv Gopal. For further details, see "***Our Management – Board of Directors***" on page 343
Chartered Engineer	The independent chartered engineer appointed by our Company, being, Patcon Consultancy, a proprietary concern of Proprietor – Babulal Ambabhai Ughreja
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, being, Vikas Verma. For further details, see "***Our Management – Key Managerial Personnel***" on page 359
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being, Kangan Dhamija. For further details, see "***Our Management – Key Managerial Personnel***" on page 359

Term	Description
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board as described in the section titled "***Our Management – Committees of our Board – Corporate Social Responsibility Committee***" on page 355
Director(s)	The director(s) on the Board of our Company as appointed from time to time. For further details, see "***Our Management – Board of Directors***" on page 343
Equity Share(s)	The equity shares of our Company of face value of ₹ 5 each
Executive Director(s)	The executive director(s) on our Board. For further details, see *"**Our Management – Board of Directors**"* on page 343
Group Company	Group company of our Company identified in accordance with the terms of the SEBI ICDR Regulations and disclosed in section titled "***Our Group Company***" beginning on page 472
Ghiloth Manufacturing Facility	Manufacturing facility of our Company located at General Zone, Plot no. B-331, RIICO Industrial area, Village Ghiloth, Tehsil Neemrana, Alwar - 301706, Rajasthan
Independent Director(s)	The independent director(s) on our Board. For further details, see "***Our Management – Board of Directors***" on page 343
IPO Committee	The IPO committee of our Board which constitutes, Varun Gopal (*Chairperson*), Shweta Mohindra (*Member*) and Sanjay Mittal (*Member*).
"Key Managerial Personnel(s)" or "KMP(s)"	Key managerial personnel of our Company in terms of the Companies Act and Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in the section titled "***Our Management – Key Managerial Personnel***" on page 359
Managing Director and Chief Executive Officer	The managing director and chief executive officer of our Company, being, Varun Gopal. For further details, see "***Our Management – Board of Directors***" on page 343
Materiality Policy	The materiality policy of our Company adopted by our Board dated September 12, 2026, for identification of: (a) identification of the group company; (b) material outstanding litigations involving our Company, Promoters, Directors; and (c) outstanding dues to material creditors, pursuant to the requirements of the SEBI ICDR Regulations
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended from time to time
Manufacturing Facilities	Collectively, Ghiloth Manufacturing Facility, Noida Manufacturing Facility, Punjab Manufacturing Facility Unit I, Punjab Manufacturing Facility Unit II and Sricity Manufacturing Facility
Noida Manufacturing Facility	Manufacturing facility of our Company located at Site-C, Plot no. H-49, Industrial Area, Surajpur, Gautam Buddha Nagar-201306, Uttar Pradesh
Noida Warehouse	Warehouse of our Company located at Unit in Noida Uttar Pradesh being additional piece of land used as factory of Koolking with area 17500 Sq. ft.
"Nomination and Remuneration Committee" or "NRC"	The nomination and remuneration committee of our Company as described in the section titled "***Our Management – Committees of the Board – Nomination and Remuneration Committee***" on page 353
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, please see "***Our Promoters and Promoter Group – Promoter Group***" on page 365
Promoter Group Selling Shareholder	Sugandha Sood
"Promoters" or "Promoter Selling Shareholder(s)"	Promoters of our Company, namely, Sajiv Gopal, Malti Sood and Varun Gopal. For further details, please see "***Our Promoters and Promoter Group***" beginning on page 363
Proposed Projects	Collectively, Proposed Unit I, Proposed Unit II and Proposed Unit III
Proposed Unit I	Proposed manufacturing unit at Malerkotla, Punjab. For further details, please see "***Objects of the Offer***" beginning on page 133
Proposed Unit II	Proposed manufacturing unit at Sricity, Andhra Pradesh. For further details, please see "***Objects of the Offer***" beginning on page 133
Proposed Unit III	Proposed manufacturing unit at Ghiloth, Rajasthan. For further details, please see "***Objects of the Offer***" beginning on page 133
Punjab Manufacturing Facility Unit I	Manufacturing facility of our Company located at Khata no. 250/363, Khasra no. 535/0-11, 549/6-5, 553/6-2, 680/540/5-8, 552/6-5, 524/7-17, 1160/501/2-10, 526/6-5, 542/6-5, 543/5-12, 544/6-5, 545/6-5, 546/6-5, 547/6-5, 550/6-5, 551/10-19, 552/13-0, 548/6-5, 1160/501/2-10, Khasra no. 535/0-11, 680/540/5-8, 549/6-5, 553/6-2, 1161/501/2-15, 524/7-17, 525/6-5, 546/6-5, 547/6-5, 548/6-5, 550/6-5, 551/10-19, 552/13-0, 526/6-5, 544/6-5, 524/6-5, 543/5-12, 545/6-5, 1160/501/2-10, Dhuri Road, Malerkotla, Sangrur-148023, Punjab
Punjab Manufacturing Facility Unit II	Manufacturing facility of our Company located at Khasra No. 592/5-17, 593/5-5, Khasra no.1327/594min/1-13, 1341/1065/597min/0-13-10, 1065/597/0-2, 1335/1064-65/595/0-9, 1336/594/0-2, 1340/596/0-10, 1342/1066/597/0-1, 1344/598/0-4,

Term	Description
	1346/598/0-1, Khasra no. 1337/594 min 2-8 Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab
Registered and Corporate Office	Registered and corporate office of our Company located at Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India
"Registrar of Companies" or "RoC"	Registrar of companies, Punjab and Chandigarh at Chandigarh
Restated Financial Information	The Restated Financial Information of our Company as at for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, comprising the restated statement of assets and liabilities as at for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, the restated statements of profit and loss (including other comprehensive income), the restated statements of cash flows and the restated statements of changes in equity for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the notes and schedules thereon, prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013, as amended, in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.
Risk Management Committee	The risk management committee of our Board as described in the section titled "***Our Management – Committees of the Board – Risk Management Committee***" on page 356
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Promoter Group Selling Shareholder
"Senior Management" or "SMP"	Senior managerial personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in the section titled "***Our Management – Senior Management***" on page 359
Shareholders	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Share from time to time
Sricity Manufacturing Facility	Manufacturing facility of our Company located at Near Apollo Tyre, IP Chinnapanduru-1, Plot no. UDL-7, Industrial Area Vittaiahpalem, Tirupati-517541, Andhra Pradesh
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in the section titled "***Our Management – Committees of the Board – Stakeholders' Relationship Committee***" on page 356
Whole-time Director(s)	The whole-time director(s) on our Board. For further details, please see "***Our Management – Board of Directors***" on page 343

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document to be issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have Bid in the Offer after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/ Offer Period in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be decided by our Company, in consultation with the BRLM, in compliance with the SEBI ICDR Regulations during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The day, being, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, and prior to and after which the BRLM will not

Term	Description
	accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided, by the Company in consultation with the BRLM, in compliance with the SEBI ICDR Regulations
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor Portion shall be reserved in the manner that 33.33% shall be reserved for domestic Mutual Funds and 6.67% shall be reserved for Life Insurance Companies and Pension Funds, any under-subscription in the portion reserved for Life Insurance Companies and Pension Funds may be allocated to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder for blocking the Bid Amount by such SCSB or the account of the UPI Bidders blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bankers to the Offer	Collectively, Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in the section titled "***Offer Procedure***" beginning on page 495
Bid(s)	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations as per the terms of the Red Herring Prospectus and the Bid Cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RII and mentioned in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares of face value of ₹ 5 each and in multiples of [●] Equity Shares of face value of ₹ 5 each thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published. In case of any revision, the extended Bid/ Offer Closing shall also be notified on the websites and terminals of the Members of the Syndicate as required under the SEBI ICDR Regulations and also intimated to the Designated Intermediaries and the Sponsor Bank(s).

Term	Description
	Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for the QIB Category one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations which shall also be notified by advertisement in the same newspapers where the Bid/ Offer Opening Date was published, in accordance with the SEBI ICDR Regulations
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation, and in case of any revisions, the extended Bid/ Offer Closing Date shall also be notified on the websites and terminals of the Members of the Syndicate and also intimated to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations
Bid/ Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days, for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for the QIB Category one Working Day prior to the Bid/ Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, in accordance with SEBI ICDR Regulations. The Bid/ Offer Period will comprise Working Days only
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, and includes an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Offer, namely, Keynote Financial Services Limited
Broker Centres	Broker centres of the Registered Brokers notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
Cap Price	The higher end of the Price Band, being ₹ [●], above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLM, the Syndicate Member(s), the Banker(s) to the Offer for, *inter alia*, collection of the Bid Amounts, transfer of funds to the Public Offer Accounts, and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number of the Bidder's beneficiary account maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant(s)" or "CDP(s")	A depository participant as defined under the Depositories Act, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI RTA Master Circular and the UPI Circulars, issued by SEBI and the Stock Exchanges, as per the list available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time

Term	Description
Collecting Registrar and Share Transfer Agents	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of the SEBI RTA Master Circular and the UPI Circulars
"Confirmation of Allocation Note" or "CAN"	The note or advice or intimation of allocation of the Equity Shares to be sent to Anchor Investors who have been allocated the Equity Shares, on/ after the Anchor Investor Bidding Date
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLM, in compliance with the SEBI ICDR Regulations, which shall be any price within the Price Band. Only Retail Individual Investors in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, PAN, bank account details and UPI ID wherever applicable
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Form used by ASBA Bidders, a list of which is available at the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Designated Branches of the SCSBs	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where ASBA Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the respective Stock Exchanges and updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Offer Account or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of a UPI Bidder, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Offer
Designated Intermediaries	Collectively, the Members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIIs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIIs and Non-Institutional Investors Bidding with an application size of up to ₹ 0.50 million (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such centres of the RTAs where ASBA Bidders can submit the Bid cum Application Forms, and in case of UPI Bidders only ASBA Forms with UPI. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Stock Exchange	[●]
Document Repository Platform	The online platform set up by the stock exchanges to upload and maintain documents electronically as required in terms of SEBI Merchant Bankers Regulations and SEBI circular number SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/170 dated December 5, 2024

Term	Description
Draft Abridged Prospectus	The memorandum dated September 23, 2026 containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated September 23, 2026 filed with SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including of the Offer Price and the size of the Offer, including any addendum and corrigendum thereto
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	A non-resident Indian, eligible to invest under the relevant provisions of the FEMA Rules, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/ NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and with whom the Escrow Account(s) will be opened, in this case being, [●]
"First Bidder" or "Sole Bidder"	Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, being ₹ [●], subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue component of the Offer comprising an issuance by our Company of up to [●] Equity Shares of face value of ₹ 5 each at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 3,000.00 million. Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)
Fugitive Economic Offender	A fugitive economic offender as defined under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended, and Regulation 2(1)(p) of the SEBI ICDR Regulations
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM
Gross Proceeds	The Offer proceeds from the Fresh Issue
Life Insurance Company(ies)	An entity registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938
Minimum NIB Application Size	Bid Amount of more than ₹ 0.20 million in the specified lot size

Term	Description
Mobile App(s)	The mobile applications listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Monitoring Agency	[●], being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Mutual Fund Portion	Up to 5% of the Net QIB Portion or [●] Equity Shares of face value of ₹ 5 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
Net Proceeds	The Gross Proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "***Objects of the Offer***" beginning on page 133
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
"Non-Institutional Investors" or "NIIs"	All Bidders that are not QIBs (including Anchor Investors) and Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares of face value of ₹ 5 each, which shall be available for allocation to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-thirds of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indians (NRIs), FPIs and FVCIs
NPCI	The National Payments Corporation of India
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹ 5 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale. Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)
Offer Agreement	The agreement dated September 23, 2026, entered into amongst our Company, the Selling Shareholders and the BRLM, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer of up to 3,050,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million, comprising, up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Sajiv Gopal, up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Malti Sood, up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Varun Gopal and up to 305,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Sugandha Sood
Offer Price	The final price, being ₹ [●], at which Equity Shares will be Allotted to the successful ASBA Bidders, as determined in accordance with the Book Building Process and by the

Term	Description
	Company, in consultation with the BRLM, in compliance with the SEBI ICDR Regulations in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "***Objects of the Offer***" beginning on page 133
Offered Shares	Up to 3,050,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million, comprising up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Sajiv Gopal, up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Malti Sood, up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Varun Gopal and up to 305,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by Sugandha Sood
Pre-IPO Placement	Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)
Pension Fund	Fund registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013
Price Band	Price band of a minimum price of ₹ [●] per Equity Share ("**Floor Price**") and the maximum price of ₹ [●] per Equity Share ("**Cap Price**") including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLM, shall finalize the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment
Prospectus	The prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined in accordance with the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and with which the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being, [●]

Term	Description
Public Offer Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
QIB Bidders	QIBs who Bid in the Offer
"QIB Category" or "QIB Portion"	The category of the Offer (including the Anchor Investor Portion), being not more than 50% of the Offer, consisting of [●] Equity Shares of face value of ₹ 5 each aggregating to ₹ [●] million, which shall be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price (for Anchor Investors)
"Qualified Institutional Buyers" or "QIBs"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three Working Days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being, [●]
Registered Brokers	Stockbrokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of SEBI ICDR Master Circular and the UPI Circulars issued by SEBI and the Stock Exchanges
Registrar Agreement	The agreement dated September 23, 2026 entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations, as per the list available on the websites of the Stock Exchanges, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	KFin Technologies Limited
"Retail Individual Investors" or "RIIs"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the Bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to RIIs, in accordance with the SEBI ICDR Regulations, which shall not be less than the Minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and NIIs are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs Bidding in the Retail Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed and updated by SEBI from time to time

Term	Description
	Applications through UPI in the Offer can be made only through the SCSBs and mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from the Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	The Banker(s) to the Offer registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Requests and/or payment instructions of the UPI Bidders using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being, [●]
Stock Exchanges	Collectively, NSE and BSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the BRLM, the Syndicate Members and the Registrar to the Offer in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, in this case being [●]
"Syndicate" or "Members of the Syndicate"	Together, the BRLM and the Syndicate Members
Systemically Important NBFCs	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to the filing of the Red Herring Prospectus or the Prospectus with the RoC, as applicable. For further details, see "***General Information – Underwriting Agreement***" on page 99
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; and (ii) Non- Institutional Bidders with an application size of up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI ICDR Master Circular issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular(to the extent that such circular pertains to the UPI mechanism)and SEBI circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular and the SEBI ICDR Master Circular, to the extent applicable) along with the circular issued by NSE having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular, to the extent applicable), SEBI ICDR Master Circular and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard

Term	Description
UPI ID	Identity document created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Conventional and general terms or abbreviations

Term	Description
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees, the official currency of the Republic of India
AGM	Annual general meeting of shareholders under the Companies Act
"Alternative Investment Fund(s)" or "AIF(s)"	Alternative investment fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
"AS" or "Accounting Standards"	Accounting Standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I AIFs	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II AIFs	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	Erstwhile Companies Act, 1956 and the rules thereunder
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013, as amended, together with the rules thereunder
CPC	Code of Civil Procedure, 1908, as amended
Demat	Dematerialised
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
DIN	Director Identification Number
DP ID	Depository Participant's Identification
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended
EPS	Earnings Per Share
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time

Term	Description
FEMA	Foreign Exchange Management Act, 1999, as amended and the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, Government of India
"Financial Year" or "Fiscal" or "fiscal" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
"Foreign Portfolio Investor(s)" or "FPI(s)"	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
FRN	Firm registration number
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
"Income Tax Act" or "IT Act"	The Income-tax Act, 1961, as amended
Ind AS	Indian Accounting Standards
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
MCA	Ministry of Corporate Affairs
MSMEs	Micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended
"N.A." or "NA"	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non-Resident Indian and FPIs
NRE Account	Non-Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"Overseas Corporate Body" or "OCB"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended

Term	Description
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Master Circular	SEBI master circular bearing reference number HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI RTA Master Circular	SEBI master circular bearing number HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended
"State Government" or "State"	Government of a State of India
STT	Securities Transaction Tax
TAN	Tax deduction and collection account number
U.S. Securities Act	United States Securities Act of 1933, as amended
"U.S." or "USA" or "United States"	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
"USD" or "US$"	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
"Year" or "Calendar year" or "CY"	Unless the context otherwise requires, shall mean the twelve-month period ending December 31

Technical, industry and business-related terms/ abbreviations

Term	Description
B2B	Business to business
CNC	Computer numerical control
EMC	Electronics manufacturing cluster
ERP	Enterprise resource planning
FIFO	First in first out
HVAC	Heating, ventilation and air conditioning
IDUs	Indoor units
IQC	Incoming quality control
LQC	Line quality control
NPD	New product development
ODMs	Original design manufacturers
ODUs	Outdoor units
OEMs	Original equipment manufacturers
OQC	Outgoing quality control
PP	Production part
RACs	Room air conditioners
SACs	Spilt air conditioners
SKUs	Stock keeping units
TAM	Total addressable market
WACs	Window air conditioners

Key Performance Indicators

KPIs	Description
Financial KPIs	
Revenue from Operations	Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.
Gross Profit	Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.
Gross Profit Margin	Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.
Reported EBITDA	Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.
Reported EBITDA Margin	Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.
Reported EBIT	Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.
Reported EBIT Margin	Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.
Reported PAT	Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.
Reported PAT Margin	Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.
Reported ROE	Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.
Reported ROCE	Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.
Adjusted EBITDA	Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.
Adjusted EBITDA Margin	Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations
Adjusted EBIT	Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.
Adjusted EBIT Margin	Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.
Adjusted PAT	Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.
Adjusted PAT Margin	Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.
Adjusted ROE	Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.
Adjusted ROCE	Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.
Imported Purchases of raw material	Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.
Operational KPIs	
Revenue from Repeat Customers as a percentage of Revenue from Operations %	Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a

KPIs	Description
	customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.
Imported Purchases of raw material as a percentage of total raw material Purchases	Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.
Installed capacity	Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer

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

Certain Conventions

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

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time.

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

Financial data

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, as at and for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, comprising, the restated statements of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the restated statements of profit and loss (including other comprehensive income) for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, the restated statements of cash flows for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the restated statements of changes in equity for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the notes and schedules thereon, prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended.

For further information on our Company's financial information, please see "***Financial Information***" beginning on page 368.

Our Company's financial year commences on April 1 and ends on March 31 of next year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that year.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 23, 293 and 428 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Information.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in the sections titled "***Risk Factors***", "***Industry Overview***" and "***Our Business***" beginning on pages 23, 198 and 293, respectively.

There are significant differences between Ind AS and U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, please see "***Risk Factors – Significant differences exist between Ind AS ("Indian Accounting Standards") and other accounting principles, such as U.S. GAAP ("Generally Accepted Accounting Principles in the United States of America") and IFRS ("International Financial Reporting Standards"), which investors may be more familiar with and may consider material to their assessment of our financial condition***" on page 74. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row; any such discrepancies are due to rounding off.

Non-GAAP measures

Certain measures like Gross Profit, Gross Profit Margin, Reported EBITDA, Reported EBITDA Margin, Reported EBIT, Reported EBIT Margin, Reported PAT Margin, Reported ROE, Reported ROCE, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBIT, Adjusted EBIT Margin, Adjusted PAT, Adjusted PAT Margin, Adjusted ROE, Adjusted ROCE, Fixed Asset Turnover Ratio and Imported Purchases of raw material presented in this Draft Red Herring Prospectus are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate business plans. In addition, these non-GAAP measures, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further details see, "***Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable***" on page 73.

Currency and units of presentation

All references to:

- "**Rupees**" or "**₹**" or "**INR**" or "**Rs.**" are to Indian Rupee, the official currency of the Republic of India; and
- "**USD**" or "**US$**" or "**$**" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in this Draft Red Herring Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000 and one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD (in Rupees per USD):

Currency	As on March 31, 2026 (₹)	As on March 31, 2025 (₹)	As on March 31, 2024 (₹)
1 USD	94.65	85.58	83.37

(Source: www.fbil.org.in)
Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. All figures are rounded up to two decimals

Industry and market data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in the sections titled "***Risk Factors***", "***Industry Overview***", "***Our Business***" *and* "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 23, 293 and 428, respectively, has been obtained or derived from the report titled "*Industry Research Report on Electronics System Design and Manufacturing*" dated September, 2026 prepared and issued by CARE, commissioned and paid for by our Company, exclusively in connection with the Offer which will be available on the website of our Company at https://kpmgroupindia.com/industry-reports ("**CARE Report**") from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. CARE has, pursuant to their consent letter dated September 22, 2026 ("**Letter**") accorded their no objection and consent to use the CARE Report in connection with the Offer. Further, CARE has, pursuant to the Letter also confirmed that it is an independent agency and has no conflict of interest while issuing the CARE Report, and has confirmed that they are not related, directly or indirectly, to our Company, our Promoters, our Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Manager. CARE was appointed by our Company pursuant to the engagement letter dated October 29, 2025.

Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The excerpts of the industry report are disclosed in the Offer Documents and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "***Risk Factors***" beginning on page 23. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Any references to various segments in the CARE Report and information derived therefrom are references to industry segments and in accordance with the presentation, analysis and categorisation in the CARE Report.

In accordance with the SEBI ICDR Regulations, "***Basis for the Offer Price***" beginning on page 174 includes information relating to our peer group companies. Such information has been obtained from publicly available sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information.

FORWARD-LOOKING STATEMENTS

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

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. These statements are based on our management's belief and assumptions, current plans, estimates, presumptions and expectations, which in turn are based on currently available information. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

- We derive a significant portion of our revenue from a limited number of key customers. Our top 10 customers contributed towards 89.71%, 89.36% and 88.38% of our revenue from operations during Fiscals 2026, 2025 and 2024, respectively, and the loss of any of these customers, deterioration of their financial conditions or prospects, any reduction in their requirements for our products or a reduction in business from them, may adversely affect our business, results of operations, financial condition and cash flows.

- We depend on a limited number of third parties for the supply of raw materials. Our top 10 suppliers contributed towards 79.33%, 71.38% and 70.70% of total purchases during Fiscals 2026, 2025 and 2024, respectively, and failure by our suppliers to meet their obligations may cause change in availability and cost of raw materials which may adversely affect our business, financial condition, results of operations and prospects.

- Increases in the prices or limited availability of raw materials and other inputs used in our manufacturing operations could adversely affect our business, results of operations and financial condition.

- We are dependent on the availability of certain raw materials and components sourced from suppliers located in South Korea, China and Thailand, which accounted for 53.07%, 48.26% and 49.84% of our total raw material sourced during Fiscals 2026, 2025 and 2024, respectively, and any disruption in their supply or increase in their prices could adversely affect our business, results of operations and financial condition.

- Our manufacturing operations engage contract labour for certain functions and locations, and any disruption in the availability of such labour at reasonable cost and/or increase in labour costs may adversely affect our business, results of operations, financial condition and cash flows.

For a further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 23, 293 and 428, respectively.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements.

None of our Company, our Directors, our KMPs, the Selling Shareholders, the Syndicate or any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the BRLM and the Selling Shareholders will ensure that investors are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment. In accordance with regulatory requirements including requirements including requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders will, severally and not jointly, ensure that investors are informed of material developments in relation to the statements and undertakings specifically made or confirmed by such Selling Shareholders in relation to itself as a Selling Shareholders and its respective portion of the Offered Shares from the date of the Red Herring Prospectus until the date of Allotment pursuant to the Offer.

SECTION II: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider the risks described below as well as other information as may be disclosed in this Draft Red Herring Prospectus and the Red Herring Prospectus before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, profitability and margins, cash flows and financial condition as of the date of this Draft Red Herring Prospectus. The risks set out in this section may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future and may also impair our business. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, prospects, results of operations profitability and margins, cash flows and financial condition, cash flows, could suffer, the trading price and the value of your investment in our Equity Shares could decline and you may lose all or part of your investment. In order to obtain an understanding of our Company and our business, prospective investors should read this section in conjunction with "**Industry Overview**", "**Our Business**", "**Key Regulations and Policies**", "**Restated Financial Information**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Outstanding Litigation and Material Developments**" beginning on pages 198, 293, 325, 368, 428 and 460, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.*

Unless specified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. The risk factors have been presented below on the basis of their materiality. Furthermore, some events may be material collectively rather than individually. Some events may not be material at present but may have a material impact in the future. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment in India which may differ significantly from that in other jurisdictions. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer, including the merits and the risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of purchasing our Equity Shares.

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks, assumptions, estimates, uncertainties and other factors, many of which are beyond our control. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For more details, see "**Forward-Looking Statements**" beginning on page 21.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is derived from our Restated Financial Information for the Fiscals 2026, 2025 and 2024, as included in this Draft Red Herring Prospectus. For further information, see "**Restated Financial Information**" beginning on page 368. We have also included various financial and operational performance indicators in this Draft Red Herring Prospectus, some of which have not been derived from the Restated Financial Information. The manner of calculation and presentation of some of these financial and operational performance indicators, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions.*

Further, names of certain customers and suppliers have not been included in this Draft Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality. Additionally, our top customers and suppliers have not remained the same and have changed between Fiscals.

*Unless otherwise indicated, industry and market data used in this section have been derived from the industry report titled "Industry Research Report on Electronics System Design and Manufacturing" dated September, 2026 (the "**CARE Report**"), prepared and released by CARE, which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated October 29, 2025, for the purpose of understanding the industry in connection with this Offer. A copy of the CARE Report shall be made available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date at https://kpmgroupindia.com/industry-reports. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant financial year. See "**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**" and "**Risk Factors –***

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing. *" on pages 20 and 69, respectively.*

INTERNAL RISKS

1. We derive a significant portion of our revenue from a limited number of key customers. Our top 10 customers contributed towards 89.71%, 89.36% and 88.38% of our revenue from operations during Fiscals 2026, 2025 and 2024, respectively, and the loss of any of these customers, deterioration of their financial conditions or prospects, any reduction in their requirements for our products or a reduction in business from them, may adversely affect our business, results of operations, financial condition and cash flows.

We derive a substantial portion of our revenue from a limited number of key customers, including large original design manufacturers ("**ODMs**"), with whom we share a long-standing relationship. We depend on our arrangement with such customers, and our business relies on continuity of our relationship with them. The loss of any of these customers, or a significant reduction in the volume of orders placed by them, could materially and adversely affect our revenues, profitability and cash flows. A majority of our revenue is derived from our top 10 customers.

The contribution to the revenue from operations of our Company by our top 10 customers is set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Amber Enterprises India Limited	1,516.39	28.79	1,216.29	25.17	712.68	29.70
Customer 2*	969.70	18.41	1,203.69	24.91	522.09	21.76
Customer 3*	662.73	12.58	569.97	11.80	273.83	11.41
Daikin Airconditioning India Private Limited	552.31	10.49	407.26	8.43	202.79	8.45
Customer 5*^	268.20	5.09	224.49	4.65	94.64	3.94
Customer 6*^	202.43	3.84	189.02	3.91	81.31	3.39
Customer 7*^	196.80	3.74	137.89	2.85	75.46	3.14
Customer 8*^	126.18	2.40	131.01	2.71	70.41	2.93
Customer 9*^	120.50	2.29	130.25	2.70	45.31	1.89
Customer 10*^	109.64	2.08	107.88	2.23	42.38	1.77
Total	**4,724.88**	**89.71**	**4,317.75**	**89.36**	**2,120.90**	**88.38**

* *Names of customers have not been disclosed as we have not received consent for inclusion of their names in this Draft Red Herring Prospectus.*

^ *These top customers have not remained the same and have changed between Fiscals. Names of these customers include Panasonic Life Solutions India Private Limited and EPack Durable Limited.*

Our customers include ODMs and original equipment manufacturers ("**OEMs**") engaged in the manufacture of air conditioners with various specifications, across a range of energy ratings and types of refrigerants. We possess robust market presence, serving eight of the top ten HVAC manufacturers in the country. (*Source: CARE Report*) We have been recognized by our customers for the quality of our products which has contributed to the development of long term relationships with several large domestic and global ODMs, including, Daikin Airconditioning India Private Limited, Amber Enterprises India Limited, KRN Heat Exchanger and Refrigeration Limited and Panasonic Life Solutions India Private Limited.

Our key customers may reduce or discontinue their purchases from us for several reasons, including changes in their procurement policies, financial condition, business strategy, demand for their products, preference for alternative suppliers, failure by us to meet delivery schedules or increased competition. Further, our customers may seek to renegotiate commercial terms, including pricing, credit periods or delivery timelines, which could adversely affect our operating margins. The loss of any significant customer could adversely impact our production planning, capacity utilisation and economies of scale, which may lead to increased per-unit costs and operational inefficiencies.

Additionally, identifying and developing relationships with new customers may require significant time and resources, and we cannot assure you that we will be able to replace such customers in a timely manner or on commercially favourable terms or at all. Any delay in payments or deterioration in the creditworthiness of such customers may also adversely affect our working capital requirements and liquidity. Accordingly, our dependence on a limited number of customers exposes us to risks associated with customer concentration, and any adverse developments affecting our relationships with such customers may have a material adverse effect on the business, results of operations, financial condition and cash flows of our Company.

In addition, our contracts with our customers may contain terms and conditions which include among others the nature and specification of products to be manufactured and supplied by us, manner of inspection and testing of products manufactured, representation and warranties made by us in relation to our manufacturing capabilities, process to be followed in case of defects, steps to ensure compliance with applicable laws, quality of products, undertakings in relation to protection of intellectual property of our customers, indemnification of our customers due to our negligence or breach of any term of the agreement, defect warranties in relation to the products manufactured by us. In the event we agree to any onerous terms laid down by our customers, such onerous terms may have an effect on our future growth including expansion of customer base. Additionally, non-compliance with the terms of the contractual arrangements may lead to among others damages or penalties, termination of the agreements and will also result in us being unable to attract further business in the future.

Maintaining strong relationships with our customers is, therefore, essential to our business strategy and to the growth of our business. Further, while we have not experienced any such reduction during Fiscals 2026, 2025 and 2024, since our business is presently concentrated among a few significant customers, we may also experience reduction in cash flows and liquidity if we lose one or more of our top customers due to any dispute with respect to our contractual arrangements.

The occurrence of any of the above may have a significant adverse effect on our business, financial condition, result of operation and future prospects. While we have not faced any of such instances during Fiscals 2026, 2025 and 2024, we cannot guarantee that such instances may not occur in the future.

2. ***We depend on a limited number of third parties for the supply of raw materials. Our top 10 suppliers contributed towards 79.33%, 71.38% and 70.70% of total purchases during Fiscals 2026, 2025 and 2024, respectively, and failure by our suppliers to meet their obligations may cause change in availability and cost of raw materials which may adversely affect our business, financial condition, results of operations and prospects.***

We procure raw materials for our manufacturing operations from a limited number of third-party suppliers. The key raw materials used by us include copper, brass and other materials required for the manufacture of our HVAC and refrigeration components. The availability, quality and cost of these raw materials are critical to our manufacturing operations. As of July 31, 2026, we had a supplier base of 79 suppliers for our raw materials and other manufacturing requirements. Any delay or interruption in the supply of raw materials, deterioration in quality standards, or failure of suppliers to meet our specifications may disrupt our manufacturing processes, result in production delays, increase operational costs and adversely affect our reputation with customers. A majority of our raw material is supplied by our top five and top 10 suppliers.

The details of our major suppliers and the extend of purchase from such suppliers during last three Fiscals are set out below:

Particulars*^	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Supplier 1	1,600.43	32.99	1,015.26	22.74	391.55	17.04

Particulars*^	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Supplier 2	809.88	16.69	655.13	14.67	274.03	11.93
Supplier 3	443.46	9.14	424.10	9.50	198.84	8.65
Supplier 4	223.58	4.61	334.39	7.49	194.07	8.45
Supplier 5	213.61	4.40	214.33	4.80	188.49	8.20
Supplier 6	132.10	2.72	175.78	3.94	134.11	5.84
Supplier 7	127.37	2.63	100.84	2.26	79.68	3.47
Supplier 8	108.68	2.24	91.93	2.06	64.11	2.79
Supplier 9	104.92	2.16	90.63	2.03	51.82	2.26
Supplier 10	84.89	1.75	84.47	1.89	47.50	2.07
Total	**3,848.92**	**79.33**	**3,186.86**	**71.38**	**1,624.20**	**70.70**

**Our top 10 suppliers have not remained the same and have changed between Fiscals. Our major suppliers include Amber Enterprises India Limited, Hangzhou Hua Guang Advanced Welding Materials Co. Limited, Xinxiang Techstar Refrigeration Technology Co. Limited, LS Metal Co. Limited, Copper King International, and Zhejiang Seleno Science and Technology Co. Limited, amongst others.*

^ Names of certain of our suppliers have not been disclosed as we have not received consent for inclusion of their names in this Draft Red Herring Prospectus.

Our ability to maintain uninterrupted production and meet customer demand is dependent on the continuous availability of such raw materials in adequate quantities, meeting the required quality standards and at commercially viable prices. Our suppliers may experience financial, operational or regulatory difficulties, labour disruptions, capacity constraints, logistical challenges, or other factors that may impair their ability to supply raw materials in a timely manner or at all.

Further, our suppliers may increase prices, alter commercial terms, reduce credit periods or prioritise other customers, which may increase our procurement costs and working capital requirements. We may also be required to incur additional costs or resources to qualify alternative suppliers due to technical specifications, quality requirements, regulatory approvals or other commercial considerations. Such factors could adversely affect our margins, working capital requirements and results of operations.

There can be shortages or oversupply (as the case maybe) of key materials or components. A shortage of any of these components generally increases their prices and may depress our margins to the extent that it is not possible to pass these higher component prices on to our customers. If we fail to anticipate customer demand properly, a temporary oversupply could result in excess or obsolete components which could affect our gross margin and may also affect our working capital management. Our Company has not been materially and adversely affected during Fiscals 2026, 2025 and 2024, due to shortage of, or increase in the cost of raw materials, as our Company, in many instances has been able to pass on the increase in the cost of raw materials to its customers. However, such volatility in supply of raw materials or components may adversely affect our business if we are not able to manage the supply of such components and react quickly to market changes. There can be no assurance that shortages or oversupply of key components (among others) will not occur in the future or that any such shortages or oversupply will not be a major contributing factor to our results of operations. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we are unable to procure the raw materials from other sources, we would be unable to meet our manufacturing schedules and to deliver to our customers in a timely fashion, which would adversely affect our sales, profit margins and customer relations.

3. ***Increases in the prices or limited availability of raw materials and other inputs used in our manufacturing operations could adversely affect our business, results of operations and financial condition.***

Our manufacturing operations are dependent on the availability of various raw materials, primarily copper and brass, as well as other inputs required for the manufacture of our products. The prices of these raw materials and other inputs are subject to fluctuations due to various factors, including changes in supply and demand, commodity prices, market conditions and other factors beyond our control. Any significant increase in the prices of such raw materials or other inputs could increase our cost of production and adversely affect our margins, results of operations and financial condition.

The following table sets forth certain information relating to the total cost of the raw materials for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Consumption of raw material (₹ in million)	4,260.29	3,816.63	1,810.21
Consumption of raw material as a percentage of total expenses (%)	87.82	85.49	78.79
Consumption of raw material as a percentage of revenue from operations (%)	80.88	79.00	75.44

Our manufacturing operations require us to procure raw materials and other inputs in accordance with the specifications and requirements applicable to our products. We may face increase in the prices of, or limitations in the availability of, our key raw materials, including brass, copper. We cannot assure you that the prices of such raw materials will remain stable or that we will be able to procure them at commercially favourable prices in the future. Any significant increase in the cost of raw materials that cannot be offset through operational efficiencies, product pricing or other measures could adversely affect our profitability.

Further, any shortage or disruption in the availability of our key raw materials could affect our ability to manufacture and supply our products in accordance with customer requirements. Our procurement of raw materials may also be affected by factors such as transportation disruptions, changes in supplier capacity, market conditions and other circumstances beyond our control. While we may source raw materials from multiple suppliers, there can be no assurance that alternative sources of supply will be available on comparable terms or that we will be able to qualify alternative suppliers without incurring additional costs or delays.

While we have not experienced any material disruption in the availability of key raw materials during Fiscals 2026, 2025 and 2024, any such disruption in the future could adversely affect our production schedules, capacity utilisation and ability to meet customer requirements. Further, our ability to pass on increases in the cost of raw materials to our customers may be limited by the pricing terms applicable to our customer arrangements and prevailing market conditions. We may therefore be required to absorb some or all of any increase in raw material costs, which could adversely affect our margins, results of operations and financial condition.

4. ***We are dependent on the availability of certain raw materials and components sourced from suppliers located in South Korea, China and Thailand, which accounted for 53.07%, 48.26% and 48.50% of our total raw material sourced during Fiscals 2026, 2025 and 2024, respectively, and any disruption in their supply or increase in their prices could adversely affect our business, results of operations and financial condition.***

Our manufacturing operations require various raw materials and components, including copper and brass tubes, which are sourced, directly or indirectly, from suppliers located in South Korea, China and Thailand. We rely on such suppliers for the timely and adequate supply of these raw materials and components required for the manufacture of our HVAC and refrigeration components.

The details of raw materials sourced from suppliers located in South Korea, China and Thailand and their contribution to our total raw materials sourced during the last three Fiscals are set out below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total raw material sourced (₹ in million)	4,746.05	3,981.85	1,886.00
Raw material sourced from South Korea, China and Thailand (₹ in million)	2,518.54	1,921.74	914.79
% of total raw materials sourced	53.07	48.26	48.50

The details of our total expenditure on raw materials during the years indicated is set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total imports	Amount (₹ in million)	% of total imports	Amount (₹ in million)	% of total imports
South Korea	2,105.61	83.60	1,441.93	75.03	322.94	34.36
China	412.93	16.40	479.13	24.93	590.93	62.86
Thailand	0.00	0.00	0.68	0.04	0.92	0.10
Others*	0.06	0.00	0.03	0.00	25.22	2.68

Total import purchases	2,518.60	100.00	1,921.77	100.00	940.01	100.00

**Including Malaysia and Japan*

Our dependence on suppliers located in South Korea, China and Thailand exposes us to risks associated with changes in the economic, political, regulatory and trade environment in such countries, including changes in import duties or tariffs, restrictions on imports or exports, trade restrictions or sanctions, changes in government policies, geopolitical tensions, transportation and logistics disruptions, port congestion, natural disasters, public health emergencies, labour disruptions and other events beyond our control. Any such event could result in delays in the procurement or transportation of raw materials and components, increase our procurement and logistics costs or require us to source such materials from alternative suppliers at less favourable prices or terms. Any disruption in the availability or supply of such raw materials or components from South Korea, China and Thailand could adversely affect our manufacturing operations and our ability to meet customer requirements and delivery schedules.

In addition, the prices of raw materials and components sourced from South Korea, China and Thailand may fluctuate due to changes in global commodity prices, demand and supply dynamics, foreign exchange rates, energy and transportation costs and other factors. We may not always be able to pass on any increase in our raw material and procurement costs to our customers, or may experience a time lag in doing so, which could adversely affect our gross margins, profitability and cash flows.

The qualification of suppliers and sourcing of certain raw materials and components may also require time and resources, and we may not be able to identify, qualify and onboard alternative suppliers in a timely manner or on commercially favourable terms. Any failure or inability of our existing suppliers in South Korea, China and Thailand to meet our requirements relating to quality, specifications, quantity or delivery schedules could therefore result in production delays, interruption of manufacturing operations or our inability to fulfil customer orders.

Further, any material disruption in the supply of raw materials or components sourced from South Korea, China or Thailand could require us to maintain higher inventory levels or procure materials from alternative sources, which may increase our working capital requirements and manufacturing costs. Such disruption could also affect our ability to maintain consistent product quality or meet the stringent quality and delivery requirements of our customers. Although we have not experienced any material disruption in the supply of raw materials or components sourced from South Korea, China or Thailand during Fiscals 2026, 2025 and 2024, we cannot assure you that such disruptions will not occur in the future.

Any material disruption in, or increase in the cost of, raw materials or components sourced from South Korea, China or Thailand, or our inability to develop adequate alternative sources of supply, could have a material adverse effect on our business, results of operations, financial condition, cash flows and prospects.

5. Our manufacturing operations engage contract labour for certain functions and locations, and any disruption in the availability of such labour at reasonable cost and/or increase in labour costs may adversely affect our business, results of operations, financial condition and cash flows.

We engage contract labour through independent contractors for carrying out certain functions at some of our Manufacturing Facilities and Noida Warehouse, including production, material handling, logistics, packaging, maintenance, warehousing and other operational activities. Accordingly, our operations may be affected by the availability of an adequate number of contract workers at commercially reasonable costs.

The details of our contract labour engagement during the years indicated is set out below:

Particulars	Fiscal		
	2026	2025	2024
Average number of contract workers engaged at our Manufacturing Facilities (in numbers)*	1,257	883	363
Expenses towards contract workers (**A**) (₹ in million)	212.18	139.43	53.16
Total expenses (**B**) (₹ in million)	4,851.28	4,464.39	2,297.49

Expenses towards contract workers as a % of total expenses (**C**) = (A/ B) *100 (%)	4.37	3.12	2.31

** The monthly average number of contract workers is based on the number of contract workers engaged during the respective Fiscal and may vary from time to time due to seasonality in our business.*
Note: Expenses towards Contract workers comprise costs associated with personnel engaged across production, administrative, and sales operations.

Our engagement of contract labour exposes us to several risks, including shortage of skilled or semi-skilled workforce, increased wage demands, labour unrest, non-compliance by labour contractors with applicable labour laws, disputes with contract workers, and changes in government policies relating to contract labour employment. Any inability to obtain adequate contract labour, or any significant increase in labour costs, may result in disruption of our manufacturing operations, delay in production schedules, reduced operating efficiency and increased costs.

Further, we are required to comply with applicable labour and employment laws in relation to our contract labour arrangements. Any non-compliance by our contractors or any change in labour laws or wage regulations may increase our compliance costs or impose additional obligations on us. Further, any strikes, work stoppages, labour disputes or regulatory actions relating to contract labour may disrupt our operations and adversely affect productivity.

While we have not experienced any material disruption in our operations on account of non-availability of contract labour or significant labour disputes during Fiscals 2026, 2025 and 2024, we cannot assure that such events will not occur in the future. Any disruption in the availability of contract labour, increase in wage costs, or failure to comply with applicable labour regulations may materially and adversely affect our business, financial condition, cash flows and results of operations.

6. ***Our business requires significant working capital for our operations, and any inability to meet our working capital requirements may adversely affect our business, financial condition, cash flows and results of operations.***

Our business is working capital intensive and requires substantial working capital to finance our day-to-day operations, including procurement of raw materials, maintenance of inventory, manufacturing processes, trade receivables and other operational requirements. The nature of our operations requires us to maintain adequate levels of inventory and extend credit to customers, which results in significant capital being tied up in working capital. Any inability to source the required amount of working capital for addressing any production needs, may lead to under-production, decreased revenues and a dissatisfied customer base. Further, any delay in processing of payments by our customers may increase our working capital requirement. In the event a customer defaults in making payments for an order on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available.

Set out below are details of our working capital requirements for the years indicated:

Particulars	**Fiscal**		
	2026	**2025**	**2024**
Current assets (₹ in million)	2,891.12	1,413.51	936.21
Current liabilities (₹ in million)	1,258.64	680.95	693.53
Revenue from operations (₹ in million)	5,267.45	4,831.42	2,399.38
Working capital requirements (₹ in million)	1,632.48	732.56	242.68

Our working capital requirements are influenced by several factors, including fluctuations in raw material prices, inventory holding levels, production cycles, credit terms extended to customers, collection cycles, changes in demand for our products and overall market conditions. Any increase in working capital requirements or deterioration in our working capital cycle may require us to obtain additional financing, which may not be available on favourable terms or at all.

Further, any delay in realisation of trade receivables, increase in inventory levels, or inability to efficiently manage our payables may adversely affect our liquidity position and cash flows. In particular, extended credit periods granted to customers or delays in payments from customers may result in increased financing requirements and higher borrowing costs. Any mismatch between our cash inflows and outflows may adversely affect our ability to meet operational expenses, service debt obligations or implement our growth plans.

Our working capital requirements may also increase due to expansion of our operations, changes in market conditions, supply chain disruptions or adverse economic developments. Any inability to secure adequate working capital financing, or any increase in the cost of such financing, may adversely affect our operational efficiency and profitability.

Additionally, our dependence on external borrowings to meet working capital requirements exposes us to risks relating to interest rate fluctuations, financing constraints and compliance with financing covenants. Any breach of financial covenants or inability to renew or obtain working capital facilities may result in operational constraints and financial stress.

While we have been able to meet our working capital requirements during Fiscals 2026, 2025 and 2024, we cannot assure that we will be able to adequately manage or finance our working capital requirements in the future. Any inability to maintain adequate working capital or effectively manage our working capital cycle may materially and adversely affect our business operations, financial condition, cash flows, results of operations and future growth prospects.

7. We do not have long-term agreements with any of our customers and any loss of, or reduction in demand from such customers, or adverse developments in our relationships with them, could adversely affect our business, results of operations, financial condition and cash flows.

We currently do not have long-term agreements with any of our customers and generally conduct business with them on the basis of purchase orders placed from time to time. Consequently, there is no binding commitment on the part of such customers to continue to place purchase orders with us at historical levels or at all. Our revenues are therefore dependent on the continued receipt of purchase orders, and any reduction, delay or discontinuation of orders may result in fluctuations in our revenues and cash flows from period to period.

The absence of long-term contracts with our customers, along with the possibility of fluctuations in demand for products, may impair our ability to accurately forecast their future requirements and plan our production schedules efficiently. Our customers may cancel, modify or delay production quantities and delivery schedules, or fail to meet their projected forecasts, for reasons beyond our control. In addition, evolving customer requirements may necessitate additional commitments or operational adjustments on our part, which may increase costs or exert pressure on our margins. Any significant reduction, delay or cancellation of orders by our key customers could adversely affect our results of operations, margins, working capital and production planning. While we have not experienced any material reductions, delays or cancellations of orders from our key customers during Fiscals 2026, 2025 and 2024, there can be no assurance that such events will not occur in the future.

Further, for a significant portion of our product portfolio, we are not the exclusive supplier to our customers, and our competitors may also supply similar products to them. In a competitive environment, our customers may shift volumes to other suppliers offering more competitive pricing, better credit terms or other favourable commercial arrangements, particularly in the absence of exclusivity commitments. Additionally, any deterioration in the financial condition, business prospects or liquidity position of our customers may reduce their demand for our products or impair their ability to make timely payments, or to pay us at all, which could adversely affect our revenues and cash flows. While we have not encountered any material difficulties in retaining our customers during Fiscals 2026, 2025 and 2024, there can be no assurance that we will be able to maintain our existing customer relationships or sustain current business volumes in the future.

8. Any failure to convert existing customers into repeat customers or to acquire new customers may adversely affect our business, financial condition and results of operations.

Our business continuity and profitability depend on our ability to convert our existing customer base into repeat customers while continuing to add new customers to our customer base. In the Fiscals 2026, 2025 and 2024, the revenue from operations earned from our repeat customers constituted 96.91%, 99.47% and 97.66% of our total revenue from operations, respectively. This is primarily dependent on our product offerings, brand value, goodwill, product quality, pricing, promotions, marketing, and various other factors. It is important for our business to retain repeat customers while continuing to attract new customers. We cannot assure you that the measures undertaken by us for our business and brand will result in attracting repeat customers or new customers. Our inability to achieve this will have an impact on our business, profitability and results of operations.

Our business has grown substantially in recent years, with the retention of existing customers and acquisition of new customers playing a significant role. Our revenue from operations increased from ₹ 2,399.38 million in Fiscal 2024 to ₹ 5,267.45 million in Fiscal 2026 at a CAGR of 48.17%.

The following table sets forth certain of our operational parameters in the relevant periods:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from repeat customers(1)	₹ in million	5,104.75	4,806.05	2,343.34
Revenue from operations(2)	₹ in million	5,267.45	4,831.42	2,399.38
Revenue from Repeat Customers as a percentage of Revenue from Operations (3)	%	96.91	99.47	97.66

Notes:
(1) Revenue from Repeat Customers represents the revenue from operations attributable to Repeat Customers during the Fiscal, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.
(2) Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.
(3) Revenue from Repeat Customers (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.

Our continued success depends on our ability to anticipate, identify and respond in a timely and cost-effective manner to prevailing industry trends, changes in customer preferences, customer perception towards our industry and brands, and evolving customer purchasing patterns. The growth of our business depends on our ability to convert existing customers into repeat customers and acquire new customers in a cost-effective manner.

The HVAC components industry is fragmented, with the presence of both organised and unorganised manufacturers. (*Source: CARE Report*) However, increasing localisation, stricter quality standards, and higher customer expectations are driving demand towards organised, quality-driven and compliant component suppliers. (*Source: CARE Report*) We cannot assure you that we will be able to sustain or achieve our historical growth rates in the future. Further, if we are unable to provide timely and satisfactory customer support or resolve customer issues effectively, our ability to attract and retain customers may be adversely affected. Further, we may be required to offer greater incentives than anticipated to attract customers and convert them into purchasing customers, which may result in increased promotional expenditure in the future. If such efforts do not yield the expected results, our business, results of operations, cash flows and financial condition may be adversely affected.

9. We are exposed to foreign currency fluctuations in relation to our imports of raw materials and components, particularly from South Korea, China and Thailand, which could adversely affect our business, results of operations, financial condition and cash flows.

Our manufacturing operations require various raw materials and components, including copper, brass and other materials, a portion of which we source from suppliers located outside India, including South Korea, China and Thailand. The details of our total expenditure on raw materials during the years indicated is set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
South Korea	2,105.61	83.60	1,441.93	75.03	322.94	34.36
China	412.93	16.40	479.13	24.93	590.93	62.86
Thailand	0.00	0.00	0.68	0.04	0.92	0.10
Others*	0.06	0.00	0.03	0.00	25.22	2.68
Total import purchases	**2,518.60**	**100.00**	**1,921.77**	**100.00**	**940.01**	**100.00**

**Including Malaysia and Japan*

Accordingly, we are exposed to fluctuations in foreign currency exchange rates in relation to our purchases of such raw materials and components.

Any depreciation in the value of the Indian Rupee against the currencies in which our imports are denominated would increase the Indian Rupee cost of such raw materials and components. Such increase in procurement costs could adversely affect our manufacturing costs and operating margins, particularly to the extent we are unable to pass on, or are delayed in passing on, such increase in costs to our customers. We may pass on price escalations to our customers on a quarterly basis. However, supplies committed during a particular quarter are required to be made at the prices agreed for such quarter, irrespective of foreign currency fluctuations. Accordingly, any increase in the cost of imported raw materials and components arising from foreign currency fluctuations during a quarter may not be passed on to our customers until the subsequent quarter.

Our exposure to foreign currency fluctuations may also be affected by the timing difference between the purchase of raw materials and components, recognition of the corresponding trade payable and settlement of such payable. Any adverse movement in foreign exchange rates during such period could increase the Indian Rupee value of our outstanding foreign currency denominated payables and result in foreign exchange losses.

Fluctuations in foreign currency exchange rates may also affect our procurement decisions and the cost competitiveness of our products. Significant or sustained adverse movements in exchange rates could increase our raw material and component costs, adversely affect our pricing and margins and require us to deploy additional working capital to fund our procurement requirements.

The extent of our exposure to foreign currency fluctuations will depend on, among other factors, the quantum and timing of our imports, the currencies in which our purchases are denominated, the payment terms agreed with our overseas suppliers and movements in the relevant exchange rates. We may, from time to time undertake measures to manage our foreign currency exposure; however, such measures may not fully protect us against adverse movements in foreign exchange rates.

During the last three Fiscals, we recognised foreign exchange gains and losses in connection with our foreign currency denominated transactions, as set out below:

Particulars	**Fiscal 2026**		**Fiscal 2025**		**Fiscal 2024**	
	Amount (₹ in million)	**% of total expenses**	**Amount (₹ in million)**	**% of total expenses**	**Amount (₹ in million)**	**% of total expenses**
Foreign exchange gain under other income/ (loss) under other expenses	(74.96)	1.55	(1.24)	0.03	9.50	0.41
Foreign exchange (loss) under finance cost	(9.09)	0.19	(2.73)	0.06	(0.98)	0.04
Total	**(84.05)**	**1.74**	**(3.97)**	**0.09**	**8.52**	**0.37**

Any significant adverse movement in foreign currency exchange rates, particularly in relation to the currencies in which our purchases from South Korea, China and Thailand are denominated, could increase our procurement and manufacturing costs, adversely affect our operating margins and profitability and increase our working capital requirements, and consequently have a material adverse effect on our business, results of operations, financial condition and cash flows. We did not undertake any hedging of our foreign currency exposures during Fiscals 2026, 2025 and 2024.

10. ***We do not have long-term contractual arrangements with certain suppliers for the procurement of raw materials, which exposes us to risks relating to price volatility, supply disruptions and uncertainty in procurement terms.***

We do not have long-term contractual arrangements with certain of our suppliers for the procurement of raw materials and components and typically source such materials through purchase orders or short-term arrangements. The absence of long-term supply agreements limits our ability to secure stable pricing, assured supply or favourable commercial terms over an extended period.

As a result, we are exposed to fluctuations in raw material prices arising from market conditions, changes in demand and supply dynamics, inflationary pressures, regulatory changes, or other factors beyond our control. Any significant increase in raw material prices may increase our cost of production and adversely affect our operating margins, particularly where we are unable to pass on such cost increases to our customers in a timely manner.

Further, suppliers may choose not to supply raw materials to us, may prioritise other customers, or may impose unfavourable terms, including higher prices, shorter credit periods or minimum purchase requirements. In the absence of long-term arrangements, we may also face uncertainty regarding the availability of adequate quantities of raw materials, which may disrupt our production planning and capacity utilisation.

Any interruption in the supply of raw materials, inability to procure materials in sufficient quantities, or adverse changes in procurement terms may result in delays in production, increased operational costs and reduced profitability. Consequently, the absence of long-term supply arrangements exposes us to significant procurement and pricing risks, which may have a material adverse effect on our business, results of operations and financial condition. While we have not faced any of such instances during Fiscals 2026, 2025 and 2024, we cannot guarantee that such instances may not occur in the future.

11. Our business is subject to cyclical demand in the heating, ventilation and air conditioning ("HVAC") components industry and any downturn in the industries we serve may adversely affect our business, results of operations and financial condition.

Our business is significantly dependent on demand for heating, ventilation and air conditioning ("**HVAC**") systems and components, which is influenced by overall economic conditions, industrial growth, construction activity, infrastructure development, commercial and residential real estate expansion, and capital expenditure by customers. The HVAC components industry is inherently cyclical and closely linked to macroeconomic and industry cycles, including trends in manufacturing output, urbanisation, infrastructure investments and consumer spending. Demand for HVAC systems and components is also subject to seasonal fluctuations.

Festivals like Diwali, Dussehra, and Christmas witness significant purchases across product categories, driven by traditions of home improvement and gifting. Retailers and manufacturers capitalize on these periods with attractive offers, discounts, and cashback schemes. Rural areas experience heightened demand during harvest seasons when disposable incomes are higher. (*Source: CARE Report*) Weather patterns also influence demand, with prolonged heatwaves or cold spells prompting increased sales of relevant appliances. (*Source: CARE Report*) This cyclicality creates predictable spikes, enabling manufacturers and retailers to plan inventory and promotional strategies effectively, solidifying seasonal demand as a consistent driver for the industry. (*Source: CARE Report*)

Any slowdown in economic growth, reduction in construction or infrastructure development activities, decline in industrial production, contraction in capital expenditure by customers, or adverse developments in sectors that drive demand for HVAC systems may result in reduced demand for our products. A decline in demand may lead to lower order volumes, reduced capacity utilisation, increased inventory levels, pricing pressure, and reduced operating margins, which may adversely affect our financial performance. During periods of economic downturn or reduced capital expenditure, customers may delay or cancel orders, renegotiate pricing terms, reduce order quantities or seek alternative suppliers. Further, demand for HVAC components may be affected by changes in regulatory standards relating to energy efficiency or environmental compliance, technological developments, evolving customer preferences and shifts in market trends.

Our ability to accurately anticipate and adequately prepare for seasonal and cyclical fluctuations in demand may also affect our production planning and inventory management. Although we maintain certain inventory levels to account for such fluctuations, our fixed costs, including employee costs, manufacturing and operating costs and logistics-related expenses, remain relatively constant throughout the year. Accordingly, lower than expected sales during periods of anticipated higher demand, or more pronounced seasonal or cyclical variations in demand, may have a disproportionate impact on our results of operations, working capital requirements and cash flows. Prolonged downturns in the HVAC components industry may also result in increased competition, excess industry capacity, pricing pressure and reduced market share.

While we may not have experienced any material adverse impact arising from cyclical or seasonal fluctuations in demand during Fiscals 2026, 2025 and 2024, there can be no assurance that such adverse conditions will not arise in the future or that we will be able to accurately anticipate and adequately prepare for such fluctuations. Any significant decline in demand for HVAC systems or components, or any adverse seasonal or cyclical variation in demand, may have a material adverse effect on our business, results of operations, financial condition and cash flows.

12. Our cash flows from operating activities have been fluctuating in the past. We have experienced negative cash flows from operating activities, and may continue to do so in the future, which could adversely affect our business, prospects, financial condition, cash flows, and results of operations.

Our Company has experienced fluctuating and negative cash flow in the past and may continue to do so in the future, which could materially adversely affect our business, prospects, financial condition, cash flows, and results of operations. While we had generated positive cash flows from operating activities in Fiscal 2024, we have experienced a negative cash flow from operating activities during the Fiscals 2026 and 2025 primarily due to an increase in working capital requirements in connection with the expansion of our operations and business volumes. During these periods, we deployed additional working capital towards inventory procurement and extended commercial credit terms to certain customers to support increased business volumes and customer relationships. Such deployment of working capital resulted in higher cash outflows from operating activities during the relevant periods. There can be no assurance that our working capital requirements will not increase in the future or that we will generate positive cash flows from operating activities in subsequent periods.

While the Company generated operating profit before working capital changes, increased operational scale and the upfront procurement of raw materials to meet an expanding order book led to higher deployment of funds in inventories and trade receivables, resulting in negative operating cash flow. Our cash flow for the past three Fiscals are set forth in the table below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash generated from/ (used in) operating activities	(430.08)	(66.47)	37.40

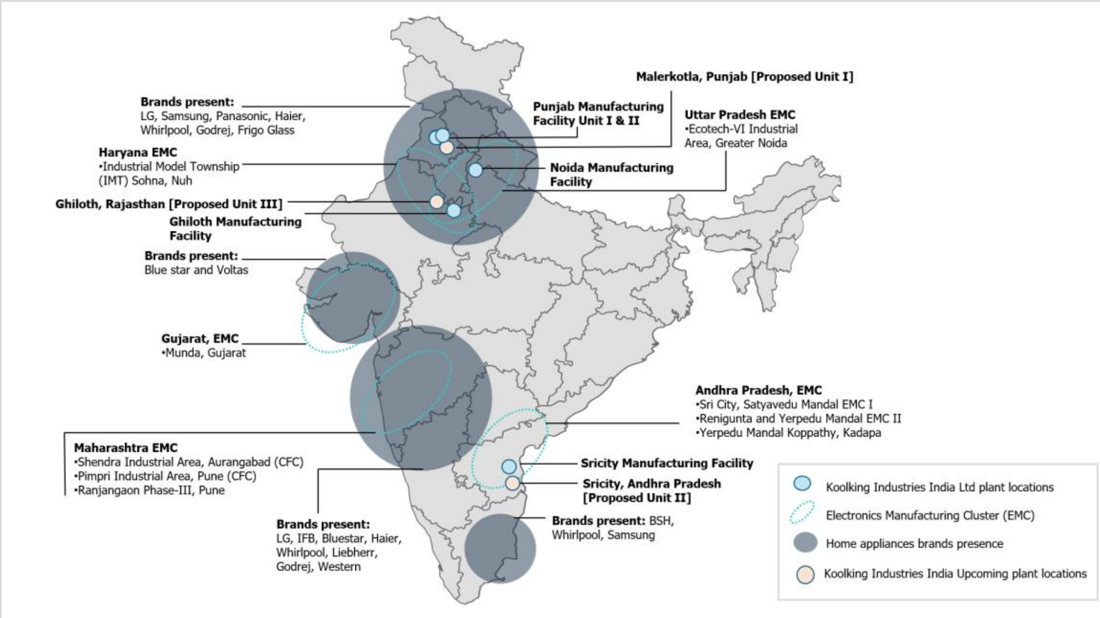
For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows***" on page 448.

Cash flow is a critical indicator of our ability to generate sufficient funds from operations to cover capital expenditures, pay dividends, repay loans, and make new investments without resorting to external financing. If we fail to generate adequate cash flows, it may negatively impact our business operations and hinder our growth prospects.

13. Our operations are dependent on the availability, adequacy and reliability of infrastructure and utilities, and any disruption may adversely affect our manufacturing activities and financial performance. We rely on our Manufacturing Facilities for our business operations. Any operational slowdown or shutdown in our manufacturing operations or the under-utilisation of our Manufacturing Facilities could adversely impact our business, results of operations, financial condition and cash flows.

As on the date of this Draft Red Herring Prospectus, we operate five Manufacturing Facilities located in Punjab, Uttar Pradesh, Rajasthan and Andhra Pradesh, and as on July 31, 2026, we had 773 permanent employees and 1,383 contractual employees. Proximity of component manufacturers to OEM production facilities has emerged as a key structural driver for the industry. Locating component plants near OEM manufacturing hubs enables faster turnaround times, lower logistics costs, reduced inventory requirements, and improved supply-chain coordination. This geographic clustering supports just-in-time delivery models, enhances quality control through closer collaboration, and allows suppliers to respond quickly to design changes or demand fluctuations. (*Source: CARE Report*)

The below map sets our Manufacturing Faculties and their proximity to EMC in India:



(Source: CARE Report)

The success of our business depends on maintaining certain utilization levels at our Manufacturing Facilities, which is subject to various operational risks, including workforce shortage, productivity of our workforce, labour disputes, compliance with regulatory requirements and risks that are beyond our control, such as the equipment failure, disruption in electric power or water resources, fire or industrial accidents and severe weather conditions, and natural calamities. These instances could result in unexpected shutdowns or prolonged slowdowns in our manufacturing operations or may require us to incur significant compliance or remediation costs, which we may not be able to entirely or at all or recover through insurance or pass on to our customers.

While we have not encountered such instances during Fiscals 2026, 2025 and 2024, any significant malfunction or breakdown of our machinery, equipment, IT systems, or other manufacturing processes (collectively, our "**Manufacturing Assets**") could result in substantial repair costs and operational delays. If we fail to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we replace the defect with appropriate Manufacturing Assets. In addition, we may also need to implement planned shutdowns of our Manufacturing Facilities for customer audits, testing, maintenance, statutory inspections, or capacity expansion and equipment upgrades. Additionally, various factors like shift in product demand and supply chain disruptions could lead to the under-utilization of our Manufacturing Facilities, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. For details relating to our installed capacity, actual production and capacity utilisation of our Manufacturing Facilities, see "***Our Business – Manufacturing Facilities – Installed capacity and capacity utilisation***" on page 314.

Our inability to effectively respond to such events and rectify disruptions in a timely and cost-effective manner could lead to operational slowdowns, shutdowns, or the under-utilization of our Manufacturing Facilities. Subsequently, this may cause reduction in inventory and inability to fulfil customer orders, which may lead to loss of certain of our key customers. Further, these customers may also seek to impose penalties or initiate arbitration or legal proceedings against us for supply disruptions on account of delay in delivery or a defect or deficiency in the products delivered by us.

14. ***Our business is dependent on technology and our ability to develop and upgrade products through our new product development function, and any failure to adapt to technological changes or to successfully develop new products may adversely affect our competitiveness.***

Our ability to maintain and enhance our competitive position depends on our capability to develop, improve and adapt our products and manufacturing processes in response to technological advancements and evolving industry requirements. The HVAC components industry is subject to continuous technological developments, including improvements in product design, materials, energy efficiency, automation, manufacturing processes and performance requirements.

We have an in-house new product development ("**NPD**") function which supports the development of customised solutions based on customer requirements and technical specifications. Our NPD team undertakes feasibility assessments, develops product designs and prototypes, and coordinates with customers through design validation, testing, approval and transition to mass production.

If we fail to anticipate or respond effectively to technological changes, evolving customer requirements, regulatory standards or industry trends, our products may become less competitive or technologically obsolete, which may adversely affect our market position, customer relationships and revenues. The development and implementation of new technologies and products may involve significant costs, time and resources and may require specialised expertise, and there can be no assurance that such efforts will result in commercially successful products or processes.

Further, our NPD initiatives may not achieve the desired outcomes, may involve longer development cycles than anticipated, or may fail to result in products that are successfully validated, tested and approved by our customers. Inability to successfully develop new products or improve existing products may reduce our ability to meet changing customer requirements and compete effectively. Technological changes in the HVAC components industry may also require us to incur capital expenditure to upgrade our manufacturing processes, equipment or product offerings. Failure to implement technological upgrades in a timely manner may adversely affect our operational efficiency and cost competitiveness.

Our growth has also been supported by the adoption of automated manufacturing technologies, including automatic tube cutting machines, integrated computer numerical control ("**CNC**") bending machines, automatic forming machines, automatic brazing machines, leak testing machines, forging presses and CNC turning and threading machines. We continue to focus on automation and have undertaken initiatives to upgrade automation levels at our Manufacturing Facilities. Accordingly, any failure to identify, adopt or effectively implement appropriate technological developments or upgrades may adversely affect our manufacturing efficiency, product quality and ability to meet customer requirements.

While technological developments and product development initiatives have not resulted in any material adverse impact on our business during Fiscals 2026, 2025 and 2024, we cannot assure you that our NPD initiatives will be successful or that we will be able to keep pace with technological developments in the future. Any failure to adapt to technological changes or to successfully develop, validate and commercialise new products may have a material adverse effect on our business, results of operations and financial condition.

15. Certain of our corporate records and filings with the RoC were delayed in filing or were inaccurate or were not filed. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.

Our Company has delayed filing certain corporate records such as Form PAS-3, among other forms. Such delayed filings have been rectified by way of payment of additional fees at the time of filing of relevant form.

While there have been no regulatory proceedings or actions initiated against us in relation to the aforementioned non-availability of the corporate records or delayed filings, we cannot assure you that we will not be subject to legal proceedings, regulatory action or penalties imposed by statutory or regulatory authorities in this respect, which may adversely affect our business, financial condition, results of operations and reputation.

Furthermore, our Company has, in the past, made certain inadvertent errors in its secretarial filings, primarily of a technical or clerical nature. For instance:

Sr. No.	Error	Corrective actions taken by the Company	Action from the RoC
1.	Our Company inadvertently attached the MOA of the previous version prepared	Our Company subsequently took corrective steps to regularise the RoC record by adopting/ placing on record	-

	under the Companies Act, 1956, instead of the updated MOA applicable under the Companies Act, 2013, in the form MGT-14 dated July 27, 2020, related to the proposed increase in authorised share capital from ₹ 7,50,00,000 to ₹ 9,90,00,000.	and the corrected/ updated MOA at the EGM held on August 24, 2020. The Company has thereby taken necessary corrective measures to ensure that the statutory records maintained with the RoC reflect the correct and updated constitutional documents of the Company.	
2.	Our Company inadvertently mentioned the dates of allotment as October 30, 2014 and December 31, 2014, respectively, instead of the actual allotment date of March 10, 2015, while filing of return of allotment	Our Company identified the discrepancy and submitted Form GNL-1 to the Registrar of Companies requesting that the aforesaid PAS-3 forms be treated as "*Defective / Not to be Taken on Record*" and that the Company be permitted to file fresh PAS-3 forms correctly reflecting the actual date of allotment as March 10, 2015. Pursuant to approval of Form GNL-1, our Company filed the Form PAS-3 with correct details with the RoC, thereby rectifying and regularising the inadvertent clerical discrepancy.	GNL-1 application was duly approved by the Registrar of Companies

Although such errors were unintentional and did not have any material adverse impact on our business or financial position, any similar non-compliances or inaccuracies in our secretarial records in the future may attract regulatory scrutiny and could expose us to penalties and reputational risk.

We cannot ascertain the action that the RoC may take against us or the penalties that may be levied against us in this regard or any other regulatory or statutory action that may be taken against us in this regard. Such actions and penalties may have an adverse effect on our business, financial condition and reputation. Further, we cannot assure you that there will not be any discrepancies or errors in our filings in the future, which may subject us to regulatory actions and/or penalties in the future. We may also be subject to regulatory actions and penalties for any past or future non-compliances in corporate filings by our Company. Further, there can be no assurance that no additional discrepancies in past records or filings will be identified upon further regulatory review. Any such observations, if made, may subject our Company to regulatory scrutiny, directions or penalties. In the event there is an outcome which is unfavourable to our Company, it will have an adverse effect on our business, financial condition and reputation.

16. ***Our Company has availed unsecured loans from our Promoters any defaults could adversely impact our cash flows.***

Our Company has availed, and may continue to avail, unsecured loans from our Promoters. As of July 31, 2026, our Company has outstanding unsecured loans amounting to ₹ 157.25 million from our Promoters, which constitute approximately 8.84% of the total outstanding indebtedness of our Company.

The terms of these loans, including tenure, interest rate, repayment schedule and other conditions, may not always be on an arm's length basis and may be revised by the lenders at their discretion which may expose us to unforeseen changes in borrowing costs or repayment obligations. Any failure to comply with the terms and conditions of such unsecured borrowings may trigger cross defaults, etc.

While we have not faced any such instance during the Fiscals 2026, 2025 and 2024, there can be no assurance that similar situations will not arise in the future. Any such instance may materially and adversely affect our Company's business, cash flows, financial condition and results of operations.

17. ***We operate in a highly competitive industry and face competition from existing and new market participants as well as substitute products, which may adversely affect our market share, pricing and profitability.***

The HVAC components industry is highly competitive and characterised by the presence of numerous domestic and international manufacturers, organised and unorganised market participants and alternative product solutions. We compete with other manufacturers on various factors, including product quality, pricing, technological capabilities, manufacturing efficiency, customer relationships, delivery timelines and service standards.

Intense competition may result in pricing pressure, reduced margins, loss of market share, increased marketing and sales expenditure and the need for continuous product innovation. Existing competitors may expand their production capacity, adopt more advanced technologies, introduce new or improved products or offer more competitive pricing, which may adversely affect our ability to retain customers or secure new business opportunities.

Further, technological advancements or the introduction of substitute products offering superior performance, enhanced energy efficiency, cost advantages or improved features may reduce demand for our products. Customers may shift to alternative technologies or competing products, which may adversely affect our revenues and growth prospects.

Increased competition may also require us to incur additional costs for product development, quality enhancement, marketing and customer acquisition, which may adversely affect our operating margins. Additionally, new entrants may benefit from lower cost structures, innovative technologies or stronger financial resources, which may intensify competitive pressures in the industry.

While we have not experienced any material adverse impact arising from competitive pressures or substitute products during Fiscals 2026, 2025 and 2024, we cannot assure you that competitive conditions will not intensify or that substitute products will not adversely affect demand for our products in the future. Any inability to compete effectively may have a material adverse effect on our business, results of operations and financial condition.

18. Our business requires adherence to stringent technical specifications and quality standards prescribed by our customers, and any failure to meet such requirements may result in loss of business, product rejection, liability exposure and reputational harm.

Our products are required to comply with precise technical specifications, performance standards and quality requirements prescribed by our customers. We supply our products to a diversified client base which includes large original design manufacturers ("**ODMs**") manufacturing air conditioners with various specifications, across a range of energy ratings and types of refrigerants. Backed by our in-house NPD function, we are able to ensure seamless transition from design to commercial production for customized solutions for our customers based on the customer-provided designs and technical specifications. Our ability to maintain customer relationships and secure repeat orders depends significantly on our capability to consistently meet such technical and quality standards.

Any failure to comply with customer specifications, quality requirements or contractual performance obligations may result in rejection of products, cancellation or suspension of orders, loss of business opportunities, imposition of penalties, product returns, warranty claims or claims for damages. In addition, non-compliance with quality standards may require us to incur additional costs for product replacement, rework, quality enhancement measures or process modifications, which may adversely affect our operating margins and profitability.

Further, any failure to meet prescribed technical standards may adversely affect our reputation for product quality and reliability, which could impair our ability to retain existing customers or attract new customers. Our customers may also impose more stringent contractual terms, increase inspection requirements or seek alternative suppliers if we fail to consistently meet their quality expectations. Maintaining compliance with evolving technical standards may also require continuous investment in quality control systems, manufacturing processes, testing procedures and employee training. Any inability to implement or maintain effective quality assurance systems may adversely affect our manufacturing operations and customer relationships.

While we have maintained compliance with applicable customer specifications and quality requirements and have not experienced any material adverse impact arising from non-compliance with such standards during Fiscals 2026, 2025 and 2024, we cannot assure you that we will be able to consistently meet such requirements in the future. Any failure to comply with customer specifications or quality standards may have a material adverse effect on the business, results of operations, financial condition and reputation of the Company

19. Any failure to effectively plan or execute our production schedules, or any unanticipated or prolonged interruption in our manufacturing operations, may adversely affect our ability to meet customer demand and may materially impact our financial performance.

Our business depends on our ability to efficiently plan and execute production schedules and maintain uninterrupted manufacturing operations. Our production processes involve complex coordination of procurement of raw materials, workforce availability, equipment functionality, quality control procedures and logistics management. Any disruption or inefficiency in these processes may adversely affect our ability to meet customer requirements in a timely manner. For further details see, "***Our Business – Manufacturing process***" on page 311.

Unanticipated interruptions in manufacturing operations may arise due to equipment breakdowns, industrial accidents, failure of machinery, shortages of raw materials, power or utility disruptions, labour unrest, supply chain disruptions, quality control issues, natural disasters or other unforeseen events. Any such interruption may result in delays in production, reduced output, increased operating costs, contractual liabilities, and loss of customer confidence.

In addition, our inability to accurately forecast demand or manage production capacity may lead to underutilisation of Manufacturing Facilities or excess inventory, which may adversely affect our operating efficiency and profitability. Conversely, failure to meet customer demand due to production constraints may result in loss of business opportunities and damage to customer relationships.

Prolonged or repeated disruptions in manufacturing operations may also require significant expenditure for repairs, maintenance, process improvements or capacity enhancement and may adversely affect our ability to maintain consistent product quality and delivery schedules.

While our manufacturing operations have not experienced any material or prolonged interruptions that have adversely affected our business during Fiscals 2026, 2025 and 2024, we cannot assure you that such disruptions will not occur in the future. Any significant failure in production planning or interruption in our manufacturing operations may have a material adverse effect on our business, results of operations and financial condition.

20. Our inability to maintain or renew quality certifications and regulatory approvals may adversely affect customer confidence, market acceptance of our products and our reputation.

Our business and reputation depend in part on our ability to maintain various quality certifications and regulatory approvals relating to our manufacturing processes, quality management systems and product standards. Such certifications and accreditations demonstrate compliance with applicable quality, safety and performance standards and are often required by customers as a condition for procurement. For further details see, "***Our Business – Quality Control***" on page 318.

Maintaining such certifications requires ongoing compliance with prescribed standards, periodic audits, inspections and renewal procedures, and continuous improvement in manufacturing processes and quality management systems. Any failure to maintain or renew these certifications, or any adverse findings during inspections or audits, may adversely affect our credibility, brand reputation and ability to supply products to existing and potential customers. Loss, suspension or non-renewal of quality certifications may result in cancellation of customer contracts, restriction on participation in tenders or procurement processes, and increased scrutiny from customers or regulators. Further, obtaining or renewing such certifications may require us to incur additional costs and allocate significant management time and resources.

We have obtained various quality certifications and accreditations that are critical to our operations and supply relationships, including quality certifications such as ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications for our Manufacturing Facilities. These certifications are subject to periodic audits and renewal requirements. Any failure to maintain or renew such certifications, or any adverse findings in quality audits, may adversely impact our reputation, customer relationships and ability to continue supplying to certain customers.

Additionally, any perceived deterioration in product quality or failure to maintain recognised quality standards may adversely affect market perception of our products and reduce customer confidence in our manufacturing capabilities.

While we have maintained our quality accreditations and certifications and have not experienced any material adverse impact arising from failure to maintain such certifications during Fiscals 2026, 2025 and 2024, we cannot assure you that we will be able to maintain or renew such certifications in the future. Any failure to maintain required certifications or accreditations may have a material adverse effect on our business, results of operations, financial condition and reputation.

21. ***We depend on continuous supply of power, water and fuel for our manufacturing operations, and any disruption, shortage, or irregular supply of these essential utilities may adversely affect the manufacturing processes which may consequently adversely affect our business, results of operations, financial condition and cash flows.***

Our manufacturing operations require significant and uninterrupted supply of power, water, and fuel for production processes, operation of machinery, and maintenance of facility infrastructure. Any disruption, shortage, or irregular supply of these essential utilities may lead to delays or suspension of manufacturing activities, reduced production efficiency, increased operating costs, and inability to meet customer orders within stipulated timelines.

The following table sets forth details of our power expenses, for the periods mentioned:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Power and fuel expenses	36.75	0.76	32.14	0.72	19.97	0.87

The availability and cost of power, water, and fuel may be subject to factors beyond our control, including regulatory changes, infrastructure failures, supply constraints, natural calamities, price fluctuations, and actions by utility providers or government authorities. Any increase in the cost of utilities or limitations on supply may adversely affect our cost structure and profitability. Further, dependence on third-party utility providers exposes us to risks associated with service interruptions, inadequate infrastructure, or changes in tariff structures.

Although we have not experienced any material disruptions in the supply of power, water, or fuel that have adversely affected our operations during Fiscals 2026, 2025 and 2024, we cannot assure that such disruptions will not occur in the future. Any prolonged interruption or significant increase in the cost of utilities could materially and adversely affect our business operations, financial condition, and results of operations.

22. ***Our operations are labour intensive, and we may be subject to strikes, work stoppages or increased wage demands or increase in minimum wages by our employees, which could adversely affect our business and results of operations.***

Our operations are labour intensive, making us susceptible to strikes, work stoppages, or increased wage demands from our employees and/or contractual labourers. The efficiency and success of our operations depend on the availability of skilled personnel and maintaining positive relationships with our workforce. Any shortage of employees or disruptions arising from disputes with staff could adversely impact our business operations. As of July 31, 2026, our Company is supported by a workforce of 773 permanent employees and 1,383 contractual employees. For further information, see "***Our Business – Employees***" on page 321

Set forth below are details of our employee benefit expenditure, for the periods mentioned:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Employee benefits expense	256.01	5.28	213.07	4.77	152.71	6.65

Our business operations relies on both permanent and contractual workforce, and any disruption in the availability, performance, or compliance of our labour force could materially impact our operations and financial performance. Our contractual labourers may not always meet the high quality and performance standards required for our projects, which could result in inconsistent work, defects, or delays. Any failure by contractors to comply with labour laws and regulations could expose the Company to legal action or financial penalties. Additionally, the unavailability of contract labourers when needed, could lead to project delays and increased costs, putting further pressure on our financial resources. While we have not experienced any such disruptions during Fiscals 2026, 2025 and 2024, we cannot guarantee that similar issues will not occur in the future.

India has strict labour laws that protect workers' rights, including rules around union formation, dispute resolution, employee termination, and employer obligations in cases of retrenchment. It may become difficult for us to maintain flexible labour policies and labour costs within control, which may increase our costs. Further, there can be no assurance that employee attrition rates will not rise. Additionally, our contract workers may engage in strikes, work stoppages, or other forms of industrial action in the future, which could interrupt our business operations. While none of our employees were associated with any labour union during Fiscals 2026, 2025 and 2024 that led to any adverse effect on our business or operations, there can be no assurance that such instances will not occur in the future. Further, we may not have adequate access to skilled and unskilled workmen at reasonable rates or favourable terms at all times in the future and any increase in the cost of labour or failure to procure availability of labour due to any other reason, will adversely affect our business and results of operations.

Our workforce is a key driving factor behind our operational efficiency, and overall growthand our inability to recruit, train and retain suitably qualified and skilled personnel could adversely impact our business, results of operations, financial condition and cash flows. While we have not faced any instances where challenges in hiring, training, or retaining skilled personnel in Fiscals 2026, 2025 and 2024 negatively impacted our operational costs, there can be no assurance that such issues will not arise in the future.

23. Our Company's logo is not registered as on date of Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.

As on date of Draft Red Herring Prospectus, while we have made an application to register our logo under the Trademarks Act, 1999, we do not hold a registered trademark for the same, hence, we do not enjoy the statutory protections accorded to a registered logo. We cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed.

24. We may be unable to adequately obtain, maintain, protect or enforce our intellectual property rights and may be subject to intellectual property infringement claims, which could adversely affect our business, reputation and results of operations.

As on the date of this Draft Red Herring Prospectus, we do not own any trademarks and have made five trademark applications which are pending for registration. We also own the domain name kpmgroupindia.com. For further details, see "***Our Business – Intellectual Property***" on page 321.

Our business and operations depend, in part, on our ability to obtain, maintain, protect and enforce our intellectual property rights, including trademarks, technical know-how, proprietary processes, designs, trade secrets and other intellectual property used in connection with our manufacturing operations and products. The protection of our intellectual property is important for maintaining our competitive position, brand recognition and technological capabilities.

As on date of this Draft Red Herring Prospectus, the details of our intellectual property portfolio are set out below:

Sr. No.	Date of the Application	Trademark Class	Application Number	Status
1.	December 12, 2025	Class 09	7395873	Formalities check pass
2.		Class 07	7395874	Formalities check pass
3.		Class 40	7395875	Formalities check pass
4.		Class 35	7395876	Formalities check pass
5.		Class 11	7395877	Formalities check pass

We cannot assure that the measures we have taken to protect our intellectual property will be adequate or that our intellectual property rights will not be challenged, invalidated, circumvented or misappropriated. Any failure to protect our proprietary technologies, manufacturing processes or brand may result in loss of competitive advantage, dilution of brand value and reduced market share.

Further, we may be subject to claims alleging infringement of third-party intellectual property rights. Such claims may arise in the ordinary course of business and may involve significant costs of investigation, defence, settlement or damages. Any intellectual property litigation or dispute, whether or not successful, may result in diversion of management time, disruption of operations, reputational harm, and significant legal costs. In the event of an adverse determination, we may be required to obtain licences on commercially unfavourable terms, cease use of certain intellectual property, modify our manufacturing processes, withdraw products from the market or pay damages.

Additionally, the laws relating to intellectual property protection in India and other jurisdictions may not provide the same degree of protection as those in other countries, and enforcement of intellectual property rights may involve uncertainty and delay.

While we have not faced any material intellectual property infringement claims or loss of significant intellectual property rights during Fiscals 2026, 2025 and 2024, we cannot assure that such claims or events will not arise in the future. Any inability to adequately obtain, maintain, protect or enforce our intellectual property rights, or any intellectual property infringement claims against us, may materially and adversely affect our business, reputation, financial condition, cash flows and results of operations.

25. Any inability to efficiently utilise our existing manufacturing capacities or to successfully operationalise and utilise our expanded or proposed capacities may adversely affect our business, financial condition, cash flows and results of operations.

Our business operations are dependent on the efficient utilisation of our Manufacturing Facilities and production capacities. The optimal utilisation of our installed manufacturing capacities is critical for maintaining operational efficiency, achieving economies of scale and ensuring cost competitiveness. Any under-utilisation of our existing manufacturing capacities may lead to increased per-unit production costs, lower operating margins and reduced profitability.

Further, we periodically undertake capital expenditure towards expansion of our manufacturing capabilities, including the addition of new production lines, installation of new machinery and equipment and development of new Manufacturing Facilities, in order to meet anticipated demand, enhance product offerings and strengthen our market position. However, the successful utilisation of such expanded or proposed capacities depends on various factors, including growth in market demand, our ability to secure and retain customer orders, timely commissioning of facilities, availability of skilled labour, supply of raw materials and overall industry conditions.

If demand for our products does not grow as anticipated, or if we are unable to secure adequate orders from customers, our expanded or proposed capacities may remain underutilised for prolonged periods. In addition, delays in commissioning new facilities, operational inefficiencies, disruptions in supply chains, or changes in market conditions could result in lower-than-expected capacity utilisation levels.

Under-utilisation of manufacturing capacities may also result in higher fixed costs being spread over lower production volumes, which may adversely affect our cost structure and profitability. Additionally, any inability to effectively ramp up utilisation levels following capacity expansions may reduce the expected returns from such investments and impact our financial performance.

[***The remainder of this page has intentionally been left blank***]

The following tables set forth the annual installed capacity for the periods as mentioned below:

Product vertical	Unit of measurement [3]	Fiscal											
		2026				2025				2024			
		Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)	Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)	Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)
Punjab Manufacturing Facility Unit I[1]													
IDU component	Pieces	75,000,000	19,400,800	13,174,148	67.91	75,000,000	18,250,800	13,709,352	75.12	75,000,000	17,625,800	9,559,294	54.23
ODU components	Pieces		19,900,800	8,739,998	43.92		19,750,800	15,433,874	78.14		19,125,800	10,264,270	53.67
Other HVAC Components	KGs		1,400	1,128.30	80.59		NIL	NIL	NIL		NIL	NIL	NIL
Punjab Manufacturing Facility Unit II[1]													
IDU components	Pieces	260,000,000	195,006,750	118,703,074	60.87	260,000,000	185,006,750	138,389,174	74.80	260,000,000	165,000,800	102,392,288	62.06
ODU components	Pieces		32,006,750	21,938,323	68.54		23,506,750	15,603,746	66.38		21,000,800	12,115,562	57.69
Other HVAC Components	KGs		100	72	72.00		NIL	NIL	NIL		NIL	NIL	NIL
Refrigeration components	Pieces		250,000	97,888	39.16		250,000	204,370	81.75		210,000	150,395	71.62
Noida Manufacturing Facility[1]													
IDU components	Pieces	40,000,000	2,500,000	1,832,866	73.31	40,000,000	1,900,000	1,675,368	88.18	40,000,000	1,900,000	945,930	49.79
ODU components	Pieces		4,000,000	3,025,523	75.64		4,000,000	3,471,027	86.78		4,000,000	2,202,556	55.06
Refrigeration components	Pieces		55,000	45,337	82.43		NIL	NIL	NIL		NIL	NIL	NIL
Ghiloth Manufacturing Facility[1][2]													
IDU components	Pieces	80,100,000	35,000,000	24,797,942	70.85	80,100,000	25,000,000	14,827,251	59.31	80,100,000	10,000,000	4,050,962	40.51
ODU components	Pieces		16,000,000	7,259,879	45.37		11,500,000	7,053,048	61.33		9,000,000	4,749,356	52.77
Other HVAC Components	KGs		235,275	187,007	79.48		100,000	58,576	58.58		4,000	2,712	67.80
Refrigeration components	Pieces		15,000	12,380	82.53		NIL	NIL	NIL		NIL	NIL	NIL
Sricity Manufacturing Facility[1]													
IDU components	Pieces	138,000,000	70,062,500	49,553,494	70.73	138,000,000	27,525,000	14,424,797	52.41	138,000,000	20,000,000	1,808,075	9.04
ODU components	Pieces		25,062,500	14,200,601	56.66		15,025,000	8,164,045	54.34		12,000,000	858,588	7.15
Other HVAC Components	KGs		225	4.04	1.79		200	158	79.00		200	136	68.00

As certified by the Chartered Engineer by way of a certificate dated September 22, 2026

Notes:

(1) Authorized Installed capacity are as per approvals received from pollution department under consent to operate order under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

(2) As per the Consent to Operate (CTO) issued by the Rajasthan State Pollution Control Board, the manufacturing capacity of the product earlier described as "Copper and Brass Parts for Air Conditioner" is recorded as 5.0 ton per day. The Company has submitted a formal application dated 04/08/2026 to the Regional Officer, Rajasthan State Pollution Control Board, Regional Office, Neemrana (Kotputli-Behroor), requesting:

- *Updation of change in name of the company name from M/s Koolking Udhyog Private Limited to M/s Koolking Industries India Limited; and*
- *Amendment of the product description and capacity unit from:*

Existing: Copper and Brass Parts for Air Conditioner – 5 Ton/Day
Requested: HVAC & Refrigerator Components – 2,67,000 Nos./Day

The said letter clearly states that the request is only for change in the unit of measurement of production capacity and product nomenclature, and does not involve any increase in installed capacity, production capacity, manufacturing process, plant & machinery, pollution load, fuel consumption, water consumption, emissions, effluent generation or any other operational parameter. The manufacturing operations continue to remain exactly the same as approved under the existing CTO. The letter is duly acknowledged by the concerned department also.

In the absence of a fixed statutory conversion formula between weight (tonnes) and number of pieces for the heterogeneous mix of HVAC & Refrigerator Components manufactured at the unit, the equivalence has been established through the following professional assessment:

- *Detailed discussions with the management regarding the product mix, average piece weight of the various components manufactured, and the production reporting practice followed by the Company.*
- *Physical site inspection of the manufacturing facilities, production lines and finished-goods storage.*
- *Sample weight measurements carried out on representative finished components (average weight basis) during the site visit.*
- *Reconciliation of the daily production data maintained by the Company in number of pieces against the corresponding weight-based records.*

On the basis of the above, it is verified and certified that the existing approved capacity of 5.0 Ton per Day is equivalent to 2,67,000 numbers (Nos.) per Day of HVAC & Refrigerator Components, without any enhancement of the installed or production capacity.

(3) KGs= Kilo grams
Qty.= no. of pieces

[***The remainder of this page has intentionally been left blank***]

While we endeavour to plan our capacity expansion and utilisation strategies based on market demand projections and business requirements and have not experienced any material under-utilisation of capacities during Fiscals 2026, 2025 and 2024, we cannot assure you that such circumstances will not arise in the future. For details in relation to our installed capacity and capacity utilization product category wise of our Manufacturing Facilities, please see "***Our Business – Installed Capacity and Capacity Utilisation***" on page 314. Any inability to effectively utilise our existing, expanded or proposed manufacturing capacities may materially and adversely affect our business, financial condition, cash flows and results of operations.

26. Our manufacturing operations are subject to environmental, social and governance ("ESG") requirements and environmental regulations and any inability to comply with health, safety and environmental laws and regulatory standards may adversely affect our business, financial condition and results of operations.

Our manufacturing operations involve processes that are subject to various health, safety and environmental laws and regulations relating to worker safety, handling of hazardous materials, emissions, waste management, fire safety and environmental protection. Accordingly, we are required to comply with extensive and evolving regulatory requirements prescribed by central, state and local authorities.

Our operations are governed by, among others, the Factories Act, 1948, the Legal Metrology Act, 2009, the Bureau of Indian Standards Act, 2016, the Electricity Act, 2003, the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, the Plastic Waste Management Rules, 2016, Trademarks Act, 1999, Income Tax Act, 2025 and applicable state pollution control regulations and safety standards. These laws impose stringent requirements in relation to employee health and safety, environmental protection, disposal of industrial waste, storage and handling of materials, emissions and effluent discharge standards. Compliance with such environmental and ESG-related requirements may require significant capital expenditure, operational costs and ongoing monitoring.

Our manufacturing operations are subject to environmental, social and governance ("**ESG**") requirements and environmental regulations relating to emissions, waste disposal, water usage, hazardous materials handling, energy consumption, workplace safety and environmental protection, and any non-compliance with such requirements may adversely affect our business, results of operations and financial condition. We incur capital and operating expenditure to comply with such health, safety and environmental regulations, including installation of pollution control equipment, waste management systems, safety infrastructure and monitoring mechanisms. Any failure to comply with applicable laws or standards may result in regulatory actions, penalties, suspension or revocation of licences, temporary or permanent closure of facilities, imposition of remediation costs, or civil or criminal liabilities. Further, compliance requirements may become more stringent over time, resulting in increased compliance costs and operational constraints.

Regulatory authorities may impose increasingly stringent environmental norms, emission standards, reporting requirements or sustainability obligations applicable to manufacturing companies. Any failure to comply with applicable environmental laws, ESG disclosure requirements or sustainability standards may result in penalties, fines, regulatory actions, suspension of operations, revocation of licenses or reputational damage.

Further, increasing investor focus on ESG performance, sustainability practices and responsible manufacturing standards may influence investment decisions and stakeholder perception. Any failure to meet evolving ESG expectations or industry standards may adversely affect our reputation, access to capital, customer relationships and competitive position. Additionally, compliance with evolving environmental and sustainability standards may require us to undertake technological upgrades, process modifications or operational changes, which may increase costs and affect our profitability.

Compliance with, and changes in, environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures which may adversely affect our business, results of operations and cash flows. For further details about regulations and policies that affect our operations and the approvals required from relevant statutory authorities, please see "***Key Regulations and Policies***" and "***Government and Other Approvals***" beginning on pages 325 and 465, respectively.

Our manufacturing operations also involve risks of industrial accidents, occupational health hazards, fire incidents, equipment failure, hazardous material spills or environmental contamination, which may result in injury to personnel, damage to property, operational disruption, regulatory action or reputational harm. Any significant accident or environmental incident may expose us to claims, litigation, penalties or liabilities, and could result in suspension of our manufacturing activities.

While we have established internal policies and procedures to monitor compliance with applicable health, safety and environmental regulations, endeavour to comply with applicable environmental and ESG requirements, have not faced any material regulatory action relating to environmental non-compliance and have not experienced any material non-compliance or significant environmental claims during Fiscals 2026, 2025 and 2024, we cannot assure that such incidents will not occur in the future. Any failure to comply with applicable health, safety or environmental laws or any significant industrial or environmental incident may materially and adversely affect our business, financial condition, cash flows and results of operations.

27. Our proposed utilization of the Net Proceeds for funding the capital expenditure requirements towards the Proposed Projects, funding the capital expenditure requirements towards purchase of machinery and equipment, working capital requirements and general corporate purposes involves uncertainties and risks, and any delay or variation in implementation or deployment of funds may adversely affect our business, financial condition and results of operations.

The Net Proceeds of the Offer are proposed to be utilised for the purposes described in the section titled "***Objects of the Offer***" beginning on page 133. The success of our proposed utilisation of the Net Proceeds is subject to various uncertainties, including changes in market conditions, regulatory requirements, implementation delays, cost overruns, technological changes and other factors beyond our control. There can be no assurance that the Objects of the Offer will be achieved within the estimated time frame or at all.

Any delay in implementation of the proposed objects, including expansion plans, capital expenditure or general corporate purposes, may result in cost overruns, reduced operational efficiency or inability to realise the anticipated benefits of such utilisation. Further, the actual cost of implementing the proposed objects may exceed the estimated costs, which may require us to seek additional financing or reallocate funds.

Our Proposed Projects are at a development stage and involves significant execution risks, including risks relating to project planning, construction, installation of plant and machinery, procurement delays, cost overruns, availability of raw materials, labour availability, regulatory approvals, environmental clearances, infrastructure availability, and operational integration. Although land for the proposed project has been acquired, delays in project implementation, changes in project scope, unforeseen technical difficulties, increase in capital costs, or inability to commence commercial operations within the expected timelines may result in time and cost overruns, which could adversely affect the expected benefits from such investment and our financial condition.

Further, the proposed acquisition and installation of new machinery and equipment may involve risks relating to technology selection, vendor performance, supply chain disruptions, installation delays, commissioning challenges and operational inefficiencies. The anticipated benefits from such capital expenditure, including enhancement of production capacity, operational efficiencies and cost savings, may not be realised within the expected timeframe or at all.

The utilisation of a portion of the Net Proceeds towards working capital requirements will be based on our estimates of future operational needs, which may vary depending on changes in business conditions, market demand, input costs and operating cycles. Any inability to accurately assess our working capital requirements or efficiently deploy such funds may adversely affect our liquidity and operational performance. Additionally, to the extent the Net Proceeds are utilised towards general corporate purposes, we will have flexibility in determining the manner of deployment of such funds, subject to applicable law, which may increase the risk of discretionary utilisation and may not yield the intended benefits to our business.

Our management will have broad discretion in the utilisation of a portion of the Net Proceeds, and the actual deployment of funds may vary from the proposed objects due to business requirements, regulatory changes, market conditions or other factors. Any variation in the objects or deployment of the Net Proceeds will be subject to applicable provisions of the Companies Act, 2013 and the regulations prescribed by Securities and Exchange Board of India, including disclosure and approval requirements, where applicable. In addition, pending utilisation of the Net Proceeds, we may temporarily invest such funds in permitted instruments in accordance with applicable laws. There can be no assurance that such temporary investments will yield expected returns or that such funds will be deployed in a timely manner.

Further, our management will have flexibility in the application of the Net Proceeds within the parameters set out in the Offer Documents, and the manner in which the Net Proceeds are utilised may not result in the expected growth or profitability. Any variation in the utilisation of funds or inability to effectively deploy the Net Proceeds may adversely affect investor confidence and the market price of our Equity Shares.

While we have prepared estimates and implementation schedules based on current assumptions, we cannot assure that the proposed objects will be completed as planned or that the anticipated benefits will be realised. Any delay or failure in achieving the Objects of the Offer, cost overruns, variation in utilisation of proceeds, or inability to derive the expected benefits from such deployment may materially and adversely affect our business, financial condition, results of operations and the value of the Equity Shares.

28. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.

We propose to use the net proceeds of the Offer for the purposes described in the section titled "***Objects of the Offer***" on page 133. Our Company will appoint a monitoring agency to monitor utilisation of the Gross Proceeds, including the proceeds proposed to be utilised towards general corporate purposes, prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or any other independent agency and is based on management estimates. Accordingly, investors in Equity Shares will be relying on the judgment of our management regarding the application of Net Proceeds. Due to the competitive nature of our business and the uncertainties inherent in it, there is no assurance that the Net Proceeds will be utilized as planned or within the proposed timeframe. Further, there is a possibility the investments made in manufacturing equipment may not fully meet future industry or regulatory requirements. Changes in technology or increasing regulations relating to recycled content and environmental standards may require additional capital expenditure or operational changes, which could negatively affect our production efficiency, costs, and competitiveness. In cases where the actual costs exceed estimates or if the Net Proceeds are insufficient, we may need to secure additional funding through internal resources, borrowings, or equity issuances, which may not be available on our favourable commercial terms or at all. Further, the use of the Net Proceeds may not necessarily lead to an increase in the value of your investment.

29. A significant portion of the plant and machinery proposed to be acquired from the Net Proceeds is yet to be ordered, and any delay in placing such orders or procuring and commissioning such plant and machinery may adversely affect our business, results of operations and financial condition.

A portion of the Net Proceeds is proposed to be utilised towards funding the capital expenditure requirements for setting up the Proposed Projects and towards purchase of new machinery and equipment at our existing Manufacturing Facilities. As on the date of this Draft Red Herring Prospectus, orders for 100.00% of the plant and machinery proposed to be acquired under the Objects of the Issue, aggregating to ₹899.17 million, have not yet been placed.

Accordingly, we are exposed to risks relating to the timely identification of suitable plant and machinery, finalisation of specifications, negotiation of commercial terms and placement of orders with suppliers. There can be no assurance that we will be able to place orders for the uncommitted plant and machinery within the timeframes contemplated by us or at the estimated costs. Any increase in the prices of such plant and machinery or other related costs may increase the overall expenditure required for the relevant Objects of the Issue. Further, any delay in placing orders or in the delivery, installation and commissioning of such plant and machinery may delay the implementation of the relevant projects and our ability to commence or expand manufacturing operations as contemplated.

In the event of any delay in procurement or commissioning of the plant and machinery, we may not be able to utilise the proposed manufacturing capacity or achieve the anticipated benefits from the relevant Objects of the Issue within the expected timelines. Any such delay or increase in the cost of procurement of plant and machinery could adversely affect our business, results of operations and financial condition.

30. We are required to obtain, renew and maintain certain statutory and regulatory permits, licences and approvals for our operations, and any delay or inability in obtaining, renewing or maintaining such approvals may adversely affect our business, financial condition and results of operations.

Our business and manufacturing operations require various statutory and regulatory permits, licences, registrations and approvals from governmental and regulatory authorities at the central, state and local levels. These approvals are required for, *inter alia*, establishment and operation of our Manufacturing Facilities, environmental clearances, factory operations, labour registrations, fire safety compliance, electricity and water usage, and other operational activities. Any failure to obtain, renew or maintain the necessary approvals in a timely manner, or any breach of the conditions subject to which such approvals are granted, may result in penalties, suspension or revocation of approvals, or interruption or closure of our operations. For further details, see *"**Government and Other Approvals**"* beginning on page 465.

Such permits and licences are subject to periodic renewal and ongoing compliance with applicable conditions and regulatory requirements. The process of obtaining or renewing such approvals may be time-consuming and may require us to incur additional costs or satisfy new regulatory conditions.

Pursuant to a change in name of our Company, we have made applications for change of the same across the statutory and regulatory permits, licences, registrations and approvals from governmental and regulatory authorities at the central, state and local levels that are required. As on date of this Draft Red Herring Prospectus, certain of such name change applications remain pending. It is clarified that such pending name change applications have no impact on the business and manufacturing operations of our Company. For further details, see *"**Government and Other Approvals**"* beginning on page 465.

Further, changes in applicable laws, regulations or government policies, or more stringent compliance requirements imposed by regulatory authorities, may result in delays in obtaining approvals or increase our compliance costs. Any regulatory action or delay in approvals may adversely affect our ability to operate our Manufacturing Facilities, expand our operations or implement our business strategies.

While we have obtained the material licences and approvals required for our current operations and have not experienced any material delays or failures in renewal of such approvals during Fiscals 2026, 2025 and 2024, we cannot assure that we will be able to obtain, renew or maintain such licences and approvals in the future on a timely basis or at all. Any failure to do so may materially and adversely affect our business, financial condition, cash flows and results of operations.

31. Any inability to accurately forecast demand for our products or effectively manage inventory levels may adversely affect our business, financial condition, cash flows and results of operations.

Our business operations require us to forecast demand for our products and accordingly plan production schedules, procurement of raw materials and inventory levels. Accurate demand forecasting is critical to ensuring efficient utilisation of our manufacturing capacities, maintaining optimal inventory levels and meeting customer requirements in a timely manner. However, demand for our products may be affected by several factors beyond our control, including fluctuations in the HVAC and related industries, changes in customer purchasing patterns, macroeconomic conditions, seasonality, changes in infrastructure and real estate activity, and competitive pressures.

If our demand forecasts are inaccurate or if there are sudden or unexpected changes in market demand, we may experience either excess inventory or shortages of finished goods or raw materials. Excess inventory may lead to higher inventory holding costs, working capital blockage, potential obsolescence or deterioration of products and reduced liquidity. Conversely, insufficient inventory or raw material shortages may limit our ability to meet customer orders in a timely manner, potentially resulting in loss of business opportunities, strained customer relationships and reputational harm.

Further, ineffective inventory management may lead to operational inefficiencies, increased storage and logistics costs, production disruptions or increased procurement costs due to urgent purchases. In addition, fluctuations in raw material prices may further complicate inventory planning and may result in inventory being carried at higher costs than prevailing market prices.

The table below sets forth the typical levels of inventory of materials that we maintain, for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Inventory (₹ in million)	1,700.24	682.34	306.98
Total expense (₹ in million)	4,851.28	4,464.39	2,297.49
% of total expense	35.05	15.28	13.36
Inventories' average holding period (in days)	116	50	51

Our ability to effectively forecast demand and manage inventory levels is also dependent on the reliability of information received from customers, suppliers and distributors, as well as the effectiveness of our internal planning and monitoring systems. Any failure in these processes may adversely affect our operational efficiency and profitability.

While we have implemented internal processes and planning mechanisms to monitor demand patterns and manage inventory levels and have not experienced any material disruptions arising from inaccurate demand forecasting or inventory mismanagement during Fiscals 2026, 2025 and 2024, we cannot assure you that such instances will not occur in the future. Any inability to accurately forecast demand for our products or effectively manage our inventory levels may materially and adversely affect our business, financial condition, cash flows and results of operations.

32. We may be subject to regulatory inspections, investigations or adverse findings by statutory authorities, which may result in penalties, restrictions or reputational harm and may adversely affect our business, financial condition and results of operations.

Our operations are subject to supervision, inspection and review by various statutory and regulatory authorities, including authorities responsible for corporate governance, taxation, labour compliance, environmental protection, industrial safety and other regulatory matters. Regulatory proceedings and investigations may result in increased compliance costs, disruption of business operations, diversion of management time and resources, and reputational harm. Any adverse findings or enforcement actions by regulatory authorities may affect our credibility with customers, lenders, suppliers and other stakeholders and may impact our ability to conduct or expand our operations.

These authorities may conduct inspections, audits, inquiries or investigations into our operations, records and compliance practices from time to time. Any non-compliance with applicable laws, regulations or licence conditions identified during such inspections or investigations may result in regulatory actions, including imposition of monetary penalties, issuance of warning notices, suspension or cancellation of licences or approvals, operational restrictions or other enforcement measures. Further, regulatory authorities may impose additional compliance requirements or initiate proceedings against us, our Directors or our Promoter.

Additionally, the regulatory environment in which we operate is subject to change, and any amendments to existing laws or introduction of more stringent compliance requirements may increase our regulatory exposure and compliance burden. We cannot assure that we will always remain in full compliance with all applicable laws and regulations or that regulatory authorities will not initiate proceedings against us in the future.

While we have not been subject to any material regulatory action or adverse findings by statutory authorities during Fiscals 2026, 2025 and 2024, we cannot assure that such inspections, investigations or enforcement actions will not occur in the future. Any such regulatory action or adverse finding may materially and adversely affect our business, financial condition, cash flows, reputation and results of operations.

33. ***There are outstanding litigations involving our Company, Directors and Promoter. Any adverse outcome in such proceedings may adversely affect our business, reputation, financial condition and results of operations.***

As of the date of this Draft Red Herring Prospectus, we are involved in certain proceedings which are pending at different levels of adjudication before various courts, tribunals, forums and appellate authorities. Such proceedings include civil, commercial, regulatory and other actions before judicial and quasi-judicial authorities. Decisions in proceedings adverse to our interests may have a significant adverse effect on our business, financial condition, cash flows and results of operations. In relation to tax proceedings, in the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward. These litigations may arise from contractual disputes, regulatory matters, tax proceedings, labour-related matters, commercial claims or other legal actions.

Litigation involves inherent uncertainties, and we cannot assure that the outcomes of such proceedings will be favourable to us. Any adverse decision in one or more of these matters may result in financial liabilities, including payment of damages, penalties or fines, or may lead to injunctions, restrictions on business activities or other regulatory actions. Further, defending such proceedings may require significant management attention, time and financial resources and may divert management focus from our core business operations.

The summary of such outstanding criminal, tax, statutory and regulatory proceedings and material civil proceedings involving our Company, Promoters, and Directors, as on the date of this Draft Red Herring Prospectus is set out below:

Particulars	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations#	Aggregate amount involved* (₹ in million)
Company						
By our Company	3	N.A.	N.A.	N.A.	Nil	2.92
Against our Company	Nil	5^	1	N.A.	Nil	145.56
Directors						
By our Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Against our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Promoters						
By our Promoters	Nil	N.A.	N.A.	N.A.	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil

******To the extent quantifiable.*

Determined in accordance with the Materiality Policy.

^ *Including the indirect tax proceedings involving our Company with aggregate amount involving being ₹ 143.30 million.*

The summary of such outstanding criminal and statutory and regulatory proceedings involving our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus is set out below:

Particulars	Criminal proceedings	Statutory or regulatory proceedings	Aggregate amount involved* (₹ in million)
Key Managerial Personnel			
By our Key Managerial Personnel	Nil	Nil	Nil
Against our Key Managerial Personnel	Nil	Nil	Nil
Senior Management Personnel			
By our Senior Management Personnel	Nil	Nil	Nil
Against our Senior Management Personnel	Nil	Nil	Nil

**To the extent quantifiable.*

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

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current or long-term liabilities or reduce our cash and bank balance. For further details, please see "***Outstanding Litigation and Material Developments***" beginning on page 460.

Additionally, the existence of such proceedings may adversely affect our reputation, credibility and relationships with our customers, suppliers, lenders, regulatory authorities and other stakeholders. Any adverse publicity or reputational damage arising from such proceedings may impair our ability to retain existing customers or attract new business opportunities. Further, any adverse findings against our Directors or Promoter may affect their ability to devote time to our business operations or may impact our corporate governance profile.

We also cannot assure that we will not be subject to additional legal or regulatory proceedings in the future. Any unfavourable changes in applicable laws or regulations, or adverse interpretation of existing laws, may increase our exposure to litigation or regulatory action. In addition to the above, we could be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business, intellectual property, our branding or marketing efforts or campaigns or our policies. There can be no assurance that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third parties against us.

34. Our Promoters and certain of our Directors will continue to exercise significant control over our Company after the Offer, and their interests may differ from those of other shareholders, which may adversely affect our business and corporate governance.

Our Promoters, members of Promoter Group and certain of our Directors will continue to hold a significant portion of the post-Offer paid-up equity share capital of our Company and will consequently exercise substantial control over our business and affairs. By virtue of their shareholding and representation on our Board, our Promoters and such Directors will be in a position to influence or determine the outcome of matters requiring approval of our shareholders, including approval of financial results, declaration of dividends, mergers and acquisitions, business strategy, expansion plans, sale or transfer of assets, capital raising initiatives, amendment of constitutional documents, appointment or removal of directors and other significant corporate actions.

Such concentration of ownership may limit the ability of our other shareholders to influence corporate matters and may result in decisions that may not be aligned with the interests of minority shareholders. The interests of our Promoter or Directors may, from time to time, differ from the interests of our Company or our public shareholders, and actions taken by them in their capacity as controlling shareholders or members of our Board may not necessarily be favourable to minority shareholders.

Further, such concentrated shareholding and control may delay, defer or prevent a change in control of our Company, or discourage or prevent a potential acquisition or strategic transaction that might otherwise be beneficial to public shareholders. This concentration of control may also affect the market perception of our corporate governance standards and could adversely impact the market price and liquidity of our Equity Shares.

Our Promoter and certain Directors are actively involved in the strategic decision-making and management of our Company and have significant influence over our operational policies, financial decisions, risk management practices and corporate governance framework. Any conflict of interest between our Promoter or Directors and our Company, or any exercise of control by them in a manner that is inconsistent with the interests of minority shareholders, may adversely affect our business operations and financial performance.

Although our Company complies with applicable corporate governance requirements, including provisions relating to independent directors, related party transactions and disclosure requirements under applicable law, and has adopted internal policies and procedures to ensure transparency and accountability in decision-making, we cannot assure that such measures will adequately protect the interests of minority shareholders in all circumstances; we also cannot assure that the exercise of control by our Promoter or Directors will not materially and adversely affect our business, financial condition, cash flows, results of operations and the market price of our Equity Shares in the future.

35. Our business is dependent on the continued services of our Key Managerial Personnel, senior management and other skilled personnel, and our inability to attract, retain or replace such personnel may adversely affect our business, financial condition and results of operations.

Our success depends to a significant extent on the continued services, experience and expertise of our Key Managerial Personnel, senior management and other skilled personnel, including personnel involved in strategic decision-making, manufacturing operations, quality control, research and development, finance and other critical business functions. The loss of the services of any of our Key Managerial Personnel or senior management, or our inability to attract, recruit, train and retain qualified and skilled personnel, may adversely affect our ability to manage and grow our business. For further details, please see "***Our Management – Key Managerial Personnel and Senior Management***" on page 359.

Our future performance is dependent on the ability of such personnel to effectively manage our operations, implement our business strategies, maintain relationships with customers and suppliers and ensure operational efficiency. Competition for qualified personnel in our industry is intense, and we may not be able to retain existing employees or attract suitably qualified personnel on commercially reasonable terms or at all. The loss of key personnel may result in loss of operational knowledge, disruption in business continuity, delay in implementation of strategic initiatives and increased costs associated with recruitment and training of replacement personnel.

The following table sets forth details of our Key Managerial Personnel and Senior Management and the relevant attrition rates as of the dates and for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of Key Managerial Personnel and Senior Management	11	9	9
Key Managerial Personnel and Senior Management Attrition Rate (%)	9.09	22.23	11.11

Further, the replacement of key personnel may require significant time and resources, and new personnel may not possess the same level of experience, expertise or industry relationships as the individuals they replace. Any transition in management or key personnel may also result in temporary disruption of operations, inefficiencies in decision-making and uncertainty among employees, customers and other stakeholders.

Additionally, our continued growth and expansion may require us to attract and retain additional skilled personnel across various functions. Our inability to effectively manage employee attrition, maintain productivity levels or implement effective succession planning may adversely affect our operational efficiency and business performance. Further, any deterioration in employee relations, increased attrition rates or labour market constraints may increase our employee costs and adversely impact our profitability.

The following table sets forth the attrition rate for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of employees resigned	1,296	1,221	630
Attrition Rate* (%)	55.91	57.57	43.51

**(Number of employee's left during the year)/ (Number of employees at the beginning of the year + Number of employees joined during the year)*

While we have not experienced any material disruption to our business due to loss of key personnel during Fiscals 2026, 2025 and 2024, we cannot assure that we will be able to retain our existing Key Managerial Personnel, senior management or other skilled employees or successfully attract suitable replacements in the future. Any inability to retain or replace key personnel or manage our human resource requirements effectively may materially and adversely affect our business, financial condition, cash flows, results of operations and future growth prospects.

Additionally, our Company engages contract labour through independent contractors for carrying out certain functions at some of our Manufacturing Facilities and Noida Warehouse, including production, material handling, logistics, packaging, maintenance, warehousing and other operational activities. For further details, please see "– ***Our manufacturing operations engage contract labour for certain functions and locations, and any disruption in the availability of such labour at reasonable cost and/or increase in labour costs may adversely affect our business, results of operations, financial condition and cash flows***" on page 28.

36. We have entered into related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest, and there is no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

We have in the past entered into some transactions with certain of our related parties and may continue to do so in the future. For further details, please see "***Other Financial Information – Related party transactions***" on page 427. We have entered into transactions with our Promoters and members of our Promoter Group and other related parties in the ordinary course of our business, including transactions relating to purchase or sale of goods and services, leasing arrangements, operational support, reimbursement of expenses and other business arrangements. We expect that we will continue to enter into related party transactions in the future to support our business operations and strategic requirements.

The tables sets forth total amount of our related party transactions, during the periods mentioned:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Related party transactions	68.49	1.30	130.86	2.69	54.53	2.27

All such transactions have been conducted on an arm's length basis in accordance with applicable laws and are not prejudicial to the interest of our Company. We cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties.

There can be no assurance that such transactions will not involve potential or perceived conflicts of interest. Our Promoter, Directors or other related parties may have interests that differ from those of our Company or our public shareholders, and such transactions may not always be on terms that are as favourable as those that could have been obtained from unrelated third parties. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholders' approval, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits. Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may be interested in our Company to the extent of the Equity Shares held by them in our Company, and any dividends, bonuses or other distributions on such Equity Shares. For further details on our shareholding, *see "**Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company – Equity Shareholding of the Promoters**", "**Our Management – Shareholding of Directors in our Company**" and "**Our Management – Shareholding of Key Managerial Personnel and Senior Management Personnel**" on pages 111, 347 and 361, respectively.*

Related party transactions may also expose us to various risks, including dependence on related parties for certain services or arrangements, pricing risks, contractual disputes and increased scrutiny from regulatory authorities and investors. Any dispute or disagreement with related parties may disrupt our business operations, adversely affect our relationships with such parties or result in litigation or claims against our Company.

Further, such transactions are subject to regulatory requirements, including approvals of the Audit Committee, Board of Directors and, where applicable, shareholders, as well as disclosure requirements under applicable laws. Any failure to obtain requisite approvals or comply with applicable regulatory requirements governing related party transactions may result in regulatory action, penalties or reputational harm.

Additionally, related party transactions may be subject to heightened scrutiny from investors, regulators and market participants, which may affect investor confidence, corporate governance perception and the trading price of our Equity Shares. Any adverse perception relating to our related party transactions may also impact our reputation and relationships with customers, lenders, suppliers and other stakeholders.

While we have complied with applicable legal and regulatory requirements in respect of related party transactions and have not experienced any material adverse impact arising from such transactions during Fiscals 2026, 2025 and 2024, we cannot assure that future related party transactions will not give rise to conflicts of interest or adverse consequences. Any such events may materially and adversely affect our business, financial condition, cash flows, results of operations, reputation and the market price of our Equity Shares.

37. Our Group Company, namely, KPM India Limited, is in business similar to ours and this may result in potential conflict of interest with us.

As on the date of this Draft Red Herring Prospectus, our Group Company, namely, KPM India Limited, which is engaged have common pursuits with our Company as they are engaged in the same line of business as ours.

In the event we cease to have cordial relationships with the promoter of such Group Company, we cannot assure you that this or other conflicts of interest will be resolved in an impartial manner. While presently these businesses do not compete with our Company, and accordingly we do not perceive any conflict of interest, we cannot assure you that our Group Company will not compete with us in the future.

38. We have certain contingent liabilities that have been disclosed in our financial statements, which if they materialize, may adversely affect our results of operations, cash flows and financial condition.

As at March 31, 2026, our contingent liabilities, as per Ind AS 37 – provisions, contingent liabilities and contingent assets that have not been provided for are as set out in the table below:

(₹ in million)

Particulars	As at March 31, 2026
a) Goods and service tax matters#	0.84
b) Income tax matters	2.19
c) Custom related matters	130.38
d) Employee related matters	0.05
Total	**133.46**

 # The amount of ₹ 0.63 million has been deposited under protest against the said demand which has been shown under the head 'Balances with Government authorities' in 'Other current assets'.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, cash flows, financial condition and results of operations. For further details, see "***Restated Financial Information – Note 38 – Contingent liabilities, Commitments and Bank Guarantees***" on page 397.

39. Our Registered and Corporate Office, certain Manufacturing Facilities and our Noida Warehouse are located on leased premises. There can be no assurance that our lease or rental agreements will be renewed upon termination or that we will be able to lease other premises on the same or similar commercial terms

The premises for our Registered and Corporate office and is rented from our Promoter, namely, Malti Sood, for a period of 16 years effective from January 1, 2026. Additionally, a portion of our Punjab Manufacturing Facility Unit I and Punjab Manufacturing Facility Unit II at Malerkotla, which are used for our manufacturing operations, are situated on premises leased from our Promoters, namely, Varun Gopal and Malti Sood. Further, some of our Manufacturing Facilities are on a leasehold basis with third parties. For further details, please see **"*Our Business – Properties*"** on page 323.

Accordingly, our ability to continue our operations from these premises is dependent, in part, on our continued right to occupy and use such premises under the terms of the applicable lease arrangement. We cannot assure you that the lease arrangement will be renewed or extended upon expiry on terms acceptable to us, or at all. Further, any termination or non-renewal of the lease arrangement, or any dispute with the lessors in relation to our use or occupation of the premises, could adversely affect our ability to continue our operations from these premises.

Any deficiency in the title or ownership rights of the lessors in respect of the premises, any breach of the terms of the lease arrangement, or any other circumstances affecting our rights to occupy or use the premises may also result in disruption to our business and manufacturing operations. In the event that we are required to vacate any such premises or are otherwise unable to continue operating from these premises, we may be required to identify and arrange for alternative premises and relocate our business and/or manufacturing operations. Such relocation may require significant time and expenditure, including expenditure towards acquiring or leasing alternative premises, modifying or installing plant and machinery and other infrastructure, and transferring our operations and equipment. We may also experience interruptions or delays in our business and/or manufacturing activities during any such relocation.

Further, there can be no assurance that suitable alternative premises will be available to us in a timely manner, on commercially acceptable terms or at all, or that we will be able to establish business and/or manufacturing operations at such premises without disruption. Any such event could result in increased operating costs, delays in production and fulfilment of customer requirements, loss of business opportunities and adversely affect our ability to maintain our existing operations and customers. Accordingly, any inability to continue to use these premises or renew the lease arrangement on acceptable terms could have an adverse effect on our business, results of operations, financial condition and cash flows.

40. We have acquired land from an entity forming part of our Promoter Group, and any dispute in relation to such land or our title and rights therein could adversely affect our business and operations.

We have acquired land situated at Malerkotla from Koolking Foundation, an entity forming part of our Promoter Group. This may involve risks associated with transactions with related parties. Any dispute or disagreement with Koolking Foundation or any other person in relation to the acquisition, ownership, title, possession or use of such land may adversely affect our ability to use the land for our business operations.

Further, any defect or dispute in relation to the title or ownership rights of Koolking Foundation in respect of the land, or any third-party claim, encumbrance or other adverse claim relating to such land, could adversely affect our rights and ability to use the land. Any such dispute or inability to use the land as intended may result in additional costs, delays or the requirement to identify alternative premises or land, which could adversely affect our business, results of operations and financial condition.

41. Our insurance coverage may not be adequate to protect us against all losses, risks and unexpected events and any uninsured or underinsured losses may adversely affect our business, financial condition and results of operations.

Our operations are subject to risks and hazards such as accidents at work, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause destruction of property plant and machinery and inventory. We maintain insurance policies for our business which are customary for our industry. We maintain insurance policies for certain risks associated with our operations, including insurance for our Manufacturing Facilities, plant and machinery, inventories and other assets, as well as certain liabilities. Our principal types of insurance coverage include fire insurance covering our stock and stock-in-process, furniture and fixtures, plant and machinery, buildings and other specified assets at our Manufacturing Facilities, and burglary and theft insurance covering stock and stock-in-process. We also maintain workmen's compensation insurance for workers at our Manufacturing Facilities and keyman insurance for identified key personnel. In addition, we maintain marine/transit insurance covering the transportation of raw materials, packing materials, copper, brass, steel, aluminium, components and other goods, including domestic purchases, export sales, import purchases and inter-depot movements. For further details, see "***Our Business – Insurance***" on page 318. However, our insurance coverage may not be sufficient to cover all losses or liabilities that may arise in the course of our business.

Set out below are details of our insurance coverage on our total insured assets as at the dates indicated:

Particulars	Fiscal		
	2026	2025	2024
Insured assets (₹ million) (A)	2,370.57	1,164.29	690.58
Total assets (₹ million) (B)	3,883.42	2,072.01	1,448.13
Insured assets to total assets (%) (C = A/B)	61.04	56.19	47.69

We cannot assure you that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. Our operations are exposed to various risks, including fire, natural disasters, industrial accidents, equipment breakdown, business interruption, product liability claims, employee-related incidents and other unforeseen events. Certain types of losses or liabilities may not be fully covered under our existing insurance policies or may be subject to deductibles, exclusions or limitations. Further, we may not maintain insurance coverage for all risks associated with our business, either because such coverage is not available on commercially reasonable terms or because we have elected not to obtain such coverage.

Any significant uninsured or underinsured loss may require us to bear substantial costs for repair or replacement of damaged assets, compensation for liabilities or restoration of operations, which may adversely affect our financial condition and cash flows. Additionally, any interruption of operations due to events not adequately covered by insurance may result in loss of production, delay in fulfilment of customer orders, loss of customers and reputational harm.

While we have not had any significant losses due to inadequate insurance during Fiscals 2026, 2025 and 2024, if we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition, cash flows and results of operations could be materially and adversely affected. If our insurance carriers change the terms of our policies in a manner unfavourable to us, our insurance costs could increase.

Further, insurance premiums may increase in the future or insurers may impose more stringent terms, which may increase our operating costs. We also cannot assure that we will be able to obtain or renew insurance coverage on acceptable terms in the future. Any uninsured or inadequately insured loss may materially and adversely affect our business, financial condition, cash flows and results of operations.

38. ***We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.***

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

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Number of employees*	Statutory dues paid (in ₹ million)#	Number of employees *	Statutory dues paid (in ₹ million)#	Number of employees*	Statutory dues paid (in ₹ million)#
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	669	19.17	669	19.55	705	14.65
Employee State Insurance Act, 1948	794	4.33	830	4.56	809	3.32
Gratuity	N.A.	Nil	N.A.	0.12**	N.A.	Nil
Labour welfare fun	881	0.23	864	0.25	767	0.17
Professional Taxes	240	0.48	160	0.34	132	0.18
Income Tax Act, 1961 (TDS on Salary)	9	2.72	9	2.57	7	2.39

**Number of employees covered under the respective scheme during the march month of the respective Fiscal except Labour welfare fund for the Sricity Manufacturing Facility for which number of employees have been considered for December month of respective Fiscal.*
 # includes employee and employer share for the entire Fiscal and also includes amount payable as at the end of the Fiscal but paid in subsequent month.
*** Amount paid pertains to 3 employees who left during the Fiscal 2025.*

There has been no delay in the payment of statutory dues/ liabilities under the said acts, except as follows:

Particulars	Fiscal 2026			Fiscal 2025			Fiscal 2024		
	Number of instances	Amount delayed (₹ in million)	Average days of delays	Number of instances	Amount delayed (₹ in million)	Average days of delays	Number of instances	Amount delayed (₹ in million)	Average days of delays
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	5	0.02	61	7	1.57	38	3	0.01	183
Employee State Insurance Act, 1948	3	0.07	28	9	0.32	63	13	0.33	71
Professional Taxes	14	0.20	9	20	0.21	218	8	0.04	184
Income Tax Act, 1961 (TDS on Salary)	1	0.23	21	1	0.00	18	1	0.04	30
Income Tax Act, 1961 (TDS on other than Salary)	9	1.18	42	6	0.12	26	9	0.44	97
Income Tax Act, 1961 (TCS)	1	0.70	21	Nil	Nil	Nil	Nil	Nil	Nil

While we have undertaken corrective actions to avoid any such delays in payments in the future, and that the fines and/or penalties we have paid in connection with the delays in payment of statutory dues for the periods indicated above were not material in nature, we cannot assure you that we will not be subject to any penalties, fines or other regulatory actions which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Further, any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, which may adversely affect our business, results of operations, cash flows and financial condition.

42. ***We may incur additional indebtedness in the future and will be required to comply with restrictive covenants and conditions under our financing arrangements. Any failure to comply with such covenants or conditions may result in acceleration of repayment obligations, enforcement of security interests and suspension of further drawdowns, which may adversely affect our business, financial condition, cash flows and results of operations.***

As of July 31, 2026, we had outstanding borrowings amounting to ₹ 1,778.11 million. We have availed, and may continue to avail, various fund-based and non-fund-based credit facilities and other financing arrangements from banks, financial institutions and other lenders to meet our working capital requirements, capital expenditure needs and general corporate purposes. Our existing and future financing arrangements may contain customary restrictive covenants and conditions relating to our business operations, financial performance and corporate actions. Such covenants may limit our operational flexibility and our ability to undertake certain business or strategic initiatives. For further details, see "***Financial Indebtedness***" beginning on page 458.

The table below sets forth certain information on our total borrowings, as of and for the periods indicated:

Particulars	Fiscal		
	2026	2025	2024
	(₹ in million)		
Total Borrowings*	1,532.11	658.75	372.80

** Total borrowings consist of current and non-current borrowings*

Our financing agreements typically impose various financial and operational covenants, including maintenance of specified financial ratios, restrictions on incurrence of additional indebtedness, limitations on creation of security interests, restrictions on disposal of assets, limitations on dividend payments, restrictions on changes in capital structure, and requirements relating to utilisation of funds and reporting obligations.

Any failure to comply with the covenants or conditions contained in our financing agreements, or any event of default under such agreements, may result in serious consequences, including acceleration of repayment obligations, withdrawal or suspension of credit facilities, enforcement of security interests over our assets, imposition of penalties or increased interest rates, cross-default under other financing arrangements and initiation of recovery proceedings by lenders. Any such actions by lenders may adversely affect our liquidity, restrict our ability to access additional financing and disrupt our business operations. These restrictions may also limit our flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions. Further, a breach of any of the covenants, or a failure to pay interest or indebtedness when due, under any such financing arrangements, could result in a variety of adverse consequences, including the termination of our credit facilities, acceleration of amounts due under such facilities, suspension of future withdrawals, any of which may adversely affect our business, financial condition, cash flows and results of operations.

Further, our future financing arrangements may impose additional restrictions or more stringent covenants, which may further limit our operational and financial flexibility. Our ability to comply with such covenants may be affected by factors beyond our control, including changes in market conditions, fluctuations in our operating performance, increase in interest rates, adverse economic developments or operational disruptions. We cannot assure you that we will comply with the covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. If the obligations under any of such financing agreements are accelerated, we may have to dedicate a portion of our cash flows from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes.

Additionally, our indebtedness exposes us to risks associated with interest rate fluctuations, refinancing risks and liquidity constraints. Any increase in interest rates or tightening of credit markets may increase our borrowing costs or limit our ability to obtain financing on favourable terms or at all. Our inability to secure additional financing when required may adversely affect our ability to expand our operations, meet working capital requirements or implement our business strategies.

While we have complied with the terms of our financing arrangements and have not experienced any material default under our borrowing arrangements during Fiscals 2026, 2025 and 2024, we cannot assure that we will be able to comply with such covenants or conditions in the future or that we will be able to obtain financing on favourable terms or at all. Any breach of financing covenants or default under our financing arrangements may materially and adversely affect our business, financial condition, cash flows and results of operations.

43. Our Statutory Auditors have included certain emphasis of matters and other matters in their audit report for the audited financial statements for Fiscal 2026 and for the audited special purpose financial statements for Fiscals 2025 and 2024.

Our Statutory Auditors have included certain emphasis of matter and other observations in their audit report for the audited financial statements for Fiscal 2026 and for the audited special purpose financial statements for Fiscals 2025 and 2024. Certain excerpts of the emphasis of matter paragraphs included are provided below:

Fiscal	Particulars
2026	***a) Comments/ remarks on the matters to be reported under section 143(3) of the Act*** *In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014* *The reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014*

b) Comments/ remarks on Other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended

Based on our examination, which included test checks and according to the information and explanations given to us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same has been partly enabled and operated at application level throughout the year and has not been enabled at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with to the extent enabled. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

c) Comments in Report on matters under the Companies Auditor's Reports Order, 2020

At para (i) (c)

The title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements under Property, Plant and Equipment are held in the name of the Company except below:

Description of property	***Gross carrying value (₹ in million)***	***Held in name of***	***Whether promoter, director or their relative or employee***	***Period held***	***Reason for not being held in name of company***
Plot No. UDL-7, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	*32.22*	*Andhra Pradesh Industrial Infrastructure Corporation Limited*	*N.A.*	*Since March, 2025*	*The sale deed shall be executed after fulfilment of terms and conditions as per agreement for sale of land dated June 30, 2025*
Plot No. UDL-8A, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	*60.85*	*Andhra Pradesh Industrial Infrastructure Corporation Limited*	*N.A.*	*Since December, 2025*	*The sale deed shall be executed after fulfilment of terms and conditions as per agreement for sale of land dated November 28, 2025*

At para (vii) (a)

The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues provided in books of account, to the appropriate authorities except delay in a few cases

At para (ii) (b)

The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e., current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The details of the same have been appropriately disclosed in note 51 to the financial statements

2025

Without modifying our opinion, we draw attention to Note 2.1 of the Special Purpose Financial Statements which describes that:

"The Special Purpose Financial Statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India after making suitable adjustments to the audited financial statements prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 ("Previous GAAP financial statements") approved by the Board of Directors in their meeting held on September 20, 2025 and audited by Raj Kumar Jindal & Co., Chartered Accountants, the previous auditors of the Company, vide their audit report dated September 20, 2025.

	The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (collectively referred to "Offer Documents") of the Company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019). As a result, the Special Purpose Financial Statements may not be suitable for another purpose. *The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information as referred above and accordingly, the corresponding comparative figures have not been presented in these Special Purpose Financial Statements."*
2024	*Without modifying our opinion, we draw attention to Note 2.1 of the Special Purpose Financial Statements which describes that:* *"The Special Purpose Financial Statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India after making suitable adjustments, for the accounting policies, including the accounting policy choices (both mandatory exceptions and optional exemptions) availed as per Ind AS 101, that have been adopted by the Company at the date of transition to Ind AS i.e. April 01, 2024 for the first statutory Ind AS financial statements prepared by the Company for the financial year ended March 31, 2026 and as per the presentation, and grouping/classifications in accordance with Division II of Schedule III to the Act, to the audited financial statements prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 ("Previous GAAP financial statements) approved by the Board of Directors in their meeting held on August 29, 2024 and audited by Raj Kumar Jindal & Co., Chartered Accountants, the previous auditors of the Company, vide their audit report dated August 29, 2024.* *The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (collectively referred to "Offer Documents") of the Company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act , the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019). As a result, the Special Purpose Financial Statements may not be suitable for another purpose.* *The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information as referred above and accordingly, the corresponding comparative figures have not been presented in these Special Purpose Financial Statements."*

Such matters of emphasis do not require any adjustment in Restated Financial Information. For further details, please see "***Restated Financial Information***" beginning on page 368.

We cannot assure you that any similar emphasis of matters, will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation, results of operations, financial condition and cash flows may be adversely affected.

44. The Company will not receive any proceeds from the Offer for Sale.

The Offer comprises an Offer for Sale by the Selling Shareholders. Accordingly, the proceeds from this Offer from Sale (net of Offer expenses on a proportionate basis) will be remitted to each of the Selling Shareholders to the extent of their respective portion of the Offered Shares and our Company will not receive any proceeds from the Offer. Neither will our Company, nor will our Directors, except to the extent of their participation in the Offer for Sale, or Key Management Personnel, and members of the Senior Management, will receive, in whole or in part, any portion of the Net Proceeds from the Offer. For further details, see "***Objects of the Offer***" beginning on page 133.

45. We have incurred significant capital expenditure in the past and our growth strategy involves significant capital expenditure and expansion risks, which may not yield anticipated benefits.

Our future growth strategy involves expansion of our manufacturing capacities, enhancement of production capabilities, investment in technology upgrades, and strengthening of our market presence. Such expansion initiatives require significant capital expenditure, management resources and operational execution capabilities. There can be no assurance that such investments will generate the expected returns, achieve anticipated capacity utilization levels, or improve our operational efficiencies.

In the past, we have undertaken further capital expenditure primarily towards enhancing our manufacturing capabilities as indicated in the table sets forth capital expenditure undertaken, which were primarily undertaken to enhance our manufacturing capabilities:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
	Amount (₹ in million)		
Capital expenditure	303.35	148.66	163.57

Further, delays in implementation, cost overruns, failure to obtain required approvals, changes in market demand, supply chain disruptions or adverse economic conditions may result in our expansion plans becoming commercially unviable or less profitable than expected. Any inability to successfully implement our growth strategy or achieve anticipated benefits from such investments may adversely affect our business, financial condition, cash flows and results of operations.

While we have not experienced material delays or failures in executing our expansion initiatives during Fiscals 2026, 2025 and 2024, we cannot assure that such risks will not materialise in the future.

46. We may be unable to successfully introduce new products or adapt to evolving customer requirements and technological changes.

Our business is dependent on our ability to continuously develop and introduce products that meet evolving customer requirements, industry standards and technological advancements in the HVAC components industry. The success of new product development initiatives depends on several factors including market acceptance, design capabilities, research and development effectiveness, cost competitiveness and changing industry trends.

Any failure to accurately anticipate customer preferences, delays in product development, technological obsolescence, or inability to commercialise new products successfully may result in loss of market share and reduced competitiveness. Additionally, investments in product development may not yield the expected returns and could adversely impact our profitability.

Although we have historically introduced new products and upgraded our offerings, we cannot guarantee that we will continue to do so successfully in the future, which could materially and adversely affect our business, financial condition and results of operations.

47. Our operations are dependent on the performance of third-party service providers and logistics partners and any disruption in the services may adversely affect our business and operations.

We rely on third-party service providers for transportation, logistics, warehousing support, equipment maintenance and certain operational activities. Our ability to deliver products to customers in a timely manner and maintain operational efficiency depends on the reliability and performance of such third parties.

Any disruption in services, contractual disputes, delays, increase in service costs, financial instability of such service providers or failure to meet agreed service standards may adversely affect our manufacturing schedules, delivery timelines and customer relationships. Further, we may not be able to identify or engage alternative service providers at comparable costs or service levels.

While we have not experienced significant disruptions arising from third-party service providers during Fiscals 2026, 2025 and 2024, we cannot assure that such disruptions will not occur in the future and adversely affect our business and operations.

48. Any failure, breach or disruption of our information technology ("IT") systems, enterprise resource planning ("ERP") systems, data security measures or cybersecurity infrastructure may adversely affect our business, operations, financial condition and reputation.

Our operations rely on information technology systems and enterprise resource planning ("**ERP**") systems for production planning, inventory management, financial reporting, supply chain management and internal communications. Any failure, disruption, cyber-attack, data breach, system malfunction or unauthorised access to our systems may result in operational interruptions, loss of sensitive information, regulatory penalties and reputational damage. Any material failure, interruption or security breach affecting our information technology systems could materially and adversely affect our business, financial condition, results of operations and cash flows.

Our business operations are dependent on the efficient functioning, reliability and security of our information technology systems, digital infrastructure and data management processes. We rely on various information technology systems and networks for operational processes, financial reporting, inventory management, customer and vendor interactions, data storage and communication. These systems may be vulnerable to damage, interruption, or breach due to cyber-attacks, hacking, phishing attempts, ransomware incidents, malware intrusions, data theft, unauthorised access, system failures, human error, or other security incidents.

Our IT expenses for the periods mentioned are set out below:

Particulars	**Fiscal 2026**		**Fiscal 2025**		**Fiscal 2024**	
	Amount (₹ in million)	**% of total expenses**	**Amount (₹ in million)**	**% of total expenses**	**Amount (₹ in million)**	**% of total expenses**
IT expenses	0.79	0.02	0.74	0.02	0.55	0.02

Further, cyber threats are increasing in frequency and sophistication, and our security measures may not be sufficient to prevent all potential breaches. Any significant disruption to our IT infrastructure could impair our ability to conduct business operations effectively. Any compromise or breach of our IT systems may result in loss, corruption, or unauthorised disclosure of confidential business information, customer data, financial data or proprietary information. Such incidents could disrupt our operations, lead to business interruptions, result in regulatory actions or penalties, expose us to litigation or claims from third parties, and adversely affect our reputation and stakeholder confidence.

Although we maintain security measures and backup systems, we cannot assure that our IT systems will be free from vulnerabilities in the future, which may adversely affect our business, financial condition and results of operations.

49. Any failure or inadequacy in our internal control systems or any incidents of fraud, misappropriation or financial reporting irregularities may adversely affect our business, results of operations, financial condition and cash flows.

We are required to maintain effective internal controls over financial reporting and operational processes to ensure accuracy of financial information, compliance with applicable laws and efficient conduct of business operations. Any failure to design, implement or maintain effective internal controls may result in errors in financial reporting, fraud, operational inefficiencies or regulatory non-compliance.

Our Company's operations require us to maintain effective internal control systems and compliance mechanisms to ensure accuracy of financial reporting, safeguard assets, prevent fraud and misconduct, and ensure compliance with applicable statutory and regulatory requirements. We have implemented internal control policies, procedures, audit mechanisms, and standard operating processes designed to monitor our business operations and financial reporting processes. However, such internal control systems, regardless of how well designed, may not be adequate or may fail to operate effectively at all times. Any failure, weakness, or deficiency in our internal control systems may result in errors in financial reporting, misappropriation of assets, employee misconduct, fraud, operational inefficiencies, or non-compliance with applicable laws and regulations. Further, internal control systems may be subject to human error, management override, system failures, or deliberate circumvention of controls, which may not be detected in a timely manner.

If our internal controls are found to be inadequate or ineffective, or if we experience significant control failures, it could adversely impact the reliability of our financial reporting, result in regulatory investigations or penalties, cause reputational harm, and adversely affect investor confidence. Any such events may materially and adversely affect our business, financial condition, results of operations and cash flows.

Further, as our business expands, our internal control systems may require significant enhancement, and any failure to strengthen such systems may adversely affect our governance framework and investor confidence.

Although we have established internal control mechanisms, we cannot assure that such controls will always be effective, and any material weakness in our internal control systems may adversely affect our business, financial condition and results of operations. While we maintain internal control procedures and have not identified any material fraud or significant internal control failures during Fiscals 2026, 2025 and 2024, we cannot assure you that such incidents will not occur in the future, and any such occurrence could materially and adversely affect our business, financial condition, results of operations and cash flows.

50. Rapid technological changes, evolving industry standards and innovation in HVAC technologies may render our products less competitive or require significant investments, which could adversely affect our business, financial condition, cash flows and results of operations.

The HVAC components industry is characterised by ongoing technological advancements, evolving product specifications and increasing emphasis on energy efficiency, environmental sustainability and performance standards. Industry participants are required to continuously innovate and adapt to changing technological requirements, including developments relating to energy-efficient components, smart and automated systems, environmentally compliant refrigerants and enhanced product performance standards. Any failure on our part to anticipate, respond to or effectively adapt to such technological changes or evolving industry standards in a timely and cost-effective manner may result in our products becoming less competitive or obsolete.

Further, the adoption of new technologies or compliance with revised technical standards may require significant investments in research and development, process upgrades, reconfiguration of our Manufacturing Facilities, acquisition of new equipment and workforce training. Such investments may increase our operating costs and may not necessarily result in commensurate returns. Additionally, customers may shift their preferences towards technologically advanced products offered by our competitors, which may lead to loss of market share and reduced demand for our existing product portfolio.

While we have not experienced any material adverse impact due to technological changes in the industry during Fiscals 2026, 2025 and 2024, we cannot assure that we will be able to successfully respond to future technological developments or industry requirements. Any inability to keep pace with technological advancements or evolving industry standards could have a material adverse effect on our business, financial condition, cash flows and results of operations.

51. Changes in consumer preferences, market trends and industry demand patterns may adversely affect the demand for our products and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Demand for our products is influenced by evolving consumer preferences, changing market trends and industry demand patterns, including increasing focus on energy efficiency, environmental sustainability, cost optimisation, product performance and technological features. Any shift in customer preferences towards alternative products, new technologies or different product specifications may reduce demand for our existing products and require us to modify our product offerings, manufacturing processes or business strategies. Our failure to accurately anticipate or respond to such changes in market demand or consumer preferences in a timely manner may result in reduced sales volumes, excess inventory, underutilisation of manufacturing capacities and pressure on profit margins.

Further, changes in customer requirements, including preference for customised or specialised solutions, increased price sensitivity or changes in procurement practices, may affect our ability to maintain or expand our customer base.

Additionally, industry demand patterns may be influenced by broader economic conditions, regulatory developments, environmental considerations and technological trends, all of which are beyond our control. While we have not experienced any material adverse impact from changes in consumer preferences or industry demand patterns during Fiscals 2026, 2025 and 2024, we cannot assure that such changes will not occur in the future. Any adverse shifts in consumer preferences or market demand could have a material adverse effect on our business, financial condition, cash flows and results of operations.

52. The availability of substitute technologies or alternative cooling solutions may reduce demand for our products and adversely affect our business, financial condition, cash flows and results of operations.

The HVAC components industry is subject to continuous technological innovation and the development of alternative cooling solutions, including new technologies, substitute components and energy-efficient or environmentally sustainable systems that may serve as alternatives to traditional HVAC products and components. The adoption of such substitute technologies by customers, whether due to technological advancements, regulatory changes, environmental considerations, cost advantages or evolving industry standards, may reduce the demand for our existing products.

Further, advancements in alternative cooling technologies or the introduction of more efficient, cost-effective or environmentally compliant solutions by competitors or other industry participants may render certain of our products less competitive or obsolete. The increasing emphasis on sustainability, energy efficiency and environmental compliance may also accelerate the adoption of alternative solutions, which may require us to undertake significant investments in product development, technology upgrades or process modifications to remain competitive.

If we are unable to effectively adapt to or compete with such alternative technologies or develop new products in line with evolving market requirements, our market position, sales volumes and profitability may be adversely affected. While we have not experienced any material adverse impact from substitute technologies during Fiscals 2026, 2025 and 2024, we cannot assure that such developments will not occur in the future. Any significant shift towards alternative cooling solutions could have a material adverse effect on our business, financial condition, cash flows and results of operations.

53. Any fraud, theft, embezzlement or other misconduct by our employees, contractors, vendors or other third parties may adversely affect our reputation, business, financial condition, cash flows and results of operations.

Our business operations involve interactions with a large number of employees, contract labour, vendors, suppliers, logistics partners and other third-party service providers across our Manufacturing Facilities and operational locations. As a result, we may be exposed to risks relating to fraudulent activities, theft, embezzlement, misappropriation of assets, financial irregularities, corruption, collusion with third parties, or other forms of misconduct by our employees, contractors, vendors or other associated parties.

Such misconduct may include diversion of company funds or assets, manipulation of financial records, unauthorised transactions, theft of inventory or raw materials, procurement-related fraud, falsification of documents, or breach of internal policies and procedures. Any such incidents may result in financial losses, disruption of business operations, increased costs, and potential legal or regulatory consequences.

While we have implemented internal controls, policies and procedures designed to mitigate such risks, including internal audits, financial controls, approval mechanisms and oversight processes, such systems may not always be effective in detecting or preventing fraudulent or unlawful activities, particularly where such activities involve collusion, deliberate concealment, or circumvention of established controls.

Further, any allegations or instances of fraud, theft, embezzlement or other misconduct involving our personnel or third-party partners may harm our reputation, damage our relationships with customers, suppliers and other stakeholders, and may expose us to litigation, regulatory investigations, penalties or other liabilities.

Except as disclosed in "***Outstanding Litigation and Material Developments – Outstanding criminal litigation by our Company***" on page, we have not experienced any material instances of fraud, theft or embezzlement involving our employees, contractors or vendors during Fiscals 2026, 2025 and 2024, we cannot assure you that such incidents will not occur in the future. Any such occurrence could materially and adversely affect our reputation, business operations, financial condition, cash flows and results of operations.

54. Our ability to declare and pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements and other factors, and we cannot assure you that we will pay dividends on our Equity Shares.

Our Company has not made dividend payments in the last three Fiscals and the current Fiscal. For further details, see "***Dividend Policy***" beginning on page 367. This may not be indicative of the dividends which may be declared by us in the future.

The declaration and payment of dividends on our Equity Shares is subject to the discretion of our Board of Directors and will depend on various factors, including our future earnings, financial condition, results of operations, cash flows, working capital requirements, capital expenditure plans, indebtedness, contractual restrictions, applicable law and other factors that our Board may deem relevant from time to time.

Our ability to pay dividends may be restricted by applicable laws, including provisions of the Companies Act, 2013, and may also be subject to limitations contained in financing arrangements or future debt instruments that we may enter into. Such restrictions may limit our ability to distribute profits to shareholders. Further, we may choose to retain our earnings to finance the development and expansion of our business, meet working capital requirements, fund capital expenditure or repay indebtedness rather than distribute such earnings as dividends.

There can be no assurance that our Company will generate sufficient distributable profits or cash flows in the future to enable the payment of dividends. Consequently, investors may need to rely on potential capital appreciation in the market price of our Equity Shares for any return on their investment, and such appreciation may not occur. Any change in our dividend policy or our inability to pay dividends in the future may adversely affect the market price of our Equity Shares and investor perception of our Company.

EXTERNAL RISK FACTORS

55. Changing laws, rules and regulations and legal uncertainties, including adverse application of laws governing operations and the operations of our Manufacturing Facilities, corporate and tax laws, could adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. For further details see "***Key Regulations and Policies***" beginning on page 325. Such changes, including the instances mentioned below, could adversely affect our business, prospects and results of operations, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

Further, any future amendments may affect our tax benefits, such as exemptions for income earned by way of dividends from investments in other domestic companies and units of mutual funds, exemptions for interest received in respect of tax-free bonds, and long-term capital gains on equity shares. Changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could negatively affect investor returns and have an adverse effect on our business and financial performance. For instance, the Government of India has announced the union budget for the Financial Year 2026 (the "**Budget**"), pursuant to which the Finance Act, 2025 has amended the Income-tax Act, 1961, including the capital gains tax rates with effect from the date of announcement of the Budget. There is uncertainty in regards to the impact of the Finance Act, 2026 and Income Tax Bill (once enacted), on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

The Digital Personal Data Protection Act, 2023 (the "**DPDP Act**") provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act. It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (collectively, the "**Labour Codes**") which consolidate, subsume and replace numerous existing central labour legislations., which have been made effective from November 21, 2025. While the rules for implementation under these codes have not been notified in its entirety, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees, which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50.00% of the wages payable to employees. The Parliament of India has passed the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhiniyam, 2023, which have repealed the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 1, 2024. The effect of the provisions of these on us and the litigations involving us cannot be predicted with certainty at this stage. The implementation of such laws has the ability to increase our labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance. We have yet to determine the impact of all or some such laws on our business and operations, which may restrict our ability to grow our business in the future.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the Reserve Bank of India or any other governmental agency can be obtained on any particular terms or at all.

56. Adverse general economic conditions in India and globally may affect demand for our products and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our business and financial performance are influenced by general economic conditions in India and globally, including levels of economic growth, gross domestic product ("**GDP**") trends, inflation rates, interest rates, availability of credit, consumer spending patterns, industrial production and investment activity. Any slowdown in economic growth, economic uncertainty or adverse macroeconomic developments in India or in key global markets may result in reduced investments in construction, infrastructure and industrial activities, which could in turn reduce demand for HVAC systems and related components.

Economic downturns may also adversely affect customer confidence, purchasing power and capital expenditure decisions, leading to reduced demand for our products, delays in procurement cycles, increased price sensitivity and changes in purchasing behaviour. Further, adverse economic conditions may affect the financial stability of our customers, suppliers and other business counterparties, which may result in delays or defaults in payments, supply chain disruptions or increased credit risks.

Additionally, economic volatility may impact the availability and cost of financing, increase operating costs and affect overall business sentiment in the markets in which we operate. While we have not experienced any material adverse impact arising from such macroeconomic conditions during Fiscals 2026, 2025 and 2024, we cannot assure that such developments will not occur in the future. Any deterioration in general economic conditions in India or globally could have a material adverse effect on our business, financial condition, cash flows and results of operations.

57. If our Company does not receive the minimum subscription of 90% of the Fresh Issue, the Issue may fail.

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Draft Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master ICDR Circular. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest as prescribed under applicable law.

58. Volatility in global financial markets and capital market conditions may adversely affect our business environment, access to capital and the market price of our Equity Shares.

Global financial markets are subject to significant volatility arising from factors such as economic uncertainty, changes in monetary policies, fluctuations in interest rates, geopolitical developments, sovereign debt concerns, banking sector instability, liquidity constraints and changes in investor sentiment. Such volatility may adversely affect the availability and cost of capital, access to financing and overall business confidence, which may in turn affect investment and spending decisions by our customers and other market participants.

Adverse conditions in global capital markets may also affect the Indian securities markets, resulting in fluctuations in the trading price and liquidity of our Equity Shares following the completion of the Offer. Market volatility may lead to sudden and significant movements in share prices that may not necessarily reflect our underlying business fundamentals or financial performance.

Further, uncertain or unstable financial market conditions may result in reduced investor confidence, withdrawal of foreign investments and tightening of credit markets, which may adversely affect our ability to raise additional capital or obtain financing on favourable terms, if required in the future. While we have not experienced any material adverse impact from global financial market volatility during Fiscals 2026, 2025 and 2024, we cannot assure that such conditions will not arise in the future. Any sustained volatility in global or domestic financial markets could have a material adverse effect on our business, financial condition, cash flows and results of operations and the market price of our Equity Shares.

59. Inflationary pressures may increase our input costs and reduce consumer demand, which could adversely affect our business, financial condition, cash flows and results of operations.

Our business is exposed to inflationary pressures that may result in increases in the cost of raw materials, components, labour, transportation, energy and other operating expenses. Inflation may also affect the availability and pricing of key inputs required for our manufacturing operations, leading to higher production costs and potential disruption in supply chains. Any sustained increase in input costs may adversely affect our operating margins, particularly if we are unable to pass on such cost increases to our customers in a timely manner or at all.

Additionally, inflationary conditions may reduce consumer purchasing power, increase project costs and lead to reduced capital expenditure by customers, particularly in sectors such as construction, infrastructure and industrial manufacturing, which are key drivers of demand for HVAC components. Inflation may also lead to higher interest rates and tighter monetary policies, which may further reduce economic activity and demand for our products.

While we have not experienced any material adverse impact from inflationary pressures during Fiscals 2026, 2025 and 2024, we cannot assure that future inflationary trends will not adversely affect our cost structure or demand for our products. Any significant or sustained inflationary pressures could have a material adverse effect on our business, financial condition, cash flows and results of operations.

60. Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing.

Certain information contained in this Draft Red Herring Prospectus, including industry and market data derived from third-party industry reports and other external sources, has not been independently verified by us, and investors should not place undue reliance on such information. This Draft Red Herring Prospectus contains certain industry and market data, statistics and other information relating to the industry in which we operate. Such information has been derived from publicly available sources, industry publications and reports prepared by third-party research agencies, including extracts from an industry report prepared by CARE Advisory Research and Training Limited (the "**CARE Report**"), which has been commissioned for the purposes of this Offer.

While we believe that the sources of such information are reliable and that the data contained therein has been obtained from sources generally considered to be reliable, neither we, the Selling Shareholder, the Book Running Lead Managers nor any of our or their respective affiliates, advisors or representatives have independently verified the accuracy, completeness or adequacy of such information. Industry data and projections contained in the CARE Report and other external sources are based on assumptions, estimates and forecasts that may involve significant subjective judgments and uncertainties, including assumptions regarding economic conditions, industry demand, regulatory developments, technological changes and other factors that may be beyond our control. Such information may not necessarily be consistent with other publicly available information or data compiled by other third-party sources and may not be indicative of future industry performance.

Further, industry reports generally state that the information contained therein has been obtained from various sources and that such information may not have been independently verified. Accordingly, such reports and the data contained therein may be subject to limitations regarding accuracy, completeness and reliability. In addition, the methodologies used by third-party research agencies to compile such data may differ from those used by other industry participants, which may result in variations in reported figures.

The inclusion of industry and market data in this Draft Red Herring Prospectus should not be construed as a representation by us, the Selling Shareholder or the Book Running Lead Managers as to the accuracy or completeness of such information. Prospective investors are advised to independently evaluate the relevance, accuracy and adequacy of such information and should not place undue reliance on such data in making an investment decision.

While we believe that such industry data provides useful context for investors in understanding the industry in which we operate, we cannot assure you that the assumptions or estimates underlying such information are accurate or that such information will not change in the future. Any reliance on such industry data and projections involves risks and uncertainties, and actual results may differ materially from those suggested by such information. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CARE Report before making any investment decision regarding the Offer. See "***Industry Overview***" beginning on page 198.

61. Changes in interest rates may increase our borrowing costs, reduce demand for our products and adversely affect our business, financial condition, cash flows and results of operations.

Our business and the industries in which our customers operate are sensitive to changes in interest rates. Increases in interest rates, whether in India or globally, may lead to higher borrowing costs for our Company, our customers and other participants in the construction, infrastructure and industrial sectors. Higher interest rates may increase the cost of financing capital expenditure, working capital requirements and infrastructure projects, which may reduce investments in real estate development, industrial expansion and infrastructure activities, thereby adversely affecting demand for HVAC systems and related components.

Further, higher interest rates may also increase our cost of capital, raise interest expenses on existing or future borrowings and affect our ability to obtain financing on favourable terms. Additionally, interest rate increases may reduce liquidity in the financial system, dampen consumer spending and delay investment decisions by customers, resulting in lower sales volumes and longer receivable cycles.

Conversely, volatility or uncertainty in interest rate movements may also affect financial markets, business confidence and overall economic activity. While we have not experienced any material adverse impact from changes in interest rates during Fiscals 2026, 2025 and 2024, we cannot assure that future fluctuations in interest rates will not adversely affect our operations. Any significant increase in interest rates or tightening of credit conditions could have a material adverse effect on our business, financial condition, cash flows and results of operations.

62. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price/earnings multiple, market capitalization, etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the above-mentioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

63. The Offer Price of our Equity Shares, our price to earnings ratio and our enterprise value to EBITDA ratio may not be indicative of the trading price of our Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.

Our market capitalization is subject to the determination of the Offer Price, which will be determined by our Company, in consultation with the BRLM through the book-building process. Our enterprise value to EBITDA ratio for Fiscal 2026 is set out below:

Particulars	Ratio vis-à-vis Floor Price*	Ratio vis-à-vis Cap Price*
Enterprise value to EBITDA (in multiples, unless otherwise specified)	[●]	[●]

** To be updated at the Prospectus stage*

The table below provides the details of our price to earnings ratio and market capitalization to revenue from our operations at the Offer Price:

Particulars	Price to earnings ratio*	Market capitalization to revenue from our operations*
Fiscal 2026	[●]	[●]

**Considering the Offer Price*

Further, our Offer Price, the multiples and ratio specified above may not be comparable to the market price, market capitalization and price-to-earnings ratios of our peers and would be dependent on the various factors and financial parameters disclosed under "***Basis for the Offer Price***" beginning on page 174. Accordingly, any valuation exercise undertaken for the purposes of the Offer by our Company in consultation with BRLM, would not be based on a benchmark with our industry peers. For details of comparison with listed peers, see "***Basis for the Offer Price***" beginning on page 174.

64. Fluctuations in foreign exchange rates and currency volatility may adversely affect our business, financial condition, cash flows and results of operations.

Our business may be exposed to risks arising from fluctuations in foreign exchange rates, particularly to the extent we engage in export sales, import raw materials, procure machinery or equipment from overseas suppliers or enter into transactions denominated in foreign currencies. Volatility in exchange rates may increase the cost of imported raw materials, components, capital equipment and technology, thereby increasing our production costs and affecting our operating margins.

Further, fluctuations in foreign exchange rates may affect the competitiveness of our products in export markets and may lead to volatility in our revenues and cash flows from international operations. Currency depreciation or appreciation may also affect pricing strategies, procurement decisions and contractual arrangements with customers and suppliers.

While we may undertake certain measures to mitigate foreign exchange risks, such measures may not fully protect us from adverse currency movements. Except for the foreign exchange loss of ₹80 million recorded during Fiscal 2026 While we have not experienced any material adverse impact due to foreign exchange fluctuations during Fiscals 2025 and 2024, we cannot assure that such volatility will not adversely affect our operations in the future. Any significant fluctuation in foreign exchange rates could have a material adverse effect on our business, financial condition, cash flows and results of operations.

65. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. A securities transaction tax ("**STT**") will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of our Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short- term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less that are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short-term capital gains tax at a higher rate compared to the transaction where STT has been paid in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India, as well as in their own jurisdictions on gains arising from a sale of our Equity Shares.

66. Qualified institutional buyers ("QIBs") and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after the Bid/Offer Closing Date.

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

67. Our Equity Shares have never been publicly traded and after this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, this offering Price may not be indicative of the market price of our Equity Shares after the Offer.

Prior to this Offer, there was no public market for our Equity Shares. We cannot assure you that an active trading market for our Equity Shares will develop or be sustained after this Offer. The Offer Price of our Equity Shares is proposed to be determined by our Company based on various factors and assumptions, in consultation with the BRLM through the Book Building Process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. The Offer Price is based on certain factors, including our Key Performance Indicators, as described under "***Basis for the Offer Price***" beginning on page 174. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industries and the countries in which we operate, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month lock-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

68. Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

This Draft Red Herring Prospectus includes certain financial measures and industry-related operational metrics relating to our operations and financial performance that are not prepared in accordance with the Indian Accounting Standards ("**Ind AS**") or any other generally accepted accounting principles, including Indian GAAP. These measures, including, inter alia, Gross Profit, Gross Profit Margin, Reported EBITDA, Reported EBITDA Margin, Reported EBIT, Reported EBIT Margin, Reported PAT Margin, Reported ROE, Reported ROCE, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBIT, Adjusted EBIT Margin, Adjusted PAT, Adjusted PAT Margin, Adjusted ROE, Adjusted ROCE, Fixed Asset Turnover Ratio and Imported Purchases of raw material and certain other industry-related statistical and operational measures (collectively, the "**Non-GAAP Measures**"), have been included in this Draft Red Herring Prospectus as supplemental information to assist investors in evaluating our operational and financial performance.

Such Non-GAAP Measures are not measures of financial performance, liquidity or profitability calculated in accordance with Ind AS or any other generally accepted accounting standards and should not be considered in isolation or construed as alternatives to profit/ (loss) for the year, cash flows from operating, investing or financing activities, or any other measures of financial performance derived in accordance with applicable accounting standards. These measures are presented because we believe they are frequently used by securities analysts, investors and other stakeholders to evaluate the operating performance and financial position of companies operating in industries similar to ours. However, there can be no assurance that such measures provide meaningful information regarding our financial performance or results of operations.

The Non-GAAP Measures disclosed in this Draft Red Herring Prospectus may not be computed on the basis of any standardised methodology applicable across our industry and may therefore not be directly comparable with financial or operational measures of similar nomenclature presented by other companies. Other companies may define, calculate or present such measures differently from us, including through application of different accounting policies, adjustments, assumptions or estimation techniques. As a result, investors may not be able to meaningfully compare our Non-GAAP Measures with those of other companies, which may limit their usefulness as comparative performance measures or indicators of industry performance.

Further, the presentation of such Non-GAAP Measures involves the application of certain assumptions, estimates, judgments and adjustments, including adjustments relating to non-recurring items, exceptional items, finance costs, depreciation, amortisation or other components of financial performance, which may not be applied consistently across reporting periods or by other companies. The use of such adjustments may result in the exclusion of certain expenses, liabilities or costs that may be material to an understanding of our financial condition or results of operations. Accordingly, such measures may not provide a complete or accurate representation of our financial performance, liquidity or cash flows.

Additionally, certain industry-related statistical and operational information included in this Draft Red Herring Prospectus is based on data derived from our internal systems, records and tracking tools, which may not have been subject to independent verification. Our methodologies for tracking and measuring such operational metrics may change from time to time as our business evolves or as we adopt new systems, processes or reporting frameworks. Any changes in such methodologies may result in variations in reported metrics across reporting periods, which may affect the comparability of such information.

Our internal systems and processes for tracking and compiling such data may also be subject to limitations, including data entry errors, system limitations, technological failures or inaccuracies in data collection. If our internal systems or tools fail to accurately track or report such operational or financial metrics in the future, the resulting information may be incomplete or inaccurate. Any such inaccuracies may impair our ability to monitor and evaluate our business performance, develop business strategies, allocate resources efficiently or assess operational trends, which may adversely affect our decision-making processes and long-term business strategy.

Investors are cautioned that such Non-GAAP Measures and industry-related statistical and operational information are of limited analytical value and should not be relied upon as substitutes for, or considered in isolation from, our Restated Financial Information included elsewhere in this Draft Red Herring Prospectus. Any reliance placed by investors on such Non-GAAP Measures to evaluate our financial performance, liquidity, profitability or operating results may lead to an incomplete or inaccurate understanding of our business and financial condition.

While we believe that the presentation of such Non-GAAP Measures provides additional insight into certain aspects of our operations and financial performance, we cannot assure that these measures will accurately reflect our future financial condition or results of operations or that they will not be misinterpreted by investors. Any misunderstanding or misinterpretation of such Non-GAAP Measures may adversely affect investor perception of our financial performance and may result in volatility in the market price of our Equity Shares.

For further details and reconciliation of such Non-GAAP Measures with the most directly comparable financial measures prepared in accordance with applicable accounting standards, see "***Other Financial Information – Reconciliation of Non-GAAP Measures***" on page 425.

69. Significant differences exist between Ind AS ("Indian Accounting Standards") and other accounting principles, such as U.S. GAAP ("Generally Accepted Accounting Principles in the United States of America") and IFRS ("International Financial Reporting Standards"), which investors may be more familiar with and may consider material to their assessment of our financial condition.

For the purposes of disclosure in this Draft Red Herring Prospectus, the SEBI ICDR Regulations requires us to prepare and present our Restated Financial Information. Our Restated Financial Information for Fiscals 2026, 2025 and 2024 have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S GAAP. We have not attempted to quantify the impact of U.S GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S GAAP or IFRS. U.S GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company's Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

70. Geopolitical tensions, armed conflicts, trade restrictions or global instability may disrupt supply chains, increase costs and adversely affect our business, financial condition, cash flows and results of operations.

Geopolitical developments, including armed conflicts, international trade disputes, economic sanctions, changes in trade policies, cross-border tensions and global political instability, may adversely affect global economic conditions, supply chains and international trade flows. Such developments may result in volatility in commodity prices, disruptions in availability of raw materials and components, increased transportation and logistics costs and delays in procurement of imported inputs required for our manufacturing operations.

Further, geopolitical tensions may lead to changes in trade regulations, imposition of tariffs, import or export restrictions, sanctions or other barriers that may affect our ability to procure raw materials, machinery or technology from international markets or sell products in overseas markets. Any such disruptions may increase our operating costs, affect production schedules and adversely impact our business continuity.

Geopolitical instability may also contribute to global economic uncertainty, reduced investments in infrastructure and industrial sectors and volatility in financial markets, which may reduce demand for HVAC components and related products. While we have not experienced any material adverse impact from geopolitical developments during Fiscals 2026, 2025 and 2024, we cannot assure that future geopolitical events or trade disruptions will not adversely affect our operations. Any such developments could have a material adverse effect on our business, financial condition, cash flows and results of operations.

71. The impact of the Russian invasion of Ukraine, the Israel-Hamas war and the Iran-Israel conflict on the global economy, energy supplies and raw materials is uncertain, but may prove to negatively impact our business and operations.

The short and long-term implications of Russia's invasion of Ukraine, the Israel-Hamas war and the Iran-Israel conflict are difficult to predict at this time. As on the date of this Draft Red Herring Prospectus, we have not experienced any material interruptions in our business operations in connection with these conflicts. We continue to monitor any adverse impact that the outbreak of war in Ukraine, the subsequent institution of sanctions against Russia by the United States and several European and Asian countries, and the Israel-Hamas war or the Iran-Israel conflict may have on the global economy in general, on our business and operations and on the businesses and operations of our lenders and other third parties with which we conduct business. To the extent the wars in Ukraine or Israel or the conflict between Iran and Israel may adversely affect our business as discussed above, it may also have the effect of heightening many of the other risks described herein. Such risks include, but are not limited to, adverse effects on macroeconomic conditions, including inflation; disruptions to our global technology infrastructure, including through cyberattack, ransom attack, or cyber-intrusion; adverse changes in international trade policies and relations; disruptions in global supply chains; significant volatility in commodity prices and supply of energy resources; political and social instability; changes in consumer or purchaser preferences and constraints; volatility, or disruption in the capital markets, any of which could negatively affect our business and financial condition.

72. Changes in the political environment, government priorities or policy direction in India may adversely affect the business environment in which we operate and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our business is influenced by the overall political environment and policy direction of the Government of India and state governments in jurisdictions where we operate. Changes in political leadership, policy priorities, governance approaches, fiscal policies or administrative practices may result in changes in laws, regulations, industrial policies, infrastructure spending, taxation regimes or investment frameworks, which may affect the sectors in which our customers operate and the overall business environment.

Any shift in government priorities relating to industrial development, infrastructure investment, manufacturing initiatives, environmental standards, trade policies or economic reforms may impact demand for HVAC products and components. Additionally, changes in regulatory frameworks or administrative procedures may result in delays in approvals, increased compliance requirements or changes in operating conditions, which may increase costs and affect our operational efficiency.

Political uncertainty or instability may also affect investor confidence, economic growth and capital investment decisions, which may reduce demand for construction and infrastructure activities that drive demand for our products. While we have not experienced any material adverse impact arising from changes in the political environment during Fiscals 2026, 2025 and 2024, we cannot assure that future political or policy developments will not adversely affect our business. Any such changes could have a material adverse effect on our business, financial condition, cash flows and results of operations.

73. Pandemics, epidemics, public health emergencies, climate change, natural disasters or extreme weather events may disrupt our operations, supply chain and demand for our products, which could adversely affect our business, financial condition, cash flows and results of operations.

Our business and the industries in which we operate may be adversely affected by pandemics, epidemics, public health emergencies, climate change-related developments, natural disasters and extreme weather events, which are beyond our control. Such events may disrupt manufacturing operations, affect availability of labour, interrupt supply chains, restrict movement of goods, delay project execution and adversely impact overall economic activity and demand for our products.

Public health crises may result in government-imposed restrictions, including lockdowns, travel limitations, social distancing measures and temporary suspension of industrial and commercial activities, which may lead to reduced production capacity, supply chain disruptions and delays in delivery schedules. Additionally, such events may affect customer demand, delay procurement decisions and reduce investments in construction, infrastructure and industrial sectors that drive demand for HVAC components.

Our business and operations are vulnerable to disruptions arising from public health crises, pandemics, epidemics, and other widespread health emergencies. The outbreak of COVID-19 significantly disrupted global and domestic economic activity, including manufacturing operations, supply chains, logistics networks, labour availability, and customer demand across industries. Such events may result in temporary or prolonged shutdowns of Manufacturing Facilities, restrictions on movement of goods and personnel, interruptions in supply chains, and reduced demand from customers, particularly in industries linked to infrastructure and industrial activity.

Further, government-imposed restrictions, lockdowns, containment measures, or other regulatory actions in response to public health emergencies may adversely impact our operational continuity, production schedules, workforce availability, and distribution channels. Such circumstances may also increase our operating costs due to additional health and safety measures, compliance requirements, changes in workplace practices, and supply chain restructuring. Additionally, prolonged disruptions may negatively affect our liquidity, financial condition, and ability to meet contractual obligations.

Climate change and extreme weather events, including floods, heatwaves, storms or other environmental disruptions, may damage Manufacturing Facilities, disrupt logistics networks, increase energy costs and affect availability of raw materials and utilities required for our operations. Such events may also lead to increased regulatory scrutiny, additional compliance requirements and higher operating costs.

While our operations have recovered from the impact of prior public health emergencies and we have not experienced any material long-term adverse impact during Fiscals 2026, 2025 and 2024, we cannot assure that similar or more severe events will not occur in the future. Any such events could have a material adverse effect on our business, financial condition, cash flows and results of operations.

74. Withdrawal or modification of tax benefits, fiscal incentives, subsidies or government support schemes applicable to our industry may increase our costs and adversely affect our business, financial condition, cash flows and results of operations.

Our industry and the sectors in which our customers operate may benefit from various fiscal incentives, tax benefits, subsidies, duty exemptions, infrastructure incentives or government support schemes introduced by central or state governments from time to time to promote manufacturing, industrial growth and infrastructure development. Any withdrawal, reduction, modification or discontinuation of such incentives or benefits may increase our operating costs or reduce demand for our products.

Changes in tax benefits or incentive schemes may also affect investment decisions by our customers, particularly in the construction, infrastructure and industrial sectors, which may reduce demand for HVAC components and related products. Additionally, the withdrawal of such benefits may affect the cost competitiveness of domestic manufacturers and may increase pricing pressures within the industry.

Government incentive schemes are subject to policy changes, budgetary constraints and regulatory modifications, and there can be no assurance that such incentives will continue in the future or that new benefits will be introduced. While we have not experienced any material adverse impact arising from withdrawal of such incentives during Fiscals 2026, 2025 and 2024, we cannot assure that future changes in fiscal policies or government support schemes will not adversely affect our operations. such developments could have a material adverse effect on our business, financial condition, cash flows and results of operations.

75. Any future issuance of Equity Shares, convertible securities or other equity linked securities, may dilute your shareholding, and sale of our Equity Shares by our major shareholders may also adversely affect the trading price of our Equity Shares.

We may be required to finance our growth through future equity offerings. Any future issuance of Equity Shares, convertible securities or securities linked to Equity Shares by us may lead to the dilution of investors' shareholdings in us. We may also issue convertible debt securities to finance our future growth or fund our business activities. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of our Equity Shares. Any future issuances could also dilute the value of your investment in our Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

Any sales (or pledge or encumbrance) of substantial amounts of our Equity Shares in the public market after the completion of the Offer by our major shareholders, including our Promoters (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and materially impair our future ability to raise capital through offerings of our Equity Shares.

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

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

77. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

78. The market price of our Equity Shares may be volatile after listing, which could result in significant fluctuations in the trading price of our Equity Shares and may adversely affect investors.

The market price of our Equity Shares following the completion of the Offer and listing on the Stock Exchanges may be subject to significant volatility and may fluctuate substantially due to various factors, many of which are beyond our control. These factors may include variations in our operating results, changes in financial estimates or recommendations by securities analysts, developments in our industry, changes in market conditions, regulatory developments, general economic trends, investor perception of our Company and other events affecting the capital markets in India or globally.

Further, equity markets in India and worldwide have experienced significant price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of listed companies. Such fluctuations may adversely affect the market price and liquidity of our Equity Shares irrespective of our actual operating performance or financial condition.

Additionally, the market price of our Equity Shares may be affected by factors such as future issuances of equity securities, changes in shareholding patterns, announcements relating to strategic developments, litigation or regulatory actions, and changes in economic or market conditions. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after the Offer, or that the market price of our Equity Shares will not decline below the Offer Price. Any volatility in the market price of our Equity Shares may adversely affect investors' ability to sell their Equity Shares at or above the Offer Price.

79. We cannot assure that prospective investors will be able to sell immediately on an Indian stock exchange any of our Equity Shares they purchase in the Offer.

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to the Offer and until our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within a prescribed time. Accordingly, we cannot assure you that trading in our Equity Shares will commence in a timely manner or at all and there could be a failure or delay in listing our Equity Shares on the Stock Exchanges, which would adversely affect your ability to sell our Equity Shares.

80. Future sales of Equity Shares by our Promoters, members of our Promoter Group or other significant shareholders may adversely affect the market price of our Equity Shares.

The market price of our Equity Shares may be adversely affected by sales or potential sales of substantial quantities of our Equity Shares by our Promoters, members of our Promoter Group, Selling Shareholder or other significant shareholders following the completion of the Offer, or by the perception that such sales may occur. Any such sales, or the expectation of such sales, may increase the supply of Equity Shares in the market, which could lead to a decline in the trading price of our Equity Shares.

Further, any future issuance of Equity Shares by our Company for capital raising, acquisitions, strategic investments or other corporate purposes may also result in dilution of existing shareholding and may adversely affect the market price of our Equity Shares. Additionally, changes in shareholding patterns, pledge or encumbrance of Equity Shares by significant shareholders, or any transfer of substantial shareholding may influence investor perception and market sentiment.

While our Promoters and other shareholders may be subject to certain lock-in requirements and regulatory restrictions under applicable law, there can be no assurance that such shareholders will not dispose of their shareholding following the expiry of the applicable lock-in period or otherwise in accordance with applicable regulations. Any such sales or perceived likelihood of such sales could have a material adverse effect on the market price of our Equity Shares.

81. Restrictions on foreign investment in Indian companies or changes in foreign investment policies may limit foreign participation in the Offer and adversely affect the market price and liquidity of our Equity Shares.

Investment by foreign investors in Indian companies is subject to various regulatory requirements, sectoral caps, eligibility criteria and approval processes prescribed under applicable laws and regulations relating to foreign direct investment ("**FDI**") and foreign portfolio investment ("**FPI**"). Any changes in foreign investment policies, regulatory restrictions, approval requirements or sectoral investment limits may restrict or reduce foreign investment in our Company.

Additionally, regulatory changes affecting foreign investment limits, repatriation of funds, pricing guidelines, compliance requirements or investment procedures may affect the ability or willingness of foreign investors to invest in our Equity Shares. Any reduction in foreign investor participation may adversely affect the liquidity and trading price of our Equity Shares and may limit our ability to raise capital from international markets in the future.

Further, foreign investment in Indian securities is subject to risks associated with exchange controls, taxation policies and regulatory approvals, which may change from time to time. There can be no assurance that the regulatory framework governing foreign investment will remain stable or favourable. Any restrictions on foreign investment or adverse changes in foreign investment policies could have a material adverse effect on the market price, liquidity and attractiveness of our Equity Shares.

82. There can be no assurance that our Equity Shares will be listed on the Stock Exchanges in a timely manner or that an active trading market will develop or be sustained, which may adversely affect the liquidity and market price of our Equity Shares.

In accordance with applicable regulatory requirements, our Company is required to obtain final listing and trading approvals from the Stock Exchanges for our Equity Shares. While we intend to complete all formalities relating to listing and trading of our Equity Shares within the timelines prescribed under applicable laws, there can be no assurance that such approvals will be obtained in a timely manner or at all. Any delay in obtaining listing or trading approvals may result in investors being unable to trade their Equity Shares, which may adversely affect liquidity and investor confidence.

Further, even if our Equity Shares are listed on the Stock Exchanges, there can be no assurance that an active or liquid trading market for our Equity Shares will develop or be sustained after listing. The trading price of our Equity Shares may be subject to fluctuations due to factors such as market conditions, investor perception, trading volumes, general economic trends and developments affecting the capital markets in India or globally.

Additionally, the Indian securities markets have experienced significant price and volume fluctuations in the past, and such volatility may adversely affect the trading price and liquidity of our Equity Shares irrespective of our operating performance or financial condition. Any failure to maintain an active trading market or any delays in listing and trading may adversely affect investors' ability to sell their Equity Shares at a desired price or at all.

83. Increasingly stringent environmental laws and regulations may result in higher compliance costs, operational restrictions and additional liabilities, which could adversely affect our business, financial condition, cash flows and results of operations.

Our manufacturing operations are subject to environmental laws and regulations relating to pollution control, emissions, waste management, energy consumption, environmental clearances and protection of natural resources. Regulatory authorities may, from time to time, introduce more stringent environmental standards, compliance requirements or monitoring mechanisms applicable to manufacturing companies, including those operating in the HVAC components industry.

Compliance with such environmental regulations may require us to incur significant capital and operating expenditures for installation of pollution control equipment, modification of manufacturing processes, adoption of environmentally compliant technologies and implementation of monitoring and reporting mechanisms. Failure to comply with applicable environmental laws may result in penalties, suspension of operations, revocation of approvals, litigation or other regulatory actions.

Further, increasing focus on environmental sustainability, climate change mitigation and reduction of carbon emissions may lead to additional regulatory requirements, including restrictions on certain materials, energy consumption norms and enhanced reporting obligations, which may increase our compliance burden and operating costs. While we have not experienced any material adverse impact arising from environmental compliance requirements during Fiscals 2026, 2025 and 2024, we cannot assure that future regulatory developments will not impose additional obligations or liabilities. Any failure to comply with applicable environmental regulations or any increase in compliance costs could have a material adverse effect on our business, financial condition, cash flows and results of operations.

84. Changes in corporate governance requirements, securities laws and listing regulations may increase compliance costs and obligations and may adversely affect our business, financial condition, cash flows and results of operations.

Upon completion of the Offer and listing of our Equity Shares on the Stock Exchanges, we will be subject to various corporate governance norms, disclosure obligations, continuous listing requirements and compliance standards prescribed under applicable securities laws and regulations in India. These requirements include, among others, enhanced disclosure standards, corporate governance practices, related party transaction regulations, insider trading restrictions, reporting obligations and periodic compliance requirements.

Any changes in applicable corporate governance standards, listing requirements or securities regulations may require us to incur additional costs to ensure compliance, implement new internal controls, enhance reporting systems and strengthen governance mechanisms. Such regulatory changes may also increase management time and administrative burden and may require modifications to our business practices or internal processes.

Further, any failure or perceived failure to comply with applicable corporate governance norms or listing requirements may result in regulatory action, penalties, suspension of trading, reputational harm or other adverse consequences, which may affect investor confidence and the market price of our Equity Shares. While we have complied with applicable corporate governance and regulatory requirements in the conduct of our business and have not faced any material adverse consequences during Fiscals 2026, 2025 and 2024, we cannot guarantee that we will be able to comply with all evolving regulatory requirements in a timely manner in the future. Any such non-compliance or regulatory changes could have a material adverse effect on our business, financial condition, cash flows and results of operations.

85. Changes in labour laws, employment regulations and industrial safety standards may increase our operating costs and expose us to regulatory liabilities, which could adversely affect our business, financial condition, cash flows and results of operations.

Our operations are subject to various labour laws, employment regulations and industrial safety standards governing wages, working conditions, employee benefits, social security contributions, occupational health and safety requirements and industrial relations. For further details see "***Key Regulations and Policies***" beginning on page 325. Any changes in labour laws or regulatory standards, including revisions to wage structures, social security obligations, employment benefits, working hour regulations or workplace safety requirements, may increase our compliance costs and operational expenses.

Further, manufacturing operations inherently involve risks relating to workplace safety, handling of machinery and industrial processes, and we are required to comply with applicable occupational health and safety regulations. Any failure to comply with such laws or standards may result in penalties, litigation, compensation claims, operational disruptions or reputational harm. Additionally, stricter enforcement of labour or safety regulations may require us to implement additional safety measures, upgrade infrastructure or incur higher compliance costs.

Industrial relations issues, including labour shortages, work stoppages, strikes or disputes with employees or contract workers, may also disrupt our manufacturing operations and affect productivity. While we have not faced any material adverse consequences relating to labour law compliance, industrial safety standards or employment regulations during Fiscals 2026, 2025 and 2024, we cannot guarantee that such instances will not occur in the future. Any adverse developments relating to labour or employment regulations or industrial safety compliance could have a material adverse effect on our business, financial condition, cash flows and results of operations.

86. Energy transition policies, decarbonisation initiatives and regulatory measures affecting the manufacturing sector may increase compliance costs and impact our operations, which could adversely affect our business, financial condition, cash flows and results of operations.

Governments and regulatory authorities globally and in India are increasingly implementing policies and regulations aimed at promoting energy efficiency, reducing greenhouse gas emissions, encouraging renewable energy adoption and transitioning towards low-carbon manufacturing practices. Such energy transition policies and decarbonisation initiatives may impose additional compliance requirements on manufacturing companies, including energy efficiency standards, emission reduction targets, reporting obligations and restrictions on certain processes or materials.

Compliance with such policies may require us to incur significant capital expenditure to upgrade manufacturing processes, adopt energy-efficient technologies, invest in renewable energy sources or modify operational practices. These requirements may increase our production costs and affect our operational flexibility. Additionally, any increase in energy costs or restrictions on conventional energy sources may affect the cost structure of our manufacturing operations.

Further, energy transition policies may also influence demand patterns in the HVAC components industry, including increased emphasis on energy-efficient products and environmentally compliant technologies, which may require us to invest in research and development and product innovation to remain competitive. While we have not experienced any material adverse impact from energy transition policies or decarbonisation requirements during Fiscals 2026, 2025 and 2024, we cannot guarantee that future regulatory developments or policy changes will not impose additional obligations or costs. Any such developments could have a material adverse effect on our business, financial condition, cash flows and results of operations.

87. Disruptions in global or domestic supply chains may affect the availability and cost of raw materials, components and logistics services, which could adversely affect our manufacturing operations, business, financial condition, cash flows and results of operations.

Our manufacturing operations depend on the timely availability of raw materials, components, equipment and logistics services, which may be sourced from domestic and international suppliers. Global and domestic supply chains are subject to disruptions arising from factors such as geopolitical tensions, trade restrictions, transportation bottlenecks, port congestion, shortages of raw materials, fluctuations in commodity prices, pandemics, natural disasters, regulatory changes and other unforeseen events beyond our control.

Such supply chain disruptions may lead to delays in procurement of raw materials, increased input costs, longer lead times, interruptions in production schedules and inability to meet customer delivery timelines. Any significant delay or disruption in the supply of key inputs may result in underutilisation of our manufacturing capacities, increased operating costs, contractual liabilities, loss of business opportunities and adverse impact on customer relationships.

Further, disruptions in global trade flows or logistics networks may increase freight and transportation costs, affect inventory management and create uncertainty in production planning. The HVAC and manufacturing sectors are particularly dependent on efficient supply chains for metals, components and specialised equipment, and any sustained disruption may materially affect our ability to maintain consistent production levels and cost efficiencies.

While we have not experienced any material long-term adverse impact from supply chain disruptions during Fiscals 2026, 2025 and 2024, we cannot guarantee that such disruptions will not occur in the future or that we will be able to mitigate their impact effectively. Any significant disruption in global or domestic supply chains could have a material adverse effect on our business, financial condition, cash flows and results of operations.

SECTION III: INTRODUCTION

THE OFFER

The following table sets forth details of the Offer:

Offer of Equity Shares*	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million
The Offer comprises:	
- Fresh Issue(1)(2)	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,000.00 million
- Offer for Sale(3)(4)	Up to 3,050,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million
The Net Offer comprises of:	
A) QIB Portion(5)(6)	Not more than [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million
of which:	
1. Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 5 each
of which 40% out of the Anchor Investors Portion shall be reserved in the following manner:	
- 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds	Up to [●] Equity Shares of face value of ₹ 5 each
- 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds	Up to [●] Equity Shares of face value of ₹ 5 each
2. Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 5 each
of which:	
- Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares of face value of ₹ 5 each
- Balance of the Net QIB Portion for all QIBs, including Mutual Funds	Up to [●] Equity Shares of face value of ₹ 5 each
B) Non-Institutional Portion(7)(8)	Not less than [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million
of which:	
- One-third of the Non-Institutional Portion available for allocation to Bidders with an application size between ₹ 0.20 million to ₹ 1.00 million	[●] Equity Shares of face value of ₹ 5 each
- Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹ 5 each
C) Retail Portion(6)(7)	Not less than [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as of the date of this Draft Red Herring Prospectus)	54,729,240 Equity Shares of face value of ₹ 5 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 5 each
Use of Net Proceeds of the Offer	See "***Objects of the Offer***" beginning on page 133 for information about the use of the Net Proceeds of the Offer. Our Company will not receive any proceeds from the Offer for Sale.

** Subject to finalisation of Basis of Allotment*

Notes:

(1) The Offer has been authorised by a resolution of our Board dated September 5, 2026 and the Fresh Issue has been authorised by a special resolution of our Shareholders, dated September 10, 2026.

(2) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to

allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety).

(3) *The Selling Shareholders confirm that the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. The Selling Shareholders have approved the sale of the Offered Shares in the Offer for Sale by way of their respective consent letters. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "**Other Regulatory and Statutory Disclosures – Authority for the Offer**" on page 474.*

(4) *Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to a resolution at its meeting held on September 5, 2026.*

(5) *Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the shares allocated to Anchor Investors. 40% of the Anchor Investor Portion shall be reserved in the manner that (i) 33.33% shall be reserved for domestic Mutual Funds and (ii) 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the portion reserved for Life Insurance Companies and Pension Funds specified in (ii) above may be allocated to domestic Mutual Funds in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see "**Offer Procedure**" beginning on page 495.*

(6) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws. In the event of an undersubscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Offer. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see the section titled "**Offer Procedure**" beginning on page 495.*

(7) *Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, please see "**Offer Procedure**" beginning on page 495.*

(8) *The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Applicants in the other sub-category of Non-Institutional Investors. The allocation to each Non-Institutional Investors shall not be less than the minimum NII application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. For further details, please see "**Offer Procedure**" beginning on page 495.*

For further information, see "***Terms of the Offer***", "***Offer Structure***" and "***Offer Procedure***" beginning on pages 485, 492 and 495, respectively.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information.

The Restated Financial Information has been prepared based on the Ind AS financial statements for Fiscals 2026, 2025 and 2024. The Restated Financial Information has been prepared in accordance with Ind AS and the Companies Act, restated in accordance with the SEBI ICDR Regulations and are presented in the section titled "***Financial Information***" *beginning on page 368.*

The summary financial information presented below should be read in conjunction with the sections titled "***Restated Financial Information***" *and* "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" *beginning on pages 368 and 428, respectively.*

[***The remainder of this page has intentionally been left blank***]

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(*₹ in million, unless otherwise stated*)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	697.49	475.56	369.50
Capital Work-in-Progress	58.44	14.55	-
Right of Use Assets	58.81	45.76	74.77
Other Intangible assets	0.67	0.80	1.07
Financial Assets			
(i) Other Financial Assets	28.40	4.66	17.44
Other Non-Current Assets	41.12	18.42	4.47
Total Non-Current Assets	**884.93**	**559.75**	**467.25**
Current Assets			
Inventories	1,700.24	682.34	306.98
Financial Assets			
(i) Trade Receivables	1,061.51	712.82	601.16
(ii) Cash and Cash Equivalents	0.33	0.45	0.53
(iii) Bank balances other than cash and cash equivalents	106.15	97.47	43.27
(iv) Loans	0.89	0.83	0.87
(v) Other Financial Assets	13.73	4.93	4.23
Other Current Assets	115.64	13.42	23.84
Total Current Assets	**2,998.49**	**1,512.26**	**980.88**
TOTAL ASSETS	**3,883.42**	**2,072.01**	**1,448.13**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	91.22	91.22	91.22
Other Equity	849.95	517.04	243.57
Total Equity	**941.17**	**608.26**	**334.79**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	326.06	217.09	176.67
(ii) Lease Liabilities	12.82	2.68	0.98
Provisions	12.03	9.11	10.87
Deferred Tax Liabilities (Net)	26.13	22.93	16.91
Total Non-Current Liabilities	**377.04**	**251.81**	**205.43**
Current liabilities			
Financial Liabilities			
(i) Borrowings	1,206.05	441.66	196.13
(ii) Lease Liabilities	3.89	0.26	0.10
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	143.97	128.07	143.99
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,036.07	433.82	496.78
(iv) Other Financial Liabilities	54.02	42.39	30.39
Other Current Liabilities	24.58	76.67	22.37
Provisions	4.60	3.54	1.17
Current Tax Liabilities (Net)	92.03	85.53	16.98
Total Current Liabilities	**2,565.21**	**1,211.94**	**907.91**
Total Liabilities	**2,942.25**	**1,463.75**	**1,113.34**
Total Equity and Liabilities	**3,883.42**	**2,072.01**	**1,448.13**

RESTATED STATEMENT OF PROFIT AND LOSS

(*₹ in million, unless otherwise stated*)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	5,267.45	4,831.42	2,399.38
Other income	26.31	6.95	14.78
Total income	**5,293.76**	**4,838.37**	**2,414.16**
Expenses			
Cost of materials consumed	4,260.29	3,816.63	1,810.21
Changes in inventories of finished goods and work-in-progress	(515.61)	(209.39)	(31.03)
Employee benefits expense	256.01	213.07	152.71
Finance costs	117.60	62.38	34.05
Depreciation and amortization expense	40.11	29.50	20.41
Other expenses	692.88	552.20	311.14
Total Expense	**4,851.28**	**4,464.39**	**2,297.49**
Profit/ (Loss) before Exceptional Items and Tax	**442.48**	**373.98**	**116.67**
Profit before Tax	**442.48**	**373.98**	**116.67**
Tax Expense:			
-Current tax	107.51	97.45	31.98
-Deferred tax	2.91	5.16	7.99
Total tax expense	**110.42**	**102.61**	**39.97**
Profit for the period	**332.06**	**271.37**	**76.70**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of defined benefit plans	1.14	2.96	0.24
Income tax relating to items that will not be reclassified to Profit or Loss	(0.29)	(0.86)	(0.07)
Other Comprehensive Income for the period (net of tax)	**0.85**	**2.10**	**0.17**
Total Comprehensive Income for the period (IX+X)	**332.91**	**273.47**	**76.87**
Earnings per Equity Share			
1) Basic (₹)	6.07	4.96	1.43
2) Diluted (₹)	6.07	4.96	1.43

RESTATED STATEMENT OF CASH FLOWS

(*₹ in million, unless otherwise stated*)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash Flow from Operating Activities:			
Profit before tax as per restated statement of profit and loss	442.48	373.98	116.67
Adjusted for:			
(Gain)/ Loss on Sale/ Discard of Property, Plant and Equipment (Net)	-	-	(0.16)
Depreciation and Amortization Expense	40.11	29.50	20.41
Sundry balances written off	0.15	0.55	0.45
Unrealized loss/(gain) on Foreign exchange fluctuation	44.24	(6.50)	(3.30)
Gain on termination of lease	-	(0.39)	-
Expected credit loss on trade receivable	-	6.55	2.38
Expected credit loss on trade receivable written back	(3.89)	-	-
Interest Income	(7.05)	(5.61)	(2.93)
Finance Costs	117.60	62.38	34.05
Property plant and equipment written off	-	-	0.16
Operating Profit before Working Capital Changes	**633.64**	**460.46**	**167.73**
Adjusted for:			
(Increase)/ Decrease in Trade Receivables	(344.94)	(118.76)	(77.12)
(Increase)/ Decrease in Other Receivables	(159.21)	9.40	(21.25)
(Increase)/ Decrease in Inventories	(1,017.90)	(375.36)	(118.19)
Increase/ (Decrease) in Trade Payables	596.42	(75.09)	92.76
Increase/ (Decrease) in other Payables	(42.20)	58.21	14.59
Increase/ (Decrease) in Provisions	5.12	3.57	4.54
Net Working Capital Changes	**(962.71)**	**(498.03)**	**(104.67)**
Cash Generated from Operations	**(329.07)**	**(37.57)**	**63.06**
Income Tax Paid	(101.01)	(28.90)	(25.66)
Net Cash Flow from/ (Used in) Operating Activities (A):	**(430.08)**	**(66.47)**	**37.40**
Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment and Intangible Assets (including adjustment for capital advances and payable for property plant and equipment)	(324.98)	(126.11)	(176.51)
Payment for right-of-use asset	(0.24)	(0.20)	(0.27)
Proceeds from Sale of Property, Plant and Equipment	-	-	0.36
(Increase)/ Decrease in bank balance other than Cash & Cash Equivalents	15.20	(41.13)	(16.47)
Interest received	7.05	5.61	2.93
Net Cash Flow from/ (Used in) Investing Activities (B):	**(302.97)**	**(161.83)**	**(189.96)**
Cash Flow from Financing Activities:			
Proceeds from issuance of share capital (including securities premium)	-	-	12.51
Proceeds from long term borrowings from banks	154.55	39.46	58.64
Repayment of long term borrowings from banks	(35.46)	(28.47)	(21.88)
Proceeds/(Repayment) of long term borrowings from related parties (net)	8.35	29.72	2.84
Proceeds/(Repayment) of short term borrowings (Net)	723.23	247.91	134.11
Payment of interest on lease liabilities	(0.75)	(0.28)	(0.11)
Payment of principal portion of lease liabilities	(1.34)	(0.24)	(0.09)
Interest and other financial charges paid	(115.65)	(59.88)	(33.24)
Net Cash Flow from/ (Used in) Financing Activities (C):	**732.93**	**228.22**	**152.78**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(0.12)	(0.08)	0.22
Cash and Cash Equivalents at the beginning of the period	0.45	0.53	0.31
Cash and Cash Equivalents at the end of the period	**0.33**	**0.45**	**0.53**

Cash and Cash Equivalents Comprises			
Cash on Hand	0.07	0.44	0.50
Balances with Banks			
(i) In Current Accounts	0.26	0.01	0.03
Total Cash and Cash Equivalents	**0.33**	**0.45**	**0.53**

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As of March 31, 2026, our contingent liabilities as per Ind AS 37 and the Restated Financial Information were as follows:

(₹ in million)

Particulars	As at March 31, 2026
a) Goods and service tax matters#	0.84
b) Income tax matters	2.19
c) Custom related matters	130.38
d) Employee related matters	0.05
Total	**133.46**

 # The amount of ₹ 0.63 million has been deposited under protest against the said demand which has been shown under the head 'Balances with Government authorities' in 'Other current assets'.

For further information of our contingent liabilities as at March 31, 2026 as per Ind AS 37, see "***Restated Financial Information – Note 38 – Contingent liabilities, Commitments and Bank Guarantees***" on page 397.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the requirements under Ind AS 24 read with the SEBI ICDR Regulations entered into by our Company with related parties for the periods mentioned below are as follows:

Related parties with whom transactions have taken place	Nature of relationship	Nature of transaction	Fiscal 2026		Fiscal 2025		Fiscal 2024	
			Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Sajiv Gopal	KMP	Remuneration paid	2.16	0.04	2.16	0.04	2.16	0.09
Malti Sood	KMP	Remuneration paid	1.90	0.04	1.90	0.04	1.90	0.08
Varun Gopal	KMP	Remuneration paid	2.16	0.04	2.16	0.04	2.16	0.09
Sugandha Sood	KMP up to August 31, 2025 and relative of KMP w.e.f. September 1, 2025	Remuneration paid	1.52	0.03	1.52	0.03	1.52	0.06
Kangan Dhamija	KMP	Remuneration paid	0.74	0.01	-	-	-	-
Malti Sood	KMP	Rent paid	0.14	0.00	0.12	0.00	0.12	0.01
Varun Gopal	KMP	Rent paid	0.08	0.00	0.01	0.00	0.01	0.00
Malti Sood	KMP	Interest Paid	2.57	0.05	1.99	0.04	1.52	0.06
Varun Gopal	KMP	Interest Paid	4.08	0.08	3.39	0.07	1.54	0.06
Sugandha Sood	KMP up to August 31, 2025 and relative of KMP w.e.f. September 1, 2025	Interest Paid	0.16	0.00	0.31	0.01	1.42	0.06
Sajiv Gopal	KMP	Interest Paid	1.91	0.04	1.89	0.04	1.79	0.07
Priyanka Sood	Relative of KMP	Interest Paid	1.39	0.03	1.34	0.03	1.25	0.05
Sajiv Gopal HUF	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Interest Paid	2.08	0.04	1.91	0.04	1.79	0.07
Varun Gopal HUF	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Interest Paid	1.78	0.03	1.66	0.03	1.59	0.07
Malti Sood	KMP	Unsecured Loans Received/(Repaid) (net)	2.08	0.04	7.93	0.16	(0.13)	0.01

Varun Gopal	KMP	Unsecured Loans Received/(Repaid) (net)	(0.87)	0.02	28.51	0.59	(5.24)	0.22
Sugandha Sood	KMP up to August 31, 2025 and relative of KMP w.e.f. September 1, 2025	Unsecured Loans Received/(Repaid) (net)	0.62	0.01	(15.69)	0.32	0.05	0.00
Sajiv Gopal	KMP	Unsecured Loans Received/(Repaid) (net)	(4.82)	0.09	(0.12)	0.00	(1.12)	0.05
Priyanka Sood	Relative of KMP	Unsecured Loans Received/(Repaid) (net)	(0.53)	0.01	(0.22)	0.00	(0.38)	0.02
Sajiv Gopal HUF	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Unsecured Loans Received/(Repaid) (net)	(0.35)	0.01	(0.68)	0.01	(0.12)	0.01
Varun Gopal HUF	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Unsecured Loans Received/(Repaid) (net)	(0.34)	0.01	(1.23)	0.03	(0.03)	0.00
Varun Gopal	KMP	Issue of equity shares	-	-	-	-	3.78	0.16
Sugandha Sood	Relative of KMP	Issue of equity shares	-	-	-	-	1.31	0.06
Malti Sood	KMP	Issue of equity shares	-	-	-	-	2.71	0.11
Sajiv Gopal	KMP	Issue of equity shares	-	-	-	-	3.51	0.15
Sajiv Gopal HUF	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Issue of equity shares	-	-	-	-	1.20	0.05
KPM India Limited/ KPM International[#]	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Purchase of Goods and services	28.57	0.54	39.98	0.83	6.71	0.28
KPM India Limited/ KPM International[#]	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Sale of Goods and Services	2.65	0.05	16.14	0.33	9.47	0.39

Koolking Foundation	Enterprises over which KMP and/or their relatives are able to exercise significant influence	Purchase of Property plant and equipment (Freehold Land)	4.99	0.09	-	-	-	-

**KPM International was converted from a partnership to KPM India Limited, which was incorporated on May 9, 2025.*

For details of the related party transactions, see "***Restated Financial Information – Note 44 – Related Party Transactions***" on page 407.

[***The remainder of this page has intentionally been left blank***]

GENERAL INFORMATION

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office are as follows:

Koolking Industries India Limited
Village Ratolan, Dhuri Road,
Malerkotla – 148 023,
Punjab, India

For details of our incorporation and changes in our registered office, see "***History and Certain Corporate Matters – Brief History of our Company***" beginning on page 336.

Company Registration Number and Corporate Identity Number

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

Registration number: 031668

Corporate identity number: U28129PB2008PLC031668

The Registrar of Companies

Our Company is registered with the RoC which is situated at the following address:

Registrar of Companies, Punjab and Chandigarh at Chandigarh
1st Floor, Corporate Bhawan,
Plot No.4-B, Sector 27-B, PIN-160019,
Chandigarh, India.

Board of Directors

The Board of our Company as on the date of this Draft Red Herring Prospectus comprises the following:

Name	Designation	DIN	Address
Sajiv Gopal	Chairperson and Whole-time Director	01842390	B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India
Malti Sood	Whole-time Director	01999242	B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India
Varun Gopal	Managing Director and Chief Executive Officer	01999194	B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India
Sameer Bhargava	Non-Executive Independent Director	07115063	J-501 Park View City-1, Sector 48, Sohna Road, Islampur (97), Gurgaon South City II, Haryana – 122018, Gurgaon, India
Shweta Mohindra	Non-Executive Independent Director	11806147	House No – 616 H.I.G P.h.b. Colony, Jamalpur, Ludhiana, Punjab – 141 010, India
Sanjay Mittal	Non-Executive Independent Director	11548754	1119, Phase 3, Model Town, Bathinda – 151001, Punjab, India

For further details of our Board of Directors, see "***Our Management – Board of Directors***" on page 343.

Company Secretary and Compliance Officer

Kangan Dhamija is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Kangan Dhamija
Village Ratolan, Dhuri Road,
Malerkotla– 148 023,
Punjab, India

Telephone: +91 1675-299181
E-mail: cs@kpmgroupindia.com

Registrar to the Offer

KFin Technologies Limited
301, The Centrium, 3rd Floor,
Lal Bahadur Shastri, Nav Pada,
Kurla West, Mumbai- 400 070, Maharashtra
Telephone: +91 40 6716 2222/ 1800 309 4001
E-mail: koolking.ipo@kfintech.com
Investor grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M.Murali Krishna/ Williams R
SEBI Registration No.: INR000000221

Investor grievances

For mechanism for the redressal of investor grievances, see "***Other Regulatory and Statutory Disclosures – Disposal of investor grievances by our Company***" on page 483.

Book Running Lead Manager

Keynote Financial Services Limited
The Ruby, 9th Floor,
Senapati Bapat Marg, Dadar (West),
Mumbai – 400 028,
Maharashtra, India.
Telephone: +91 22 6826 6000
E-mail: mbd@keynoteindia.net
Website: www.keynoteindia.net
Investor grievance e-mail: investors@keynoteindia.net
Contact person: Sunu Thomas/ Archana Dhivar
SEBI Registration Number: INM000003606

Inter-se allocation of responsibilities of the Book Running Lead Manager

Keynote Financial Services Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

Legal Counsel to the Company as to India Law

CMS INDUSLAW
1502B, 15th Floor,
Tower 1C, One World Centre,
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013,
Maharashtra, India
Telephone: +91 22 4920 7200
Email: ipo@cms-induslaw.com

Statutory Auditors of our Company

SCV & Co. LLP
B-XIX-220, Rani Jhansi Road,
Ghumar Mandi,
Ludhiana – 141 001,
Punjab, India
E-mail: ludhiana@scvindia.com
Website: www.scvindia.com

Telephone: +91 98154 20555
Firm registration number: 000235N/ N500089
Peer review certificate number: 016312

Changes in Auditors

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

Name of auditors	Date of change	Reason for change
SCV & Co. LLP B-XIX-220, Rani Jhansi Road, Ghumar Mandi, Ludhiana – 141 001, Punjab, India **E-mail:** ludhiana@scvindia.com **Website:** www.scvindia.com **Telephone:** +91 98154 20555 **Firm registration number:** 000235N/ N500089 **Peer review certificate number**: 016312	September 30, 2025	Appointed as Statutory Auditor in case of casual vacancy
M/s Raj Kumar Jindal & Co., Chartered Accountants Pandher Colony, Thandi Sadak, Backside Maharaja Hotel, Malerkotla – 148 023, Punjab, India **E-mail:** rkjindalca@gmail.com **Telephone:** +91 94170-22340 **Firm registration number:** 009596N	September 20, 2025	Resignation as statutory auditors due to pre-occupation with certain professional arrangements
M/s Raj Kumar Jindal & Co., Chartered Accountants Pandher Colony, Thandi Sadak, Backside Maharaja Hotel, Malerkotla – 148 023, Punjab, India **E-mail:** rkjindalca@gmail.com **Telephone:** +91 94170-22340 **Firm registration number:** 009596N	September 30, 2024	Re-appointment as statutory auditor

Bankers to the Company

Axis Bank Limited
SCO-5, Chhoti Baradari,
Patiala – 147001,
Punjab, India
Telephone: +91 99888 84584
Email: Jatinder7.kumar@Axisbank.com
Website: www.axisbank.in
Contact Person: Jatinder Kumar

HDFC Bank Limited
HDFC Bank Limited,
Malerkotla Branch – 148023,
Punjab, India
Telephone: +91 98156 12521
Email: yash.kumar3@hdfc.bank.in
Website: www.hdfc.bank.in
Contact Person: Yash Kumar

Federal Bank Limited
SCO 17-18, Chandigarh Road,
Near Vishal mega mart, Ludhiana-141010,
Punjab, India
Telephone: +91 98555 08555
Email: ravneet@federalbank.co.in
Website: www.federal.bank.in
Contact Person: Ravneet Singh Lamba

Banker(s) to the Offer

[●]

Syndicate Members

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than an UPI Bidders), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB branches

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the Members of the Syndicate is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

SCSBs and Mobile Applications enabled for UPI Mechanism

In accordance with SEBI ICDR Master Circular and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) the SEBI and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/markets/PublicIssues/brokercentres_new.aspx and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Monitoring Agency

As the size of the Fresh Issue exceeds ₹ 1,000.00 million, our Company will appoint a credit rating agency registered with SEBI as the Monitoring Agency to monitor the utilisation of the Gross Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus with the RoC. For details in relation to the proposed utilisation of the Offer Proceeds, see the section titled "***Objects of the Offer***" beginning on page 133.

Appraising entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. For further details, see "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency***" on page 48.

Grading of the Offer

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

Credit rating

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

Debenture trustees

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

Green shoe option

No green shoe option is contemplated under the Offer.

Experts

Except as stated below, our Company has not obtained any expert opinions:

(a) Our Company has received written consent dated September 23, 2026 from SCV & Co. LLP, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) examination report, dated September 12, 2026 on our Restated Financial Information; (ii) the statement of possible special tax benefits available to our Company and our Shareholders dated September 23, 2026 included in this Draft Red Herring Prospectus. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(b) Our Company has received written consent dated September 22, 2026 from the Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer, in relation to the certificates dated September 22, 2026, certifying, *inter alia*, the details of the installed and production capacity of our Manufacturing Facilities and in relation to the proposed capital expenditure being undertaken by the Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(c) Our Company has received written consent dated September 22, 2026 from Shobha Ambure & Associates, the practicing company secretary, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a practicing company secretary, in relation to the certificate dated September 22, 2026, certifying, *inter alia*, the details of the share capital built up of our Company and our Promoters. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(d) Our Company has received written consent dated written consent dated September 22, 2026 from L&C Techfin Advisory Private Limited, to include their name as required under Section 26(5) of the Companies

Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a detailed project report provider, in relation to their detailed project report dated September 23, 2026 issued in relation to the proposed capital expenditure being undertaken by our Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Filing

A copy of this Draft Red Herring Prospectus is being filed electronically on the SEBI Intermediary Portal at siportal.sebi.gov.in/intermediary/index.html, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with the SEBI ICDR Master Circular and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Offers and Listing – CFD". It will also be filed with SEBI at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents will be filed under Section 32 of the Companies Act with the RoC and a copy of the Prospectus will be delivered for filing under Section 26 of the Companies Act with the RoC at its office and through the electronic portal at www.mca.gov.in/mcafoportal/login.do.

Book Building Process

The Book Building Process, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. Price Band and minimum Bid Lot which will be decided by our Company, in consultation with the BRLM, and, will be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/ Offer Closing Date. For further details, please see "***Offer Procedure***" beginning on page 495.

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

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date.

Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. One-third of the Non-Institutional Portion shall be reserved for Applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹ 1.00 million and the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors. The allocation of Equity Shares to each Non-Institutional Investor shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis, while allocation to QIBs will be on a proportionate basis.

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

For further details on the method and procedure for Bidding and Book Building Process, please refer to the sections titled "***Terms of the Offer***", "***Offer Structure***" and "***Offer Procedure***" beginning on pages 485, 492 and 495, respectively.

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

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

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company has appointed the BRLM to manage this Offer and procure Bids for this Offer.

Underwriting Agreement

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

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

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC)

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

The abovementioned underwriting commitment is provided for indicative purposes only and will be finalised after determination of Offer Price and finalisation of Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL[(1)]**		
	84,000,000 Equity Shares bearing face value of ₹ 5 each	420,000,000.00	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	54,729,240 Equity Shares bearing face value of ₹ 5 each	273,646,200.00	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares bearing face value of ₹ 5 each aggregating up to ₹ [●] million[(2) (3)]	[●]	[●]
	The Offer comprises:		
	- Fresh Issue of up to [●] Equity Shares bearing face value of ₹ 5 each aggregating up to ₹ 3,000.00 million[(4)]	[●]	[●]
	- Offer for Sale of up to 3,050,000 Equity Shares bearing face value of ₹ 5 each aggregating up to ₹ [●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares bearing face value of ₹ [●] each*#	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	27,086,501.00	
	After the Offer*	[●]	

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

 # Assuming full subscription in the Offer

(1) *For details in relation to the changes in the authorised share capital of our Company for the last 10 years, please see "**History and Certain Corporate Matters – Amendments to the Memorandum of Association in the last 10 years**" on page 337.*

(2) *The Offer has been authorised by a resolution of our Board of Directors dated September 5, 2026 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated September 5, 2026. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated September 10, 2026.*

(3) *Each of the Selling Shareholders have, severally and not jointly, confirmed that their respective portion of the Offered Shares are eligible for being offered for sale in the Offer in accordance with the Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders has confirmed and authorised their participation in the Offer for Sale by way of their respective consent letters, see "**Other Regulatory and Statutory Disclosures – Authorisation by the Selling Shareholders**" on page 474.*

(4) *Our Company, in consultation with the BRLM, may consider a further issue of specified securities, as maybe permitted under the applicable law, at its discretion, aggregating up to ₹ 600.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. The Pre-IPO Placement shall be reported to the Stock Exchange(s), within twenty-four hours of such Pre-IPO Placement (in part or in entirety).*

[***The remainder of this page has intentionally been left blank***]

Notes to Capital Structure

1. **Share capital history of our Company**

Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013, to the extent applicable, with respect to issuance of specified securities from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

a. Equity Share capital

The history of the Equity Share capital of our Company is set out in the table below:

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
February 13, 2008*	30,000	10.00	10.00	Cash	Initial subscription to the Memorandum of Association	10,000	Sajiv Gopal	30,000	300,000.00
						10,000	Malti Sood		
						10,000	Varun Gopal		
October 24, 2009^	202,600	10.00	10.00	Cash	Rights issue	50,500	Sajiv Gopal	232,600	2,326,000.00
						19,100	Varun Gopal		
						2,500	Malti Sood		
						53,500	Vikas Sabharwal		
						7,000	Kamaljit Singh		
						2,500	Baljit Singh Magat		
						9,000	Dharminder Sharma		
						5,000	Harmesh Jindal		
						7,000	Naib Singh		
						14,000	Narinder Sabharwal		
						12,500	Vishal Matta		
						14,000	Pankaj Sabharwal		
						6,000	Prem Lata Sood		
March 31, 2010^	291,800	10.00	10.00	Cash	Rights issue	30,800	Sajiv Gopal	524,400	5,244,000.00
						37,000	Malti Sood		
						40,000	Varun Gopal		
						16,000	Amandeep Singh		
						40,000	Sunita Sabharwal		
						50,000	Baldev Parkash		
						5,000	Baljit Singh Magat		
						10,000	Dharminder Sharma		
						5,000	Harmesh Jindal		

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
						10,000	Naib Singh		
						3,000	Shiv Kanwar Singh		
						15,000	Vikas Sabharwal		
						30,000	Sanjiv Goyal & Sons		
March 31, 2011^	742,100	10.00	10.00	Cash	Rights issue	10,000	Sajiv Gopal	12,66,500	1,26,65,000.00
						70,000	Malti Sood		
						39,000	Varun Gopal		
						7,500	Amandeep Singh		
						20,000	Baljit Singh Magat		
						12,500	Dharminder Sharma		
						25,000	Harmesh Jindal		
						15,000	Naib Singh		
						5,000	Narinder Sabharwal		
						14,800	Pankaj Sabharwal		
						44,500	Prem Lata Sood		
						45,000	Vikas Sabharwal		
						20,000	Amarjeet Singh		
						20,000	Yaspal Sharma		
						20,000	Kulwant Singh		
						49,500	Priyanka Sood		
						49,000	Sajiv Gopal HUF		
						6,000	Kewal Krishan Sood		
						20,000	Sachin Jindal		
						20,000	Puneet Kumar		
						20,000	Gurveer Singh		
						20,000	Deepak Sharma		
						4,500	Roopak Khullar		
						4,800	Madhuri Sabharwal		
						35,000	Rakesh Kumar		
						30,000	Santosh Rani		
						30,000	Parveen Kochhar		
						25,000	Mannat Kochhar		
						30,000	Harminder Kaur		
						30,000	Gagandeep Kaur		

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
October 10, 2012^	5,15,000	10.00	10.00	Cash	Rights issue	123,000	Sajiv Gopal	17,81,500	1,78,15,000.00
						73,500	Malti Sood		
						83,500	Varun Gopal		
						11,000	Baljit Singh Magat		
						9,500	Pankaj Sabharwal		
						11,000	Vikas Sabharwal		
						33,500	Sajiv Gopal HUF		
						40,000	Amarnath		
						40,000	Amaninder Kaur		
						25,000	Rajinder Singh		
						25,000	Naveen Jindal		
						40,000	Avtar Singh		
March 31, 2013^	30,000	10.00	10.00	Cash	Rights issue	30,000	Sugandha Sood	1,811,500	18,115,000.00
March 31, 2014^	411,000	10.00	10.00	Cash	Rights issue	176,000	Sajiv Gopal	2,222,500	22,225,000.00
						10,000	Malti Sood		
						70,000	Varun Gopal		
						60,000	Prem Lata Sood		
						10000	Priyanka Sood		
						50,000	Sajiv Gopal HUF		
						25,000	Sugandha Sood		
						10,000	Varun Gopal HUF		
March 10, 2015^	771,010	10.00	11.50	Cash	Rights issue	58,690	Anil Kumar	2,993,510	29,935,100.00
						73,470	Rajan Chavla		
						14,780	Rajinder Singh		
						7,820	Rajinder Singh		
						23,470	Naveen Jindal		
						26,080	Harmesh Jindal		
						34,781	Prem Lata Sood		
						17,391	Priyanka Sood		
						51,738	Sajiv Gopal		
						61,730	Varun Gopal		
						17,390	Vishal Matta		
						14,781	Sajiv Gopal HUF		
						19,389	Varun Gopal HUF		
						26,080	Amarnath		

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees: Number of equity shares allotted	Details of allottees: Name	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						26,080	Amaninder Kaur		
						26,080	Baljit Singh Magat		
						13,040	Pankaj Sabharwal		
						67,390	Malti Sood		
						15,210	Raj Sharma		
						14,780	Karamjit Kaur		
						13,040	Manju Sharma		
						47,820	Kiran		
						26,080	Rupinder Kaur		
						21,730	Devinder Singh Mangat		
						17,390	Lovedeep Garg		
						34,780	Vidya Devi		
March 31, 2015^	318,290	10.00	11.50	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on March 5, 2015	8,692	Sajiv Gopal	3,311,800	33,118,000.00
						8,689	Prem Lata Sood		
						13,039	Priyanka Sood		
						21,741	Varun Gopal HUF		
						26,079	Sajiv Gopal HUF		
						34,700	Narinder Sabharwal		
						13,000	Mukta Matta		
						175,000	K2 Infosolutions Pvt Ltd		
						17,350	Madhuri Sabharwal		
April 29, 2015^	485,950	10.00	11.50	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2015	130,400	Sajiv Gopal	3,797,750	37,977,500.00
						17,350	Sugandha Sood		
						87,000	Malti Sood		
						121,700	Varun Gopal		
						86,000	Mukul Jain		
						43,500	Surinder Goyal		
June 29, 2015^	416,000	10.00	11.50	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on May 31, 2015	153,000	Sajiv Gopal	4,213,750	42,137,500.00
						88,000	Malti Sood		
						88,000	Varun Gopal		
						87,000	K2 Infosolution Pvt Ltd		
	141,300	10.00	12.04	Cash		41,500	Sajiv Gopal HUF	4,355,050	43,550,500.00

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees: Number of equity shares allotted	Details of allottees: Name	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
October 3, 2015^					Rights issue to the existing shareholders in proportion of the shares held by them on July 31, 2015	12,500 41,500 20,800 20,800 4,200	Varun Gopal HUF Varun Gopal Sugandha Sood Priyanka Sood Prem Lata Sood		
November 30, 2015^	332,000	10.00	12.04	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on October 15, 2015	83,000 83,000 83,000 83,000	Varun Gopal Sajiv Gopal Malti Sood Prem Lata Sood	46,87,050	4,68,70,500.00
January 13, 2016^	257,300	10.00	12.04	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on November 30, 2015	83,000 83,000 83,000 8,300	Sugandha Sood Sajiv Gopal HUF Priyanka Sood Nitin Kumar	4,944,350	49,443,500
April 29, 2016^	332,300	10.00	12.04	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2016	33,300 182,700 99,700 16,600	Priyanka Sood Varun Gopal Malti Sood Sajiv Gopal	5,276,650	52,766,500.00
June 9, 2016^	341,500	10.00	12.04	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on April 30, 2016	117,000 17,000 58,000 66,500 83,000	Prem Lata Sood Varun Gopal HUF Sajiv Gopal HUF Malti Sood Varun Gopal	5,618,150	56,181,500
July 7, 2017^	154,800	10.00	12.90	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on May 31, 2017	130,000 24,800	Narinder Sabharwal Sunita Sabharwal	5,772,950	57,729,500.00

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
January 23, 2018^	149,000	10.00	12.90	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on November 30, 2017	75,000	Sunita Sabharwal	5,921,950	59,219,500
						74,000	Narinder Sabharwal		
February 12, 2018^	151,000	10.00	12.90	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on November 30, 2017	75,500	Pankaj Sabharwal	6,072,950	60,729,500.00
						75,500	Vikas Sabharwal		
April 23, 2018^	95,000	10.00	12.90	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2018	95,000	Vishal Gupta	6,167,950	61,679,500
May 25, 2018^	92,000	10.00	13.03	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2018	92,000	Sajiv Gopal	6,259,950	62,599,500
April 5, 2019^	283,500	10.00	13.65	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2019	58,000	Sajiv Gopal	6,543,450	65,434,500
						54,500	Varun Gopal		
						58,000	Malti Sood		
						55,000	Sugandha Sood		
						58,000	Prem Lata Sood		
July 8, 2019^	484,850	10.00	15.20	Cash	Rights issue to the existing shareholders in proportion of the	224,500	Sajiv Gopal	7,028,300	70,283,000
						53,850	Varun Gopal		
						206,500	Malti Sood		

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
					shares held by them on July 1, 2019				
August 5, 2020^	645,000	10.00	15.50	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on August 1, 2020	645,000	Sajiv Gopal	7,673,300	76,733,000
May 17, 2021^	430,740	10.00	16.25	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on May 15, 2021	369,220	Sajiv Gopal	8,104,040	81,040,400
						30,760	Varun Gopal		
						30,760	Malti Sood		
July 26, 2021^	445,000	10.00	16.25	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on July 24, 2021	125,000	Sajiv Gopal	8,549,040	85,490,400
						30,000	Varun Gopal		
						40,000	Malti Sood		
						125,000	Sajiv Gopal HUF		
						100,000	Varun Gopal HUF		
						25,000	Sugandha Sood		
June 20, 2023^	177,500	10.00	21.85	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on June 3, 2023	45,500	Sajiv Gopal	8,726,540	87,265,400
						48,000	Varun Gopal		
						59,000	Malti Sood		
						25,000	Sugandha Sood		
August 8, 2023^	395,000	10.00	21.85	Cash	Rights issue to the existing shareholders in proportion of the shares held by them on July 15, 2023	115,000	Sajiv Gopal	9,121,540	91,215,400
						125,000	Varun Gopal		
						65,000	Malti Sood		
						35,000	Sugandha Sood		
						55,000	Sajiv Gopal HUF		
September 1, 2026	18,243,080	10.00	N.A.	N.A.	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for	6,673,400	Sajiv Gopal	27,364,620	273,646,200
						5,030,840	Malti Sood		
						4,319,960	Varun Gopal		
						719,300	Sugandha Sood		
						66,600	Priyanka Sood		

Date of allotment of equity shares	Total number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Details of allottees		Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
						Number of equity shares allotted	Name		
					every one equity share held by existing shareholders	1,071,720	Sajiv Gopal HUF		
						361,260	Varun Gopal HUF		
Pursuant to the resolutions passed by our Board and Shareholders on September 1, 2026 and September 3, 2026, respectively, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each. Accordingly, the issued and paid-up equity share capital of our Company was sub-divided from 27,364,620 equity shares of ₹ 10 each to 54,729,240 Equity Shares of ₹ 5 each.									

**Our Company was incorporated on February 13, 2008. The date of subscription to the Memorandum of Association is February 4, 2008 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on February 20, 2008.*

*^ There have been certain lapses in the corporate governance requirements by our Company in the past for which corrective actions have been taken by our Company. For further details, see "**Risk Factors – Certain of our corporate records and filings with the RoC were delayed in filing or were inaccurate or were not filed. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard**" on page 36.*

[***The remainder of this page has intentionally been left blank***]

b. Preference share capital

Our Company has not issued any preference shares since its incorporation and does not have any outstanding preference share capital as on the date of this Draft Red Herring Prospectus

2. **Details of secondary transactions of Equity Shares**

Except as disclosed under "***– Notes to the Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company – Build-up of Promoters' shareholding in our Company***" on page 111 in relation to our Promoters (also the Promoter Selling Shareholders), following are the secondary transfers of Equity Shares undertaken by members of the Promoter Group, since incorporation of our Company:

Date of transfer of Equity Shares	Details of transferor	Details of transferee	Number of Equity Shares transferred	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)
Sugandha Sood (also the Promoter Group Selling Shareholder)					
July 20, 2015	Surinder Goyal	Sugandha Sood	43,500	10.00	10.00
Sunita Sabharwal					
January 29, 2024	Pankaj Sabharwal	Sunita Sabharwal	126,840	10.00	N.A.
January 29, 2024	Narinder Sabharwal	Sunita Sabharwal	238,800	10.00	N.A.
January 29, 2024	Vikas Sabharwal	Sunita Sabharwal	200,000	10.00	N.A.
December 26, 2024	Vikas Sabharwal	Sunita Sabharwal	22,150	10.00	N.A.

3. **Shares issued through bonus issue or for consideration other than cash or bonus or out of revaluation reserves**

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

Except as disclosed below, our Company has not issued any bonus shares or equity shares for consideration other than cash. Further, except as disclosed below, no benefits have accrued to our Company on account of allotment of Equity Shares for consideration other than cash:

<table>
<tr><th rowspan="2">Date of allotment of Equity Shares</th><th rowspan="2">Total number of Equity Shares allotted</th><th rowspan="2">Face value per Equity Shares (₹)</th><th rowspan="2">Issue price per Equity Shares (₹)</th><th rowspan="2">Reason for allotment</th><th colspan="2">Details of allottees</th><th rowspan="2">Benefits accrued to our Company</th></tr>
<tr><th>Number of Equity Shares allotted</th><th>Name</th></tr>
<tr><td rowspan="7">September 1, 2026</td><td rowspan="7">18,243,080</td><td rowspan="7">10.00</td><td rowspan="7">N.A.</td><td rowspan="7">Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders</td><td>6,673,400</td><td>Sajiv Gopal</td><td rowspan="7">N.A.</td></tr>
<tr><td>5,030,840</td><td>Malti Sood</td></tr>
<tr><td>4,319,960</td><td>Varun Gopal</td></tr>
<tr><td>719,300</td><td>Sugandha Sood</td></tr>
<tr><td>66,600</td><td>Priyanka Sood</td></tr>
<tr><td>1,071,720</td><td>Sajiv Gopal HUF</td></tr>
<tr><td>361,260</td><td>Varun Gopal HUF</td></tr>
</table>

4. **Offer of shares pursuant to schemes of arrangement**

As of the date of this Draft Red Herring Prospectus, our Company has not allotted any equity shares in terms of any scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act.

5. **Offer of shares which may be at a price lower than the Offer Price in the last one year**

The Offer Price is [●]. For further details in relation to the issuances of Equity Shares in the preceding one year, please see "***– Notes to the Capital Structure – Share Capital History of our Company – Equity Share capital***" on page 102.

6. **Details of Shareholding of our Promoters and members of the Promoter Group in our Company**

(i) ***Equity Shareholding of the Promoters***

As on the date of this Draft Red Herring Prospectus, our Promoters hold 48,072,600 Equity Shares, equivalent to 87.84% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
1.	Sajiv Gopal	20,020,200	36.58	[●]	[●]
2.	Malti Sood	15,092,520	27.58	[●]	[●]
3.	Varun Gopal	12,959,880	23.68	[●]	[●]
Total		**48,072,600**	**87.84**	**[●]**	**[●]**

** Subject to finalisation of Basis of Allotment*

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

[***The remainder of this page has intentionally been left blank***]

(iii) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the Equity Shareholding of our Promoters (also the Promoter Selling Shareholders) since the incorporation of our Company is set forth in the table below:

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
Sajiv Gopal							
February 13, 2008*	Initial subscription to the Memorandum of Association	Cash	10,000	10.00	10.00	0.02	[●]
October 24, 2009^	Rights issue	Cash	50,500	10.00	10.00	0.09	[●]
March 31, 2010^	Rights issue	Cash	30,800	10.00	10.00	0.06	[●]
September 4, 2010	Transfer of equity shares to Ankit Jain	Cash	(10)	10.00	10.00	0.00	[●]
March 31, 2011^	Rights issue	Cash	10,000	10.00	10.00	0.02	[●]
October 10, 2012^	Rights issue	Cash	123,000	10.00	10.00	0.22	[●]
October 4, 2013	Transfer of equity shares from Sunita Sabharwal by way of gift	N.A.	40,000	10.00	N.A.	0.07	[●]
	Transfer of Equity Shares from Narinder Sabharwal	Cash	19,000	10.00	10.00	0.03	[●]
	Transmission of equity shares from Kewal Krishnan Sood	N.A.	6,000	10.00	N.A.	0.01	[●]
	Transfer of equity shares from Prem Lata Sood by way of gift	N.A.	50,500	10.00	N.A.	0.09	[●]
March 31, 2014^	Rights issue	Cash	176,000	10.00	10.00	0.32	[●]
March 10, 2015^	Rights issue	Cash	51,738	10.00	11.50	0.09	[●]
March 31, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on March 5, 2015	Cash	8,692	10.00	11.50	0.02	[●]
April 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2015	Cash	130,400	10.00	11.50	0.24	[●]
June 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on May 31, 2015	Cash	153,000	10.00	11.50	0.28	[●]
November 30, 2015^	Rights issue to the existing shareholders in proportion of	Cash	83,000	10.00	12.04	0.15	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
	the shares held by them on October 15, 2015						
April 29, 2016^	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2016	Cash	16,600	10.00	12.04	0.03	[●]
August 3, 2016^	Transfer of equity shares from Prem Lata Sood by way of gift	N.A.	190,670	10.00	N.A.	0.35	[●]
May 25, 2018^	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2018	Cash	92,000	10.00	13.03	0.17	[●]
April 5, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2019	Cash	58,000	10.00	13.65	0.11	[●]
July 8, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on July 1, 2019	Cash	224,500	10.00	15.20	0.41	[●]
August 5, 2020^	Rights issue to the existing shareholders in proportion of the shares held by them on August 1, 2020	Cash	645,000	10.00	15.50	1.18	[●]
May 17, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on May 15, 2021	Cash	369,220	10.00	16.25	0.67	[●]
July 26, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on July 24, 2021	Cash	125,000	10.00	16.25	0.23	[●]
March 1, 2023^	Transmission of equity shares from Prem Lata Sood	N.A.	175,000	10.00	N.A.	0.32	[●]
June 20, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on June 3, 2023	Cash	45,500	10.00	21.85	0.08	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
August 8, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on July 15, 2023	Cash	115,000	10.00	21.85	0.21	[●]
December 26, 2024	Transfer of equity shares from Sunita Sabharwal by way of gift	N.A.	337,590	10.00	N.A.	0.62	[●]
September 1, 2026	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	N.A.	6,673,400	10.00	N.A.	12.19	[●]
Pursuant to the resolutions passed by our Board and Shareholders on September 1, 2026 and September 3, 2026, respectively, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each. Accordingly, the equity share shareholding of Sajiv Gopal was sub-divided from 10,010,100 equity shares of ₹ 10 each to 20,020,200 Equity Shares of ₹ 5 each.							
Sub-total (A)			**20,020,200**			**36.58**	**[●]**
Malti Sood							
February 13, 2008*	Initial subscription to the Memorandum of Association	Cash	10,000	10.00	10.00	0.02	[●]
October 24, 2009^	Rights issue	Cash	2,500	10.00	10.00	0.00	[●]
March 31, 2010^	Rights issue	Cash	37,000	10.00	10.00	0.07	[●]
March 31, 2011^	Rights issue	Cash	70,000	10.00	10.00	0.13	[●]
October 10, 2012^	Rights issue	Cash	73,500	10.00	10.00	0.13	[●]
March 31, 2014^	Rights issue	Cash	10,000	10.00	10.00	0.02	[●]
March 10, 2015^	Rights issue	Cash	67,390	10.00	11.50	0.12	[●]
April 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2015	Cash	87,000	10.00	11.50	0.16	[●]
June 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on May 31, 2015	Cash	88,000	10.00	11.50	0.16	[●]
November 30, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on October 15, 2015	Cash	83,000	10.00	12.04	0.15	[●]
April 29, 2016^	Rights issue to the existing shareholders in proportion of	Cash	99,700	10.00	12.04	0.18	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
	the shares held by them on March 31, 2016						
June 9, 2016^	Rights issue to the existing shareholders in proportion of the shares held by them on April 30, 2016	Cash	66,500	10.00	12.04	0.12	[●]
April 5, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2019	Cash	58,000	10.00	13.65	0.11	[●]
July 8, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on July 1, 2019	Cash	206,500	10.00	15.20	0.38	[●]
May 17, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on May 15, 2021	Cash	30,760	10.00	16.25	0.06	[●]
July 26, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on July 24, 2021	Cash	40,000	10.00	16.25	0.07	[●]
June 20, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on June 3, 2023	Cash	59,000	10.00	21.85	0.11	[●]
August 8, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on July 15, 2023	Cash	65,000	10.00	21.85	0.12	[●]
January 29, 2024	Transfer of equity shares from Rajan Chawla	N.A.	65,680	10.00	34.66	0.12	[●]
	Transfer of equity shares from Amandeep Singh	Cash	23,500	10.00	34.66	0.04	[●]
	Transfer of equity shares from Baldev Parkash	Cash	50,000	10.00	34.66	0.09	[●]
	Transfer of equity shares from Baljit Singh Magat	Cash	64,380	10.00	34.66	0.12	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
	Transfer of equity shares from Dharminder Sharma	Cash	31,500	10.00	34.66	0.06	[●]
	Transfer of equity shares from Harmesh Jindal	Cash	61,080	10.00	34.66	0.11	[●]
	Transfer of equity shares from Kamaljit Singh	Cash	7,000	10.00	34.66	0.01	[●]
	Transfer of equity shares from Naib Singh	Cash	32,000	10.00	34.66	0.06	[●]
	Transfer of equity shares from Sanjiv Goyal & Sons	Cash	30,000	10.00	34.66	0.05	[●]
	Transfer of equity shares from Shiv Kanwer Singh	Cash	3,000	10.00	34.66	0.01	[●]
	Transfer of equity shares from Vishal Matta	Cash	29,790	10.00	34.66	0.05	[●]
	Transfer of equity shares from from Amarjeet Singh	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Yaspal Sharma	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Kulwant Singh	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Ankit Jain	Cash	10	10.00	34.66	0.00	[●]
	Transfer of equity shares from Sachin Jindal	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Puneet Kumar	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Gurveer Singh	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Deepak Sharma	Cash	20,000	10.00	34.66	0.04	[●]
	Transfer of equity shares from Roopak Khullar	Cash	4,500	10.00	34.66	0.01	[●]
	Transfer of equity shares from Rakesh Kumar	Cash	34,200	10.00	34.66	0.06	[●]
	Transfer of equity shares from Santosh Rani	Cash	30,000	10.00	34.66	0.05	[●]
	Transfer of equity shares from Parveen Kochhar	Cash	30,000	10.00	34.66	0.05	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
	Transfer of equity shares from Mannat Kochhar	Cash	25,000	10.00	34.66	0.05	[●]
	Transfer of equity shares from Harminder Kaur	Cash	30,000	10.00	34.66	0.05	[●]
	Transfer of equity shares from Gagandeep Kaur	Cash	30,000	10.00	34.66	0.05	[●]
	Transfer of equity shares from Amaninder Kaur	Cash	66,080	10.00	34.66	0.12	[●]
	Transfer of equity shares from Rajinder Singh	Cash	39,880	10.00	34.66	0.07	[●]
	Transfer of equity shares from Naveen Jindal	Cash	48,470	10.00	34.66	0.09	[●]
	Transfer of equity shares from Avtar Singh	Cash	40,000	10.00	34.66	0.07	[●]
	Transfer of equity shares from Anil Kumar	Cash	58,790	10.00	34.66	0.11	[●]
	Transfer of equity shares from Devinder Singh Mangat	Cash	21,830	10.00	34.66	0.04	[●]
	Transfer of equity shares from Karamjit Kaur	Cash	14,880	10.00	34.66	0.03	[●]
December 26, 2024	Transfer of equity shares from Sunita Sabharwal by way of gift	N.A.	350,000	10.00	N.A.	0.64	[●]
September 1, 2026	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	N.A.	5,030,840	10.00	N.A.	9.19	[●]
Pursuant to the resolutions passed by our Board and Shareholders on September 1, 2026 and September 3, 2026, respectively, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each. Accordingly, the equity share shareholding of Malti Sood was sub-divided from 7,546,260 equity shares of ₹ 10 each to 15,092,520 Equity Shares of ₹ 5 each.							
Sub-total (B)			**15,092,520**			**27.58**	**[●]**
Varun Gopal							
February 13, 2008*	Initial subscription to the Memorandum of Association	Cash	10,000	10.00	10.00	0.02	[●]
October 24, 2009^	Rights issue	Cash	19,100	10.00	10.00	0.03	[●]
March 31, 2010^	Right issue	Cash	40,000	10.00	10.00	0.07	[●]
March 31, 2011^	Right issue	Cash	39,000	10.00	10.00	0.07	[●]
October 10, 2012^	Right issue	Cash	83,500	10.00	10.00	0.15	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
March 31, 2014^	Right issue	Cash	70,000	10.00	10.00	0.13	[●]
March 10, 2015^	Rights issue	Cash	61,730	10.00	11.50	0.11	[●]
April 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on March 5, 2015	Cash	121,700	10.00	11.50	0.22	[●]
June 29, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2015	Cash	88,000	10.00	11.50	0.16	[●]
October 3, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on July 31, 2015	Cash	41,500	10.00	12.04	0.08	[●]
November 30, 2015^	Rights issue to the existing shareholders in proportion of the shares held by them on October 15, 2015	Cash	83,000	10.00	12.04	0.15	[●]
April 29, 2016^	Rights issue to the existing shareholders in proportion of the shares held by them on March 31, 2016	Cash	182,700	10.00	12.04	0.33	[●]
June 9, 2016^	Rights issue to the existing shareholders in proportion of the shares held by them on April 30, 2016	Cash	83,000	10.00	12.04	0.15	[●]
August 3, 2016^	Transfer of equity shares from Priyanka Sood	Cash	193730	10.00	N.A.	0.35	[●]
April 5, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on April 1, 2019	Cash	54,500	10.00	13.65	0.10	[●]
July 8, 2019^	Rights issue to the existing shareholders in proportion of the shares held by them on July 1, 2019	Cash	53,850	10.00	15.20	0.10	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
May 17, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on May 15, 2021	Cash	30,760	10.00	16.25	0.06	[●]
July 26, 2021^	Rights issue to the existing shareholders in proportion of the shares held by them on July 24, 2021	Cash	30,000	10.00	16.25	0.05	[●]
June 20, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on June 3, 2023	Cash	48,000	10.00	21.85	0.09	[●]
August 8, 2023^	Rights issue to the existing shareholders in proportion of the shares held by them on July 15, 2023	Cash	125,000	10.00	21.85	0.23	[●]
January 29, 2024	Transfer of equity shares from Kiran	Cash	47,920	10.00	34.66	0.09	[●]
	Transfer of equity shares from Lovedeep Garg	Cash	17,490	10.00	34.66	0.03	[●]
	Transfer of equity shares from Manju Sharma	Cash	13,140	10.00	34.66	0.02	[●]
	Transfer of equity shares from Mukta matta	Cash	13,100	10.00	34.66	0.02	[●]
	Transfer of equity shares from Raj Sharma	Cash	15,310	10.00	34.66	0.03	[●]
	Transfer of equity shares from Rajan Chawla	Cash	73,570	10.00	34.66	0.13	[●]
	Transfer of equity shares from Rajinder Singh	Cash	7,920	10.00	34.66	0.01	[●]
	Transfer of equity shares from Rupinder Kaur	Cash	26,180	10.00	34.66	0.05	[●]
	Transfer of equity shares from Vidya Devi	Cash	34,880	10.00	34.66	0.06	[●]
	Transfer of equity shares from K2 Infosolutions Pvt Ltd	Cash	262,100	10.00	34.66	0.48	[●]
	Transfer of equity shares from Mukul Jain	Cash	86,000	10.00	34.66	0.16	[●]

Date of allotment/ transfer	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer equity share capital (%)	Percentage of the post- Offer equity share capital (%)
	Transfer of equity shares from Nitin Kumar	Cash	8,300	10.00	34.66	0.02	[●]
	Transfer of equity shares from Vishal Gupta	Cash	95,000	10.00	34.66	0.17	[●]
September 1, 2026	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	N.A.	4,319,960	10.00	N.A.	7.89	[●]
Pursuant to the resolutions passed by our Board and Shareholders on September 1, 2026 and September 3, 2026, respectively, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each. Accordingly, the equity share shareholding of Varun Gopal was sub-divided from 6,479,940 equity shares of ₹ 10 each to 12,959,880 Equity Shares of ₹ 5 each.							
Sub-total (C)			12,959,880			23.68	[●]
TOTAL (A+B+C)			**48,072,600**			**87.84**	[●]

**Our Company was incorporated on February 13, 2008. The date of subscription to the Memorandum of Association is February 4, 2008 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on February 20, 2008.*

*^ There have been certain lapses in the corporate governance requirements by our Company in the past for which corrective actions have been taken by our Company. For further details, see "**Risk Factors – Certain of our corporate records and filings with the RoC were delayed in filing or were inaccurate or were not filed. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard**" on page 36.*

[***The remainder of this page has intentionally been left blank***]

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

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Draft Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) collectively hold 6,656,640 Equity Shares, equivalent to 12.16% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Sajiv Gopal HUF	32,15,160	5.87	[●]	[●]
2.	Sugandha Sood	21,57,900	3.94	[●]	[●]
3.	Varun Gopal HUF	10,83,780	1.98	[●]	[●]
4.	Priyanka Sood	1,99,800	0.37	[●]	[●]
Total		**6,656,640**	**12.16**	**[●]**	**[●]**

** Subject to finalisation of Basis of Allotment*

(vii) None of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

(ix) ***Details of minimum Promoters' contribution and applicable lock in***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum Promoters' contribution and locked-in for a period of three years or any other period as may be prescribed under applicable law, from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment. As on the date of this Draft Red Herring Prospectus, our Promoters hold 48,072,600 Equity Shares, equivalent to 87.84% of the issued, subscribed and paid-up Equity Share capital of our Company, the required portion of which are eligible for Promoters' Contribution.

Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The details of Equity Shares held by our Promoters, which will be locked-in for minimum Promoters' contribution for a period of three years, from the date of Allotment as Promoters' Contribution are as provided below:

Name of the Promoter	Number of Equity Shares held	Number of Equity Shares locked-in**	Date of allotment/ transfer #	Face value per Equity Share (₹)	Allotment/ acquisition price per Equity Share (₹)	Nature of transaction	Percentage of pre-Issue paid-up Equity Share capital	% of the post-Offer paid-up Equity Share capital*	Date up to which Equity Shares locked-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]						[●]	

Note: To be updated at the Prospectus stage.
 # Equity Shares were fully paid-up on the date of allotment/ acquisition.
** Subject to finalisation of Basis of Allotment.*

The Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

(i) Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

(x) ***Details of share capital locked-in for six months or any other period prescribed under applicable law***

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for a period of three years and our Promoters' shareholding in excess of 20% of the post-Offer equity share capital which shall be locked in for a period of one year as specified above. In terms of Regulation 17 of the SEBI ICDR Regulations and excluding any categories of Shareholders exempted under Regulation 17 of the SEBI ICDR Regulations, as applicable, the entire pre-Offer Equity Share capital of our Company (other than the Equity Shares held by our Promoters) will be locked-in for a period of six months from the date of Allotment.

Except for (i) the Equity Shares Allotted pursuant to the Offer for Sale; (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders; and (iii) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

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

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to members of the Promoter Group or to any new promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the SEBI Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer or any other period as may be prescribed under applicable law, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of the transferee for the remaining period and compliance with the provisions of the SEBI Takeover Regulations.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

(xi) ***Lock-in of Equity Shares Allotted to Anchor Investors***

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

[***The remainder of this page has intentionally been left blank***]

7. **Details of price at which specified securities of our Company were acquired in the last three years preceding the date of this Draft Red Herring Prospectus**

Except as disclosed below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other special rights:

Sr. No.	Name	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of Equity Shares	Acquisition price per specified securities (in ₹)*
Promoters^							
1.	Sajiv Gopal	Transfer of equity shares from Sunita Sabharwal by way of gift	Equity shares	10.00	December 26, 2024	337,590	-
		Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	6,673,400	N.A.
2.	Malti Sood	Transfer of equity shares from Rajan Chawla	Equity shares	10.00	January 29, 2024	65,680	34.66
		Transfer of equity shares from Amandeep Singh	Equity shares	10.00	January 29, 2024	23,500	34.66
		Transfer of equity shares from Baldev Parkash	Equity shares	10.00	January 29, 2024	50,000	34.66
		Transfer of equity shares from Baljit Singh Magat	Equity shares	10.00	January 29, 2024	64,380	34.66
		Transfer of equity shares from Dharminder Sharma	Equity shares	10.00	January 29, 2024	31,500	34.66
		Transfer of equity shares from Harmesh Jindal	Equity shares	10.00	January 29, 2024	61,080	34.66
		Transfer of equity shares from Kamaljit Singh	Equity shares	10.00	January 29, 2024	7,000	34.66
		Transfer of equity shares from Naib Singh	Equity shares	10.00	January 29, 2024	32,000	34.66
		Transfer of equity shares from Sanjiv Goyal & Sons	Equity shares	10.00	January 29, 2024	30,000	34.66
		Transfer of equity shares from Shiv Kanwer Singh	Equity shares	10.00	January 29, 2024	3,000	34.66
		Transfer of equity shares from Vishal Matta	Equity shares	10.00	January 29, 2024	29,790	34.66
		Transfer of equity shares from from Amarjeet Singh	Equity shares	10.00	January 29, 2024	20,000	34.66

Sr. No.	Name	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of Equity Shares	Acquisition price per specified securities (in ₹)*
		Transfer of equity shares from Yaspal Sharma	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Kulwant Singh	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Ankit Jain	Equity shares	10.00	January 29, 2024	10	34.66
		Transfer of equity shares from Sachin Jindal	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Puneet Kumar	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Gurveer Singh	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Deepak Sharma	Equity shares	10.00	January 29, 2024	20,000	34.66
		Transfer of equity shares from Roopak Khullar	Equity shares	10.00	January 29, 2024	4,500	34.66
		Transfer of equity shares from Rakesh Kumar	Equity shares	10.00	January 29, 2024	34,200	34.66
		Transfer of equity shares from Santosh Rani	Equity shares	10.00	January 29, 2024	30,000	34.66
		Transfer of equity shares from Parveen Kochhar	Equity shares	10.00	January 29, 2024	30,000	34.66
		Transfer of equity shares from Mannat Kochhar	Equity shares	10.00	January 29, 2024	25,000	34.66
		Transfer of equity shares from Harminder Kaur	Equity shares	10.00	January 29, 2024	30,000	34.66
		Transfer of equity shares from Gagandeep Kaur	Equity shares	10.00	January 29, 2024	30,000	34.66
		Transfer of equity shares from Amaninder Kaur	Equity shares	10.00	January 29, 2024	66,080	34.66
		Transfer of equity shares from Rajinder Singh	Equity shares	10.00	January 29, 2024	39,880	34.66
		Transfer of equity shares from Naveen Jindal	Equity shares	10.00	January 29, 2024	48,470	34.66
		Transfer of equity shares from Avtar Singh	Equity shares	10.00	January 29, 2024	40,000	34.66
		Transfer of equity shares from Anil Kumar	Equity shares	10.00	January 29, 2024	58,790	34.66

Sr. No.	Name	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of Equity Shares	Acquisition price per specified securities (in ₹)*
		Transfer of equity shares from Devinder Singh Mangat	Equity shares	10.00	January 29, 2024	21,830	34.66
		Transfer of equity shares from Karamjit Kaur	Equity shares	10.00	January 29, 2024	14,880	34.66
		Transfer of equity shares from Sunita Sabharwal by way of gift	Equity shares	10.00	December 26, 2024	350,000	-
		Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	5,030,840	-
3.	Varun Gopal	Transfer of equity shares from Kiran	Equity shares	10.00	January 29, 2024	47,920	34.66
		Transfer of equity shares from Lovedeep Garg	Equity shares	10.00	January 29, 2024	17,490	34.66
		Transfer of equity shares from Manju Sharma	Equity shares	10.00	January 29, 2024	13,140	34.66
		Transfer of equity shares from Mukta matta	Equity shares	10.00	January 29, 2024	13,100	34.66
		Transfer of equity shares from Raj Sharma	Equity shares	10.00	January 29, 2024	15,310	34.66
		Transfer of equity shares from Rajan Chawla	Equity shares	10.00	January 29, 2024	73,570	34.66
		Transfer of equity shares from Rajinder Singh	Equity shares	10.00	January 29, 2024	7,920	34.66
		Transfer of equity shares from Rupinder Kaur	Equity shares	10.00	January 29, 2024	26,180	34.66
		Transfer of equity shares from Vidya Devi	Equity shares	10.00	January 29, 2024	34,880	34.66
		Transfer of equity shares from K2 Infosolutions Pvt Ltd	Equity shares	10.00	January 29, 2024	262,100	34.66
		Transfer of equity shares from Mukul Jain	Equity shares	10.00	January 29, 2024	86,000	34.66
		Transfer of equity shares from Nitin Kumar	Equity shares	10.00	January 29, 2024	8,300	34.66
		Transfer of equity shares from Vishal Gupta	Equity shares	10.00	January 29, 2024	95,000	34.66

Sr. No.	Name	Nature of the transaction	Nature of specified securities	Face value (in ₹)	Date of acquisition	Number of Equity Shares	Acquisition price per specified securities (in ₹)*
		Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	4,319,960	-
Promoter Group (other than our Promoters)							
1.	Sugandha Sood^	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	719,300	-
2.	Sajiv Gopal HUF	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	1,071,720	-
3.	Varun Gopal HUF	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	361,260	-
4.	Priyanka Sood	Bonus issue as on record date i.e. August 21, 2026 in the ratio of two equity shares for every one equity share held by existing shareholders	Equity shares	10.00	September 1, 2026	66,600	-
5.	Sunita Sabharwal	Transfer of equity shares from Narinder Sabharwal by way of a gift	Equity shares	10.00	January 29, 2024	238,800	-
		Transfer of equity shares from Pankaj Sabharwal by way of a gift	Equity shares	10.00	January 29, 2024	126,840	-
		Transfer of equity shares from Vikas Sabharwal by way of a gift	Equity shares	10.00	January 29, 2024	200,000	-
		Transfer of equity shares from Vikas Sabharwal by way of a gift	Equity shares	10.00	December 26, 2024	22,150	-

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*
^Also a Selling Shareholder

8. **Weighted average price at which specified securities were acquired in the one year preceding the date of this Draft Red Herring Prospectus**

Except as disclosed below, no Equity Shares were acquired by the Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Number of Equity Shares acquired	Weighted average price of Equity Shares acquired in the last one year (in ₹)*
Promoters (also the Promoter Selling Shareholders)			
1.	Sajiv Gopal	16,683,500	-
2.	Malti Sood	12,577,100	-
3.	Varun Gopal	10,799,900	-
Promoter Group Selling Shareholders			
4.	Sugandha Sood	1,798,250	-

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*

9. **Average cost of acquisition of Equity Shares**

The average cost of acquisition per Equity Share of our Promoters and the Selling Shareholders, on a fully diluted basis as at the date of this Draft Red Herring Prospectus is:

Sr. No.	Name	Number of Equity Shares acquired	Average cost of acquisition per Equity Share (in ₹)*
Promoters (also the Promoter Selling Shareholders)			
1.	Sajiv Gopal	20,020,210	1.81
2.	Malti Sood	15,092,520	3.36
3.	Varun Gopal	12,959,880	3.17
Selling Shareholders			
4.	Sugandha Sood	2,157,900	2.30

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*

10. **Weighted average cost of acquisition of all shares transacted in last one year and three years preceding the date of this Draft Red Herring Prospectus**

Period	Weighted average cost of acquisition (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition[(1)]	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Draft Red Herring Prospectus	0.00	[●]	0.00
Last three years preceding the date of this Draft Red Herring Prospectus	1.32	[●]	0.00 - 34.66

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*
[(1)] To be updated at the time of filing the Prospectus

[***The remainder of this page has intentionally been left blank***]

11. **Shareholding pattern of our Company**

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) – Number of voting rights – Class eg: Equity Shares	Number of Voting Rights held in each class of securities (IX) – Number of voting rights – Class eg: Others	Number of Voting Rights held in each class of securities (IX) – Number of voting rights – Total	Number of Voting Rights held in each class of securities (IX) – Total as a % of (A+B+C)	Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total number of shares on a fully diluted basis (including warrants, ESOP, convertible securities etc.)* (XI)=(VII) + (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XIII) – Number (a)	Number of Locked in Equity Shares (XIII) – As a % of total Equity Shares held (b)	Number of Equity Shares pledged or otherwise encumbered (XIV) – Number (a)	Number of Equity Shares pledged or otherwise encumbered (XIV) – As a % of total Equity Shares held (b)	Non-disposal Undertaking (XV) – Number (a)	Non-disposal Undertaking (XV) – As a % of total Equity Shares held (b)	Number of Equity Shares held in dematerialized form (XVI)
(A)	Promoter and Promoter Group	7	54,729,240	Nil	Nil	54,729,240	100.00	54,729,240	Nil	54,729,240	100.00	Nil	54,729,240	100.00	Nil	Nil	Nil	Nil	Nil	Nil	54,729,240
(B)	Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C)	Non Promoter-Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C)(1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C)(2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (A)+(B)+(C)		7	54,729,240	Nil	Nil	54,729,240	100.00	54,729,240	Nil	54,729,240	100.00	Nil	54,729,240	100.00	Nil	Nil	Nil	Nil	Nil	Nil	54,729,240

12. As of the date of the filing of this Draft Red Herring Prospectus, our Company has seven Shareholders.

13. **Details of shares held by our Directors, Key Managerial Personnel and Senior Management**

Except as disclosed below, none of our Directors or Key Managerial Personnel and Senior Management hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name	No. of Equity Shares held	Pre-Offer (%) on a fully diluted basis	Post-Offer (%)* on a fully diluted basis
1.	Sajiv Gopal	20,020,200	36.58	[●]
2.	Malti Sood	15,092,520	27.58	[●]
3.	Varun Gopal	12,959,880	23.68	[●]
Total		**48,072,600**	**87.84**	**[●]**

** Subject to finalisation of Basis of Allotment.*

14. **Details of equity shareholding of the major Shareholders of our Company**

(a) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares (of face value ₹ 5 each) on a fully diluted basis*	Percentage of the Equity Share capital (%)
1.	Sajiv Gopal	20,020,200	36.58
2.	Malti Sood	15,092,520	27.58
3.	Varun Gopal	12,959,880	23.68
4.	Sajiv Gopal HUF	3,215,160	5.87
5.	Sugandha Sood	2,157,900	3.94
6.	Varun Gopal HUF	1,083,780	1.98
Total		**54,529,440**	**99.63**

** As of the beneficiary position statement dated September 18, 2026.*

(b) Set forth below is a list of Shareholders holding 1% or more of the Equity Share capital of our Company and the number of Equity Shares held by them, as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares (of face value ₹ 5 each) on a fully diluted basis*	Percentage of the Equity Share capital (%)
1.	Sajiv Gopal	20,020,200	36.58
2.	Malti Sood	15,092,520	27.58
3.	Varun Gopal	12,959,880	23.68
4.	Sajiv Gopal HUF	3,215,160	5.87
5.	Sugandha Sood	2,157,900	3.94
6.	Varun Gopal HUF	1,083,780	1.98
Total		**54,529,440**	**99.63**

** As of the beneficiary position statement dated September 11, 2026.*

(c) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares (of face value ₹ 10 each) on a fully diluted basis*	Percentage of the Equity Share capital (%)
1.	Sajiv Gopal	3,336,700	36.58
2.	Malti Sood	2,515,420	27.58
3.	Varun Gopal	2,159,980	23.68
4.	Sajiv Gopal HUF	535,860	5.87
5.	Sugandha Sood	359,650	3.94
6.	Varun Gopal HUF	180,630	1.98

Sr. No.	Name of the Shareholder	Number of equity shares (of face value ₹ 10 each) on a fully diluted basis*	Percentage of the Equity Share capital (%)
Total		**9,088,240**	**99.63**

** As of the beneficiary position statement dated September 19, 2025.*

(d) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of equity shares (of face value ₹ 10 each) on a fully diluted basis*	Percentage of the Equity Share capital (%)
1.	Sajiv Gopal	2,999,110	32.88
2.	Malti Sood	2,165,420	23.74
3.	Varun Gopal	2,159,980	23.68
4.	Sunita Sabharwal	665,440	7.30
5.	Sajiv Gopal HUF	535,860	5.87
6.	Sugandha Sood	359,650	3.94
7.	Varun Gopal HUF	180,630	1.98
Total		**9,066,090**	**99.39**

** As of the beneficiary position statement dated September 20, 2024.*

15. None of the BRLM or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus. The Book Running Lead Manager are not associates of the Company. The Book Running Lead Manager and its respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and its respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and each of its respective directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

16. Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, there will be no further issue of specified securities whether by way of public issue, rights issue, preferential issue, qualified institutions placement, bonus issue or otherwise, until the listing of the Equity Shares on the Stock Exchanges or the refund of application monies.

17. Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, there is no proposal or intention or negotiations or consideration by our Company to alter our capital structure by way of split or consolidation of the denomination of the shares or issue of specified securities on a preferential basis or issue of bonus or rights issue or further public offer of specified securities within a period of six months from the Bid/ Offer Opening Date.

18. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation, other than as disclosed in "***– Notes to the Capital Structure – Share Capital History of our Company – Equity Share capital***" on page 102.

19. As on the date of this Draft Red Herring Prospectus, our Company does not have any active employee stock option plan or any active employee stock purchase scheme.

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

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

22. Except to the extent of the Offered Shares by the Promoter Group Selling Shareholder, none of the members of our Promoter Group will participate in the Offer.

23. The BRLM and persons related to the BRLM or Syndicate Member cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM.

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

25. All transactions in specified securities of our Company by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

26. Except to the extent of the Offered Shares by the Selling Shareholders, the Promoters and members of our Promoter Group will not receive any proceeds from the Offer.

27. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

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

29. Our Company, the Promoters, the Directors and the BRLM have not entered into buy-back arrangements and/ or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

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

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to 3,050,000 Equity Shares of face value of ₹ 5 each aggregating to up to ₹ [●] million by the Selling Shareholders, subject to finalization of Basis of Allotment. For further details, see "***The Offer***" beginning on page 82.

Offer for Sale

Each of the Selling Shareholders will be entitled to their portion of the proceeds of the Offer for Sale in proportion to the Equity Shares offered by the respective Selling Shareholders after deducting their proportion of Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For further details of the Offer for Sale, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" on page 474.

Objects of the Fresh Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Funding the capital expenditure requirements towards:

   (i) setting up of a new manufacturing unit at Malerkotla, Punjab ("**Proposed Unit I**");

   (ii) setting up of a new manufacturing unit at Sricity, Andhra Pradesh ("**Proposed Unit II**");

   (iii) setting up of a new manufacturing unit at Ghiloth, Rajasthan ("**Proposed Unit III**");

   (collectively, the "**Proposed Projects**")

2. Funding the capital expenditure towards purchase of new machinery and equipment at our existing Manufacturing Facilities;

3. Funding the working capital requirements of our Company; and

4. General corporate purposes.

(collectively, the "**Objects**")

In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause, as set out in the Memorandum of Association, enables our Company to (i) undertake our existing business activities; and (ii) undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

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

(in ₹ million)

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue	Up to 3,000.00(1)
(Less) Offer-related expenses in relation to the Fresh Issue	[●](2)(3)
Net Proceeds	[●](3)

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

Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. The utilization of the proceeds raised pursuant to the Pre-IPO Placement will be towards the Objects in compliance with applicable law. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)

2. *For further details, please see "**– Offer related expenses**" on page 169.*
3. *To be finalised upon determination of the Offer Price and will be updated in the Prospectus prior to filing with the RoC.*

Utilisation of Net Proceeds

Our Company proposes to utilise the Net Proceeds towards the following objects:

(in ₹ million)

Particulars	Estimated amount(2)
Funding the capital expenditure towards the Proposed Projects	1,384.73
Funding the capital expenditure towards purchase of new machinery and equipment at our existing Manufacturing Facilities	145.27
Funding the working capital requirements of our Company	600.00
General corporate purposes(1)	[●]
Net Proceeds(1)	[●]

(1) To be finalised upon determination of the Offer Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. The utilization of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds, as set forth in the table below:

Particulars	Total estimated costs	Amount deployed as on the date of this Draft Red Herring Prospectus	Estimated amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds	
				Fiscal 2028	Fiscal 2029
	(₹ in million)				
Funding the capital expenditure towards the setting up of Proposed Unit I	296.73(3)	Nil	296.73	195.02	101.71
Funding the capital expenditure towards the setting up of Proposed Unit II	619.32(3)	Nil	619.32	344.47	274.85
Funding the capital expenditure towards the setting up of Proposed Unit III	468.68(3)	Nil	468.68	454.06	14.62
Funding the capital expenditure towards purchase of new machinery and equipment at our existing Manufacturing Facilities	145.27(3)	Nil	145.27	145.27	Nil
Funding the working capital requirements of our Company	-	Nil	600.00	400.00	200.00
General corporate purposes(1)(2)	[●]	[●]	[●]	[●]	[●]
Total(1)	[●]	[●]	[●]	[●]	[●]

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may

be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. The utilization of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety)

(3) The total estimated cost is determined after deducting the amount of GST on which input tax credit can be claimed by our Company.

The fund requirement and the deployment of funds as indicated above are based on management estimates, current circumstances of our business and prevailing market conditions and other external commercial and technical factors. Further, in relation to our Proposed Projects and funding the capital expenditure towards purchase of new machinery and equipment for existing Manufacturing Facilities, the estimated costs is basis the valid quotations obtained from various third-party vendors and the Detailed Project Report dated September 23, 2026 issued by L & C Techfin Advisory Private Limited (the "**Detailed Project Report**"), which are subject to change.

We intend to deploy the Net Proceeds towards the Objects as disclosed in the table above, in accordance with the business needs of our Company. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency.

The actual deployment of funds shall be based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, and the financing and other agreements entered into by our Company. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, change in cost, financial and market conditions, demand for our products, change in technology, our management's analysis of economic trends and business requirements, competitive landscape, ability to identify and consummate proposed investments as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy and interest/ exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law. For further details, please see "***Risk Factors – Our proposed utilization of the Net Proceeds for funding the capital expenditure requirements towards the Proposed Projects, funding the capital expenditure requirements towards purchase of machinery and equipment, working capital requirements and general corporate purposes involves uncertainties and risks, and any delay or variation in implementation or deployment of funds may adversely affect our business, financial condition and results of operations***", ***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency***" and "***Risk Factors – A significant portion of the plant and machinery proposed to be acquired from the Net Proceeds is yet to be ordered, and any delay in placing such orders or procuring and commissioning such plant and machinery may adversely affect our business, results of operations and financial condition***" on pages 47 and 48, respectively.

In the event the estimated utilisation out of the Net Proceeds is not completely utilised for the Objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining unutilised portion of the Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, due to various factors including considerations as set out above, we may decide or have to utilize portion of the Net Proceeds allocated for the subsequent year in the previous year. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à vis the utilization of Net Proceeds.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned capital expenditure requirements, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue in accordance with applicable law. Further, in case of any variations in the actual utilisation of funds earmarked towards funding of our proposed Objects as set forth above, then any increased fund requirements for a particular object may be financed by surplus funds, if any, available in respect of the other objects for which funds are being raised in this Offer, subject to utilisation towards general corporate purposes not exceeding 25% of the Gross Proceeds from the Fresh Issue. Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by our Company by exploring a range of options available to us, including utilising our internal accruals, additional equity funding and/or seeking additional debt from existing and future lenders.

Means of finance

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the capital expenditure requirements towards our Proposed Projects. The total estimated project cost for setting-up the Proposed Projects is ₹ 1,530.00 million as per the Detailed Project Report. We intend to fund the cost of each of the Proposed Projects in the following manner:

Proposed Unit I

The total estimated project cost for setting-up the Proposed Unit I is ₹ 321.36 million (inclusive of GST). The total estimated cost after deducting the amount of GST on which input tax credit can be claimed by our Company is ₹ 296.73 million. We intend to fund the cost of the Proposed Unit I in the following manner:

(in ₹ million)

Source of Funds	Total estimated cost^
Net Proceeds	296.73
Internal accruals	24.63*
Total	**321.36**

The total estimated cost for the Proposed Unit I is ₹ 296.73 million, which includes basic costs of ₹ 272.34 million and non-claimable GST amounting to ₹ 24.39 million. In addition, our Company would be required to incur GST of ₹ 24.63 million in respect of which input tax credit can be claimed (“Claimable GST”**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost inclusive of the non-claimable and Claimable GST amount aggregate to ₹321.36 million.*

^ As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.

Proposed Unit II

The total estimated project cost for setting-up the Proposed Unit II is ₹ 690.95 million (inclusive of GST). The total estimated cost after deducting the amount of GST on which input tax credit can be claimed by our Company is ₹ 619.32 million. We intend to fund the cost of the Proposed Unit II in the following manner:

(in ₹ million)

Source of Funds	Total estimated cost^
Net Proceeds	619.32
Internal accruals	71.63*
Total	**690.95**

The total estimated cost for the Proposed Unit II is ₹ 619.32 million, which includes basic costs of ₹ 585.55 million and non-claimable GST amounting to ₹ 33.77 million. In addition, our Company would be required to incur GST of ₹ 71.63 million in respect of which input tax credit can be claimed (“Claimable GST”**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost inclusive of non-claimable and the Claimable GST amount aggregate to ₹690.95 million.*

^ As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.

Proposed Unit III

The total estimated project cost for setting-up the Proposed Unit III is ₹ 517.94 million (inclusive of GST). The total estimated cost after deducting the amount of GST on which input tax credit can be claimed by our Company is ₹ 468.68 million. We intend to fund the cost of the Proposed Unit III in the following manner:

(in ₹ million)

Source of Funds	Total estimated cost^
Net Proceeds	468.68
Internal accruals	49.26*
Total	**517.94**

The total estimated cost for the Proposed Unit III is ₹ 468.68 million, which includes basic costs of ₹ 438.94 million and non-claimable GST amounting to ₹ 29.74 million. In addition, our Company would be required to incur GST of ₹ 49.26 million in respect of which input tax credit can be claimed (“Claimable GST”**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost inclusive of the non-claimable GST and the Claimable GST amount aggregate to ₹517.94 million.*

^ As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.

As of July 31, 2026, our Company had deployed ₹ 245.88 million for acquisition of land for our Proposed Projects (“**Initial Expenditure**”), which was funded from internal accruals and bank finance. However, it is clarified that the Initial Expenditure is not being included in the calculation of the total capital expenditure required for our Proposed Projects. We propose that any expenditures in relation to our capital expenditure requirements for our Proposed Projects will be funded from the internal accruals until the Net Proceeds are available to our Company.

The fund requirements for the Proposed Projects are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue as required under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) the SEBI ICDR Regulations and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Our Board in its meeting held on September 23, 2026 approved the objects of the Offer and the respective amounts proposed to be utilised from the Net Proceeds for each of the below stated object.

Details of the Objects

1. Capital expenditure towards setting up of the Proposed Projects

We anticipate significant growth in the industry segments in which we operate. One of the primary growth drivers is the sustained increase in domestic and global demand for cooling appliances, supported by rising household penetration, urbanisation, and higher usage of air conditioning and refrigeration across residential, commercial, and industrial segments. (*Source: CARE Report*) As unit sales of air conditioners and refrigerators increase, demand for core components such as compressors, heat exchangers, motors, and electronic controls rises proportionally, creating a strong volume-led growth base for component manufacturers. (*Source: CARE Report*)

Technology upgrades are another critical growth catalyst. (*Source: CARE Report*) Government policies promoting localisation and domestic manufacturing are also playing a decisive role. (*Source: CARE Report*) Incentives aimed at reducing import dependence and strengthening local supply chains have encouraged both global and domestic players to set up manufacturing facilities in India. (*Source: CARE Report*) This is accelerating backward integration, improving economies of scale, and supporting long-term capacity creation in critical components such as compressors, copper tubing, and electronic assemblies. (*Source: CARE Report*)

We are one of the leading manufacturers and supplier of heating, ventilation, and air conditioning (HVAC) components in India based on the 15% share on the company's TAM as of FY26 (*Source: CARE Report*). As on the date of this Draft Red Herring Prospectus, we operate five Manufacturing Facilities which have a total installed capacity of 419.26 million units per annum across a wide range of products, as on March 31, 2026. The establishment of Manufacturing Facilities in various regions has enabled us to scale our operations and introduce new product lines while maintaining quality and operational flexibility across geographies.

Our presence across multiple product verticals and price points has enabled us to be one of the fastest-growing manufacturers and suppliers of HVAC components in India among the peers considered, based on EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26. (*Source: CARE Report*) The addressable market for our products is estimated at approximately Rs. 34.8 billion (Rs.3,480 crore) in FY26 and is expected to increase at a CAGR of 24.46% between FY26 and FY30. (*Source: CARE Report*)

In this context, we aim to integrate our operations and continue to invest in creation of additional capacities, to strengthen our position in HVAC sector, as well as add new production lines for existing and new products, namely, heat exchangers, sheet metal components and service valves for room air conditioners ("**RACs**"), and sintered bushes. For more details, please see "***Our Business – Our Growth Strategies – Expansion of manufacturing capabilities by setting up 3 new manufacturing facilities in proximity to industry players and increasing capacities in our existing Manufacturing Facilities which will also help us tap the untapped markets and target new customers***" on page 302.

In order to establish the Proposed Projects and accommodate the future growth requirements, we have acquired parcels of land in Punjab, Andhra Pradesh and Rajasthan. Set below is the table elucidating the details in relation to the acquired land for the Proposed Projects:

Sr. No.	Address	Total Area	Date of the sale deed	Amount of consideration paid (including registration fee) (in ₹ million)
Proposed Unit I				

Sr. No.	Address	Total Area	Date of the sale deed	Amount of consideration paid (including registration fee) (in ₹ million)
1.	Khewat no. 58, Khatoni no. 99, Khasra no. 1314/577/5-14, village Ratolan, District Malerkotla	4,765.92 sq. metres (1.18 acres)	October 9, 2024	5.25
2.	Khewat no. 67, Khatoni no. 113, Khasra no. 576/5-6, Rakba village Ratolan, District Malerkotla	4,431.47 sq. metres (1.10 acres)	February 11, 2026	5.41
Proposed Unit II				
3.	UDL-8A, Industrial Park, Chinnapanduru, Varadaiahpalem Mandal, Tirupati District	20,167.64 sq. metres (4.98 acres)	November 28, 2025	60.85
Proposed Unit III				
4.	Industrial plot no. A-160, RIICO Industrial Area, Ghiloth, Tehsil Neemrana, District Kotputli-Behror, Rajasthan - 301705	13,712 sq. metres (3.388 acres)	April 17, 2026	174.37

Therefore, no component of the Net Proceeds is proposed to be utilised for land acquisition.

Our Board in its meeting dated September 23, 2026 approved an amount of ₹ 1,384.73 million (including GST on which input tax credit cannot be claimed) for the purpose of funding the Proposed Projects as stated herein above from the Net Proceeds.

Schedule of implementation

The expected schedule of implementation for our Proposed Projects is set forth below:

Particulars	Expected month of commencement	Expected month of completion
Proposed Unit I		
Land readiness and site handover	Land owned	N.A.
Civil and building works for plant and utilities	April 2027	April 2028
Procurement of process machinery and equipment	June 2027	June 2028
Installation of utilities and balance of plant	February 2028	July 2028
Erection, testing and commissioning	March 2028*	August 2028
Trial runs	March 2028*	August 2028
Commencement of commercial production	April 2028*	N.A.
Proposed Unit II		
Land readiness and site handover	Land owned	N.A.
Civil and building works for plant and utilities	April 2027	April 2028
Procurement of process machinery and equipment	June 2027	June 2028
Installation of utilities and balance of plant	February 2028	July 2028
Erection, testing and commissioning	March 2028*	August 2028
Trial runs	March 2028*	August 2028
Commencement of commercial production	April 2028*	N.A.
Proposed Unit III		
Land readiness and site handover	Land owned	N.A.
Civil and building works for plant and utilities	April 2027	April 2028
Procurement of process machinery and equipment	June 2027	March 2028
Installation of utilities and balance of plant	February 2028	April 2028
Erection, testing and commissioning	March 2028*	May 2028
Trial runs	March 2028*	August 2028
Commencement of commercial production	April 2028*	N.A.

**The erection, testing and commissioning, trial runs and commencement of commercial production will be carried out in a phased manner starting from the above-mentioned dates.*

Total estimated cost of the Proposed Projects

Proposed Unit I

For setting up of the Proposed Unit I, we would incur costs towards building and civil works, purchase of machinery, electricals and utility. The total estimated cost for the Proposed Unit I is ₹ 321.36 million (inclusive of GST), as estimated by our management, which has been certified by the Detailed Project Report. Of this cost, ₹ 296.73 million (including GST on which input tax credit cannot be claimed) shall be utilised from the Net Proceeds. GST on which input tax credit can be claimed will not be funded from the Net Proceeds.

The detailed break-down of estimated cost of the Proposed Unit I, are set forth below:

(in ₹ million)

Sr. No.	Particulars	Total estimated cost	Amount deployed as of September 23, 2026	Amount to be utilized from Net Proceeds
1.	Building and civil work	159.89	Nil	159.89
2.	Purchase of machinery	128.44	Nil	128.44
3.	Electricals and utility	8.40	Nil	8.40
Total		**296.73**	**Nil**	**296.73**
Balance amount of the total estimated cost of Proposed Unit I to be funded from internal accruals		**24.63***		

*Notes: *The total estimated cost for the Proposed Unit I is ₹ 296.73 million, which includes basic costs of ₹ 272.34 million and non-claimable GST amounting to ₹ 24.39 million. In addition, our Company would be required to incur GST of ₹ 24.63 million in respect of which input tax credit can be claimed (**"Claimable GST"**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost and the Claimable GST amount aggregate to ₹ 321.36 million.*

Detailed break-down of the cost of the Proposed Unit I

A further break-up of the specific estimated costs (except cost of land acquisition) of establishing the Proposed Unit I is set forth below:

I. Building and civil works

Our Company plans to construct factory building totalling up to 79,675.96 square feet as a part of the Proposed Unit I. Building and civil works for the proposed Unit I include site development and construction and engineering related work including building the foundation, structure, roof, flooring and boundary walls, doors and windows, drainage, and sewerage system, etc.

The total estimated cost for building and civil works towards construction of Proposed Unit I is ₹ 159.89 million, inclusive of non-claimable taxes, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 159.89 million out of the Net Proceeds, towards such building and civil works.

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Unit	Rate per unit	Basic Cost (without GST) (in ₹ million)
1.	Providing & Making of Shed Building with Civil work	KGS Building Systems Private Limited	44,907.00	June 26, 2026	1 year	Square Feet	1,050.00	47.15
2.	Providing & Making of Mezzanine floor	KGS Building Systems Private Limited	25,677.00	June 26, 2026	1 year	Square Feet	1,050.00	26.96
3.	Providing & Making of Boundary Wall in Brick work	KGS Building Systems	24,030.00	June 26, 2026	1 year	Square Feet	325.00	7.81

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Unit	Rate per unit	Basic Cost (without GST) (in ₹ million)
	with RCC column & Beam	Private Limited						
4.	Providing & Making of RCC Road	KGS Building Systems Private Limited	32,380.00	June 26, 2026	1 year	Square Feet	335.00	10.85
5.	Providing & Laying of Sewer Line	KGS Building Systems Private Limited	1.00	June 26, 2026	1 year	Job work	3,000,000.00	3.00
6.	Providing & making of Rain Water Drain & Rain Harvesting Tank	KGS Building Systems Private Limited	1.00	June 26, 2026	1 year	Job work	4,500,000.00	4.50
7.	Providing & Making of Guard Room, Meter Room & Ele Room	KGS Building Systems Private Limited	95.00	June 26, 2026	1 year	Square Metre	23,500.00	2.23
8.	Office in RCC work	KGS Building Systems Private Limited	14,000.00	June 26, 2026	1 year	Square Feet	2,000.00	28.00
9.	Under ground RCC fire water Tank	KGS Building Systems Private Limited	250,000.00	June 26, 2026	1 year	Litre	20.00	5.00
Total								**135.50**
GST 18%								24.39[(1)]
Total Amount								**159.89**

(1) The applicable tax is non-claimable.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

II. Purchase of plant and machinery

The total estimated cost for procurement of machinery for Proposed Unit I is ₹ 128.44 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 128.44 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. An indicative list of machineries that is intended to be purchased, along with details of the quotations received in this respect are set forth below, which has been included in the Detailed Project Report.

[***The remainder of this page has intentionally been left blank***]

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)^
1	Integrated machine	Taizhou U Plus Smart Technology Co. Ltd	1	June 24, 2026	June 23, 2027	21,62,000.00	2.16	0.22	2.38
	Copper 2+2 Cutting Machine		1			15,62,750.00	1.56	0.16	1.72
	End forming machines		2			9,40,000.00	1.88	0.19	2.07
	Pipe Bending Machines		2			12,22,000.00	2.44	0.24	2.69
	Auto Brazing		2			19,27,000.00	3.85	0.39	4.24
	Copper Auto Drilling machine		1			15,04,000.00	1.50	0.15	1.65
	VMC Tool room		1			31,02,000.00	3.10	0.31	3.41
2	HPP-150N Powder Compaction Press	Taizhou U Plus Smart Technology Co. Ltd	5	July 6, 2026	July 5, 2027	18,19,840.00	9.10	0.91	10.01
	HPP-250J Finishing Machine (Sizing Press)		3			17,42,760.00	5.23	0.52	5.75
	RW24-11/7 Mesh Belt Sintering Furnace		1			90,81,340.00	9.08	0.91	9.99
	Vacuum Oil Impregnation Machine		2			3,76,000.00	0.75	0.08	0.83
	Powder Mixing Machine		1			4,71,880.00	0.47	0.05	0.52
	Industrial Air Compressor		1			6,26,040.00	0.63	0.06	0.69
	CCD Visual Inspection Machine		2			7,80,200.00	1.56	0.16	1.72
	Surface Roughness Tester		1			6,26,040.00	0.63	0.06	0.69
	Density Testing Instrument		1			2,40,640.00	0.24	0.02	0.26
	Sintering Trays		500			940.00	0.47	0.05	0.52
	Sintering Trolleys		20			6,580.00	0.13	0.01	0.14
	Oil Impregnation Trolleys		2			14,100.00	0.03	0.00	0.03
	Oil Draining Racks		12			8,460.00	0.10	0.01	0.11
3	brazing table size 1400mm round & 1HP motor gear box 1hp drive delta nitrogen limit switch 5 nos and all piping	SAF Engineer and Fabrication	15	August 5, 2026	August 4, 2027	85,000.00	1.28	NA	1.28
	Flat Conveyor – Conveyor Belt 600 mm Conveyor Length 5 mt and Height 900 mm 1 HP Motor and Gearbox Company Havells 1 HP Drive Delta and Double soch Station Conveyor Belt 2mm ms 2 mm Sheet and Square Pipe MS Mac Jindal 40 mm and Powder Coating all Conveyor Parts 1 year Warranty		7			70,000.00	0.49	NA	0.49
	providing and fixturing air line 2”gi pipe B class with fitting MTR		500			935.00	0.47	NA	0.47

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)^
	Leak Tank SS 304 Size 400 × 1200 × 250 Pneumatic Cylinder and Control vole & High Pressure vole Hydraulic Pipe High Pressure Tank Stand MS & One Gauge		20			45,000.00	0.90	NA	0.90
4	ELGI MAKES SCREW AIR COMPRESSOR MODEL EG37-7.5 (50 HP) having capacity 255 cfm	Service Equipment Co.	2	June 24, 2026	June 23, 2027	-	2.05	NA	2.05
	ELGI MAKES VERTICAL AIR RECEIVER MODEL VAR1000/7.5 KG		2			-		NA	
	ELGI AIR DRYER MODEL AR 310		2			-		NA	
5	ELGI MAKES SCREW AIR COMPRESSOR MODEL EG22-7.5 DM (30 HP) having capacity 142 cfm	Service Equipment Co.	1	June 24, 2026	June 23, 2027	-	0.89	NA	0.89
	ELGI MAKES VERTICAL AIR RECEIVER MODEL VAR1000/7.5 KG		1			-		NA	
	ELGI AIR DRYER MODEL AR 210 N		1			-		NA	
	ELGI LINE FILTER MODEL		1			-		NA	
6	320 kVA CPCB IV + Norms Compliance with AMF Panel	Gen Powers	1	August 3, 2026	August 2, 2027	2,650,000	2.65	NA	2.65
7	8458- Lathe Machine 6ft – R 10" Centre, 11" Bed, 80mm Bore Hard Bed complete with chuck, motor, switch	Goel Industries (India)	1	July 31, 2026	July 30, 2027	1,95,000.00	0.51	NA	0.51
	8459- Vertical Turret Milling Machine M4		1			3,15,000.00		NA	
8	Surface grinder machine Topfeed Oil type Complete with 1.5HP electric motor, starter, lubrication pump, Standard Magnetic chuck (size 8X18) and tool kit Size 9x18 topfeed Oil type	Ramanna Enterprises	2	June 26, 2026	June 25, 2027	1,85,000.00	0.37	NA	0.37
9	Surface grinder machine Topfeed Oil type Complete with 1.5HP electric motor, starter, lubrication pump, Standard Magnetic chuck (size 8X18) and tool kit Size 9x18 topfeed Oil type	Ramanna Enterprises	2	June 26, 2026	June 25, 2027	1,85,000.00	0.37	NA	0.37
10	Integrated machine with cutting, end forming & bending machine	Zhongshan CLG Automation Equipment Co Ltd	1	June 25, 2026	June 24, 2027	26,32,000.00	2.63	0.26	2.90
	End forming machines		1			7,05,000.00	0.71	0.07	0.78

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)^
	CNC Tube Bending machine		1			15,98,000.00	1.60	0.16	1.76
	Hole punching machine		1			15,98,000.00	1.60	0.16	1.76
11	FR – 16 Pointing Machinery (Tube End reducing)	Taizhou U Plus Smart Technology Co Ltd	1	July 15, 2026	July 14, 2027	3,66,600.00	0.37	0.04	0.40
	FR -25 Manual Single Chain Drawing Machine (12 m, two lines)		1			26,22,600.00	2.62	0.26	2.88
	Clamp (flat type) (for FR-25)		1			9,400.00	0.01	0.00	0.01
	FR – 25 Straightening Machine (16 rollers) (manual)		2			19,22,300.00	3.84	0.38	4.23
	Optional: A Type Automatic Loading & Unloading Rack (for 6 m raw material) (for FR-25 straightening machine)		2			13,30,100.00	2.66	0.27	2.93
	FR – 50 Manual Single Chain Drawing Machine (16 m, Two Lines)		2			40,74,900.00	8.15	0.81	8.96
	Clamp (flat type) (for FR-50)		2			47,000.00	0.09	0.01	0.10
	FR – 76 Ball Type Pointing Machine (includes 1 die set)		1			11,75,000.00	1.18	0.12	1.29
	Automatic Loading Station (for 6 m raw material) (for FR-76)		1			8,36,600.00	0.84	0.08	0.92
	FR – 100 Straightening Machine (17 Rollers) (Manual)		1			43,05,200.00	4.31	0.43	4.74
	Optional B Type Automatic Loading & Unloading Rack (for raw material length ≤ 6 m) (for FR-100 straightening machine)		1			15,22,800.00	1.52	0.15	1.68
	FR – 120 Automatic Double Chain Drawing Machine		1			80,55,800.00	8.06	0.81	8.86
	Clamp (flat type) (for FR-120)		1			65,800.00	0.07	0.01	0.07
12	Melting Furnace 240KW	Taizhou U Plus Smart Technology Co Ltd	1	July 18, 2026	July 17, 2027	24,53,400.00	2.45	0.25	2.70
	Holding Furnace 120KW		1			17,57,800.00	1.76	0.18	1.93
	Automatic Traction Machine for 8-60mm		2			2,53,800.00	0.51	0.05	0.56
	Servo Traction Machine for 60-120mm		1			18,70,600.00	1.87	0.19	2.06
	Cutting Machine with Material Rack for 8-60mm		2			2,72,600.00	0.55	0.05	0.60
	Band Saw Cutting Machine for 60-120mm		1			6,95,600.00	0.70	0.07	0.77
	Material Tilt Rack for 8-60 mm		1			3,19,600.00	0.32	0.03	0.35

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)^
	Water Distribution System		2			2,16,200.00	0.43	0.04	0.48
	Mixer		1			5,82,800.00	0.58	0.06	0.64
	Peeling Machine		1			12,50,200.00	1.25	0.13	1.38
	Dust removal Equipment		1			24,62,800.00	2.46	0.25	2.71
	Alloyz Analyzer EDX6800		1			36,09,600.00	3.61	0.36	3.97
	Crystallizers, Graphite Molds, Cable & Water Pipes		1			15,88,600.00	1.59	0.16	1.75
	Spare Parts & Consumables consisting of refractory materials package, furnace maintenance materials, consumable components, spare parts for melting & holding furnaces, cutting tools & accessories and furnace building tools		Multiple specifications			13,63,000.00	1.36	0.14	1.50
13	End forming machines	Xinxiang Techstar Refrigeration Technology Co. Ltd	1	June 29, 2026	June 28, 2027	12,22,000.00	1.22	0.12	1.34
	Integrated Machine		1			18,80,000.00	1.88	0.19	2.07
						Total	**117.67**	**10.77**	**128.44**

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

[***The remainder of this page has intentionally been left blank***]

III. *Electricals and Utility*

The total estimated cost towards electricals and utility for our Proposed Unit I is ₹ 8.40 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 8.40 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Total cost (₹ in million)
1	KWH meter room; VCB HT switch; HT cable and termination; heat shrinkable type end termination kit; DG set; earthing - electrical chemical earthing with 3 mtr. electrode, complete as per PSPC specifications; L.T. panel (PCC, MCC); cable; cable tray; MCB distribution boards / LT switch boards; and safety system	Ganpati Electro Controls	Multiple	July 23, 2026	July 22, 2027	-	8.40	8.40

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

Infrastructure facilities and utilities requirement

The Proposed Unit I has been planned in proximity to our Punjab Manufacturing Facility Unit I and Punjab Manufacturing Facility II, enabling optimum utilization of available land, infrastructure, utilities, technical manpower, logistics and operational support systems. The water requirements will be sourced from tanker, ground water (with due approval of concerned government rules and regulations) and recycled water and the power requirement will be sourced from local power grid with the approval of Punjab State Power Corporation Limited.

Proposed Unit II

For setting up of the Proposed Unit II, we would incur costs towards building and civil works, purchase of machinery, and electricals and utility. The total estimated cost for the Proposed Unit II is ₹ 690.95 million (inclusive of GST), as estimated by our management, which has been certified by the Detailed Project Report. Of this cost, ₹ 619.32 million (including GST on which input tax credit cannot be claimed) shall be utilised from the Net Proceeds.

The detailed break-down of estimated cost of the Proposed Unit II, are set forth below:

(in ₹ million)

Sr. No.	Particulars	Total estimated cost[(1)]	Amount deployed as of September 23, 2026	Amount to be utilized from Net Proceeds
1.	Building and civil work	221.36	Nil	221.36
2.	Purchase of machinery	389.56	Nil	389.56
3.	Electricals and utility	8.40	Nil	8.40
Total		**619.32**	**Nil**	**619.32**

Balance amount of the total estimated cost of Proposed Unit II to be funded from internal accruals	**71.63***

*Notes: *The total estimated cost for the Proposed Unit II is ₹ 619.32 million, which includes basic costs of ₹ 585.55 million and non-claimable GST amounting to ₹ 33.77 million. In addition, our Company would be required to incur GST of ₹ 71.63 million in respect of which input tax credit can be claimed (**"Claimable GST"**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost and the Claimable GST amount aggregate to ₹ 690.95 million.*

Detailed break-down of the cost of the Proposed Unit II

A further break-up of the specific estimated costs (except cost of land acquisition) of establishing the Proposed Unit II is set forth below:

I. Building and civil works

Our Company plans to construct factory building totalling up to 116,622.97 square feet as a part of the Proposed Unit II. Building and civil works for the proposed Unit II include site development and construction and engineering related work including building the foundation, boundary wall, flooring, structure, roof, doors and windows, drainage, and sewerage system, etc.

The total estimated cost for building and civil works towards construction of Proposed Unit II is ₹ 221.36 million, inclusive of non-claimable taxes, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 221.36 million out of the Net Proceeds, towards such building and civil works.

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Unit	Rate per unit	Basic Cost (without GST) (in ₹ million)
1.	Providing & Making of Shed Building with Civil work	KGS Building Systems Private Ltd.	114,453.04	June 26, 2026	1 year	Square Feet	1,050.00	120.17
2.	Providing & Making of Boundary Wall in Brick Work with RCC column & Beam	KGS Building Systems Private Ltd.	48,000.00	June 26, 2026	1 year	Square Feet	325.00	15.60
3.	Providing &Making of RCC Road	KGS Building Systems Private Ltd.	51,000.00	June 26, 2026	1 year	Square Feet	335.00	17.08
4.	Providing & Laying of Sewer Line	KGS Building Systems Private Ltd.	1.00	June 26, 2026	1 year	Job work	5,500,000.00	5.50
5.	Providing & making of Rain Water Drain & Rain Harvesting Tank	KGS Building Systems Private Ltd.	1.00	June 26, 2026	1 year	Job work	8,500,000.00	8.50
6.	Providing & Making of Guard Room, Meter Room & Ele Room	KGS Building Systems Private Ltd.	95.00	June 26, 2026	1 year	Square Metre	23,500.00	2.23
7.	Office interior and	KGS Building	1.00	June 26, 2026	1 year	Job work	12,500,000.00	12.50

	furniture work	Systems Private Ltd.						
8.	Under ground RCC fire water Tank	KGS Building Systems Private Ltd.	300,000.00	June 26, 2026	1 year	Litre	20.00	6.00
Total								**187.59**
GST 18%								33.77(1)
Total Amount								**221.36**

(1) The applicable tax is non-claimable.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above

II. Purchase of plant and machinery

The total estimated cost for procurement of machinery for Proposed Unit II is ₹ 389.56 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 389.56 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. An indicative list of machineries that is intended to be purchased, along with details of the quotations received in this respect are set forth below, which has been included in the Detailed Project Report:

[***The remainder of this page has intentionally been left blank***]

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	Integrated machine	Taizhou U Plus Smart Technology Co. Ltd	2	June 27, 2026	June 26, 2027	21,62,000.00	4.32	0.43	4.76
	Copper 2+2 Cutting Machine		3			15,62,750.00	4.69	0.47	5.16
	End forming machines		6			9,40,000.00	5.64	0.56	6.20
	Pipe Bending Machines		8			12,22,000.00	9.78	0.98	10.75
	Auto Brazing		6			19,27,000.00	11.56	1.16	12.72
	Copper Auto Drilling machine		2			15,04,000.00	3.01	0.30	3.31
	Brass Multi Spindle Union machine		3			84,60,000.00	25.38	2.54	27.92
	Brass Nut Machine		1			84,60,000.00	8.46	0.85	9.31
	Forging machine 80T		1			41,92,400.00	4.19	0.42	4.61
	Forging machine 125T		2			47,56,400.00	9.51	0.95	10.46
	U-Bend machine		5			12,40,800.00	6.20	0.62	6.82
	Ring Machine		5			12,69,000.00	6.35	0.63	6.98
	S-Valve Multi Spindle machines - 18 Axis		1			2,83,69,200.00	28.37	2.84	31.21
	S-Valve Multi Spindle machines - 14 Axis		1			2,09,80,800.00	20.98	2.10	23.08
	S-Valve Assembly Machines		3			95,51,810.00	28.66	2.87	31.52
	S-Valve Automatic cleaning Machine		3			48,31,600.00	14.49	1.45	15.94
2	brazing table size 1400mm round & 1HP motor gear box 1hp drive delta nitrogen limit switch 5 nos and all piping	SAF Engineer and Fabrication	10	August 5, 2026	August 4, 2027	85,000.00	0.85	NA	0.85
	Flat Conveyor – Conveyor Belt 600 mm Conveyor Length 5 mt and Height 900 mm 1 HP Motor and Gearbox Company Havells 1 HP Drive Delta and Double soch Station Conveyor Belt 2mm ms 2 mm Sheet and Square Pipe MS Mac Jindal 40 mm and Powder Coating all Conveyor Parts 1 year Warranty		5			70,000.00	0.35	NA	0.35
	providing and fixturing air line 2"gi pipe B class with fitting MTR		500			935.00	0.47	NA	0.47
	Leak Tank SS 304 Size 400 × 1200 × 250 Pneumatic Cylinder and Control vole & High Pressure vole Hydraulic Pipe High Pressure Tank Stand MS & One Gauge		15			45,000.00	0.68	NA	0.68
3	ELGi make screw compressor model EG 37 –7.5 DM having capacity 255 cfm and working pressure 7.5 kg/cm2	ELGi Equipments Limited	2	July 30, 2026	July 29, 2027	8,81,500.00	1.76	NA	1.76

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
	ELGi Make Vertical Air Receiver Tank 1000L		2			64,000.00	0.13	NA	0.13
	ELGi Make Air Dryer 400 CFM AR 0400N A2		2			2,03,000.00	0.41	NA	0.41
	Pre Filter 403 CFMAF 0420P-1 1/2" BSP		2			26,800.00	0.05	NA	0.05
	Auto Drain Valve CTD11 B		2			4,300.00	0.01	NA	0.01
4	ELGi make screw compressor 30 HP having 142 CFM Capacity at working pressure 7 Kg/cm2 Model: EG22 -7.5 DM	ELGi Equipments Limited	1	July 30, 2026	July 29, 2027	5,92,816.00	0.59	NA	0.59
	ELGi Make Vertical Air Receiver Tank 1000L 7 bar		1			70,839.00	0.07	NA	0.07
	ELGi make Air Drier 150 CFMAR 150N A1		1			1,24,370.00	0.12	NA	0.12
	ELGi Air Mate Pre Filter 177 CFM AF 177P -1 1/4" BSP		1			15,373.00	0.02	NA	0.02
	Auto Drain Valve CTD 11B		1			4,756.00	0.00	NA	0.00
5	320 kVA CPCB IV+ Norms Compliance with AMF Panel.	Gen Powers	1	August 3, 2026	August 2, 2027	26,50,000.00	2.65	NA	2.65
6	8458- Lathe Machine 6ft – R 10" Centre,11" Bed,80mm Bore Complete with chuck, motor, switch	Goel Industries (India)	1	July 31, 2026	July 30, 2027	1,95,000.00	0.51	NA	0.51
	8459- Vertical turret milling machine M4		1			3,15,000.00		NA	
7	Surface grinder machine Topfeed Oil type Complete with 1.5HP electric motor, starter, lubrication pump, Standard Magnetic chuck (size 8X18) and tool kitSize 9x18 topfeed Oil type	Ramanna Enterprises	2	June 26, 2026	June 25, 2027	1,85,000.00	0.37	NA	0.37
8	H-type fin press line HFPL-48A-125	Taizhou U Plus Smart Technology Co. Ltd	1	July 9, 2026	July 8, 2027	1,39,12,000.00	13.91	1.39	15.30
	Fin die set, 7x21x12.7x60Rx2P		1			1,24,73,800.00	12.47	1.24	13.71
	Fin die set, 5x19.5x11.52x60Rx2P		1			1,14,21,000.00	11.42	1.14	12.56
	Hairpin bender AHB8+8-D7/L 1300M1Q		1			50,76,000.00	5.07	0.50	5.57
	Hairpin bender AHB8+8-D5/L 1300M1Q		1			50,76,000.00	5.07	0.50	5.57
	Lacing Table (Granite 1000 mm x 1000mm)		1			2,82,000.00	0.28	0.02	0.30
	Vertical double-station tube expander VTE-1200SR2		1			1,13,74,000.00	11.37	1.13	12.50

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
	Vertical double-station tube expander VTE-1200SR2		1			1,13,74,000.00	11.37	1.13	12.50
	Degreasing oven HS-OD, 6000 mm x 2000 mm		1			64,86,000.00	6.48	0.64	7.12
	Automatic brazing line for heat exchanger HS-CW, 1200 mn 3 rows		1			57,62,200.00	5.76	0.57	6.33
	Vacuum leak testing system		1			1,52,28,000.00	15.22	1.52	16.74
	Evaporator cutting and bending machine ECB2-1200		1			15,04,000.00	1.50	0.15	1.65
	Coil bending machine CFM-1200L		1			18,33,000.00	1.83	0.18	2.01
9	Integrated machine with cutting, end forming & bending machine	Zhongshan CLG Automation Equipment Co. Ltd	3	June 25, 2026	June 24, 2027	26,32,000.00	7.90	0.79	8.69
	End forming machines		2			7,05,000.00	1.41	0.14	1.55
	CNC Tube Bending machine		4			15,98,000.00	6.39	0.64	7.03
	Hole punching machine		1			15,98,000.00	1.60	0.16	1.76
10	End forming machines	Xinxiang Techstar Refrigeration Technology Co., Ltd	2	June 29, 2026	June 28, 2027	12,22,000.00	2.44	0.24	2.69
	Integrated Machine		1			18,80,000.00	1.88	0.19	2.07
11	MC1-63 (JH21-63)	Taizhou U Plus Smart Technology Co. Ltd	1	July 21, 2026	July 20, 2027	18,70,600.00	1.87	0.19	2.06
	MC1-80 (JH21-80)		2			27,26,000.00	5.45	0.55	6.00
	MC1-110T		1			30,64,400.00	3.06	0.31	3.37
	MC1-160T		2			35,43,800.00	7.09	0.71	7.80
	MG2-315T (JM36-315)		1			1,34,89,000.00	13.49	1.35	14.84
Total							**355.01**	**34.60**	**389.62**

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

[***The remainder of this page has intentionally been left blank***]

III. Electricals and Utility

The total estimated cost towards electricals and utility for our Proposed Unit II is ₹ 8.40 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 8.40 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Total cost (₹ in million)
1	KWH meter room; VCB HT switch; HT cable and termination; heat shrinkable type end termination kit; DG set; earthing - electrical chemical earthing with 3 mtr. electrode, complete as per PSPC specifications; L.T. panel (PCC, MCC); cable; cable tray; MCB distribution boards / LT switch boards; and safety system	Ganpati Electro Controls	Multiple	July 23, 2026	July 22, 2027	-	8.40	8.40

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

Infrastructure facilities and utilities requirement

The Proposed Unit II has been planned in proximity to our Sricity Manufacturing Facility, enabling optimum utilization of available land, infrastructure, utilities, technical manpower, logistics and operational support systems. The water requirements will be sourced from tanker, ground water (with due approval of concerned government rules and regulations) and recycled water and the power requirement will be sourced from local power grid with the approval of the electricity board.

Proposed Unit III

For setting up of the Proposed Unit III, we would incur costs towards building and civil works, purchase of machinery and electricals and utility. The total estimated cost for the Proposed Unit III is ₹ 517.94 million (inclusive of GST), as estimated by our management, which has been certified by the Detailed Project Report. Of this cost, ₹ 468.68 million (including GST on which input tax credit cannot be claimed) shall be utilised from the Net Proceeds.

The detailed break-down of estimated cost of the Proposed Unit III, are set forth below:

Sr. No.	Particulars	Total estimated cost[(1)]	Amount deployed as of September 23, 2026	Amount to be utilized from Net Proceeds
1.	Building and civil work	195.02	Nil	195.02
2.	Purchase of machinery	265.27	Nil	265.27
3.	Electricals and utility	8.39	Nil	8.39
Total		**468.68**	**Nil**	**468.68**
Balance amount of the total estimated cost of Proposed Unit III to be funded from internal accruals		**49.26***		

*Notes: *The total estimated cost for the Proposed Unit III is ₹ 468.68 million, which includes basic costs of ₹ 438.94 million and non-claimable GST amounting to ₹ 29.74 million. In addition, our Company would be required to incur GST of ₹ 49.26 million in respect of which input tax credit can be claimed (**"Claimable GST"**), which is proposed to be entirely funded from internal accruals. Accordingly, the total project cost and the Claimable GST amount aggregate to ₹ 517.94 million.*

Detailed break-down of the cost of the Proposed Unit III

A further break-up of the specific estimated costs (except cost of land acquisition) of establishing the Proposed Unit III is set forth below:

I. Building and civil works

Our Company plans to construct factory building totalling up to 92,540.41 square feet as a part of the Proposed Unit III. Building and civil works for the proposed Unit III include site development and construction and engineering related work including building the foundation, flooring, boundary wall, structure, roof, doors and windows, drainage, and sewerage system.

The total estimated cost for building and civil works towards construction of Proposed Unit III is ₹ 195.02 million, inclusive of non-claimable taxes, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 195.02 million out of the Net Proceeds, towards such building and civil works.

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Unit	Rate per unit	Basic Cost (without GST) (in ₹ million
1.	Providing & Making of Shed Building with Civil work Phase 2	KGS Building Systems Private Ltd.	53,854.77	June 26, 2026	1 year	Square Feet	1,050.00	56.55
2.	Providing & Making of Mezzanine Floor Phase 2	KGS Building Systems Private Ltd.	53,854.77	June 26, 2026	1 year	Square Feet	1,050.00	56.55
3.	Providing &Making of Boundary wall in Brick Work with RCC column & Beam	KGS Building Systems Private Ltd.	28,270.00	June 26, 2026	1 year	Square Feet	325.00	9.19
4.	Providing & Making of RCC Road	KGS Building Systems Private Ltd.	40,600.00	June 26, 2026	1 year	Square Feet	335.00	13.60
5.	Providing and Laying of Sewer Line	KGS Building Systems Private Ltd.	1.00	June 26, 2026	1 year	Job Work	4,500,000.00	4.50
6.	Providing & Making of Rain Water Drain & Rain Harvesting Tank	KGS Building Systems Private Ltd.	1.00	June 26, 2026	1 year	Job Work	6,500,000.00	6.50
7.	Providing & making of Guard Room, Meter Room & Ele Room	KGS Building Systems Private Ltd.	122.84	June 26, 2026	1 year	Square Metre	23,500.00	2.88
8.	Office Interior & Furniture work	KGS Building Systems	1.00	June 26, 2026	1 year	Job Work	9,500,000.00	9.50

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Unit	Rate per unit	Basic Cost (without GST) (in ₹ million
		Private Ltd.						
9.	Underground RCC FIRE water Tank	KGS Building Systems Private Ltd.	300,000.00	June 26, 2026	1 year	Litre	20.00	6.00
Total								**165.27**
GST 18%								29.75[(1)]
Total amount								**195.02**

(1) The applicable tax is non-claimable.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above

II. Purchase of plant and machinery

The total estimated cost for procurement of machinery for Proposed Unit III is ₹ 265.27 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 265.27 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. An indicative list of machineries that is intended to be purchased, along with details of the quotations received in this respect are set forth below, which has been included in the Detailed Project Report:

[***The remainder of this page has intentionally been left blank***]

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	Integrated machine	Taizhou U Plus Smart Technology Co. Ltd	2	July 3, 2026	July 2, 2027	21,62,000.00	4.32	0.43	4.76
	Copper 2+2 Cutting Machine		3			15,62,750.00	4.69	0.47	5.16
	End forming machines		6			9,40,000.00	5.64	0.56	6.20
	Pipe Bending Machines		8			12,22,000.00	9.78	0.98	10.75
	Auto Brazing		6			19,27,000.00	11.56	1.16	12.72
	Copper Auto Drilling machine		2			15,04,000.00	3.01	0.30	3.31
	Brass Multi Spindle Union machine		3			84,60,000.00	25.38	2.54	27.92
	Brass Nut Machine		1			84,60,000.00	8.46	0.85	9.31
	Forging machine 80T		1			41,92,400.00	4.19	0.42	4.61
	Forging machine 125T		2			47,56,400.00	9.51	0.95	10.46
	Brass Drilling machine - PLC		3			7,70,800.00	2.31	0.23	2.54
	Brass Drilling machine - CNC		2			10,34,000.00	2.07	0.21	2.27
	U-Bend machine		4			12,40,800.00	4.96	0.50	5.46
	Ring Machine		4			12,69,000.00	5.08	0.51	5.58
	S-Valve Multi Spindle machines 18 Axis		1			2,83,69,200.00	28.37	2.84	31.21
	S-Valve Multi Spindle machines 14 Axis		1			2,09,80,800.00	20.98	2.10	23.08
	S-Valve Assembly Machines 2/8&3/8		2			95,51,810.00	19.10	1.91	21.01
	S-Valve Automatic cleaning Machine		2			48,31,600.00	9.66	0.97	10.63
2	brazing table size 1400mm round & 1HP motor gear box 1hp drive delta nitrogen limit switch 5 nos and all piping	SAF Engineer and Fabrication	15	August 5, 2026	August 4, 2027	85,000.00	1.28	NA	1.28
	Flat Conveyor – Conveyor Belt 600 mm Conveyor Length 5 mt and Height 900 mm 1 HP Motor and Gearbox Company Havells 1 HP Drive Delta and Double soch Station Conveyor Belt 2mm ms 2 mm Sheet and Square Pipe MS Mac Jindal 40 mm and Powder Coating all Conveyor Parts 1 year Warranty		7			70,000.00	0.49	NA	0.49
	providing and fixturing air line 2"gi pipe B class with fitting MTR		500			935.00	0.47	NA	0.47
	Leak Tank SS 304 Size 400 × 1200 × 250 Pneumatic Cylinder and Control vole & High Pressure vole Hydraulic Pipe High Pressure Tank Stand MS & One Gauge		20			45,000.00	0.90	NA	0.90

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
3	ELGi make screw compressor model EG 22-7.5 DM (30 HP), Capacity 142 CFM.	Elgi Equipments Limited (Industrial Equipment Company Private Limited)	1	June 27, 2026	June 26, 2027	-	0.89	NA	0.89
	ELGI Make Vertical Air Reciever Model Var-1000/7.5 KG		1			-		NA	
	ELGI Air Dryer Model 210 N A1		1			-		NA	
	ELGI Pre Filter		1			-		NA	
4	ELGi make screw compressor model EG 37-7.5 Capacity 255 CFM, DEMAND MATCH,Working Pressure- 7 bar Maximum pressure-8 bar	Elgi Equipments Limited (Industrial Equipment Company Private Limited)	2	June 27, 2026	June 26, 2027	-	2.05	NA	2.05
	ELGI MAKES AIR VERTICAL RECIEVER MODEL- VAR 1000/7.5 KG		2			-		NA	
	ELGI AIR DRYER MODEL AR 310		2			-			
5	320 kVA CPCB IV+ Norms Compliance with AMF Panel.	Gen Powers	1	August 3, 2026	August 2, 2027	26,50,000.00	2.65	NA	2.65
6	8458- Lathe Machine 6ft – R 10" Centre,11" Bed,80mm Bore Complete with Chuck, motor, switch	Goel Industries (India)	1	July 31, 2026	July 30, 2027	1,95,000.00	0.51	NA	0.51
	8459- vertical turret milling machine m4		1			3,15,000.00		NA	
7	Surface grinder machine Topfeed Oil type Complete with 1.5HP electric motor, starter, lubrication pump, Standard Magnetic chuck (size 8X18) and tool kit Size 9x18 topfeed Oil type	Ramanna Enterprises	2	June 26, 2026	June 25, 2027	1,85,000.00	0.37	NA	0.37
8	MC1-63 (JH21-63)	Taizhou U Plus Smart Technology Co. Ltd	1	July 12, 2026	July 11, 2027	18,70,600.00	1.87	0.19	2.06
	MC1-80 (JH21-80)		2			27,26,000.00	5.45	0.55	6.00
	MC1-110T		1			30,64,400.00	3.06	0.31	3.37
	MC1-160T		2			35,43,800.00	7.09	0.71	7.80
	MG2-315T (JM36-315)		1			1,34,89,000.00	13.49	1.35	14.84
9	Integrated machine with cutting, end forming & bending machine	Zhongshan CLG Automation Equipment Co Ltd	3	June 25, 2026	June 24, 2027	26,32,000.00	7.90	0.79	8.69
	End forming machines		2			7,05,000.00	1.41	0.14	1.55
	CNC Tube Bending machine		3			15,98,000.00	4.79	0.48	5.27
	Hole punching machine		1			15,98,000.00	1.60	0.16	1.76
10	End forming machines	Xinxiang Techstar Refrigeration Technology Co., Ltd	2	June 29, 2026	June 28, 2027	12,22,000.00	2.44	0.24	2.69
	Integrated Machine		1			18,80,000.00	1.88	0.19	2.07

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
11	FYD-30C-QHydraulicAutomaticLathe (Brass Machine)	Taizhou U Plus Smart Technology Co., Ltd	4	July 25, 2026	July 24, 2027	5,92,200.00	2.37	0.24	2.61
Total							**242.03**	**23.24**	**265.27**

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

[***The remainder of this page has intentionally been left blank***]

III. *Electricals and Utility*

The total estimated cost towards electricals and utility for our Proposed Unit III is ₹ 8.39 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 8.39 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	KWH meter room; VCB HT switch; HT cable and termination; heat shrinkable type end termination kit; DG set; earthing - electrical chemical earthing with 3 mtr. electrode, complete as per PSPC specifications; L.T. panel (PCC, MCC); cable; cable tray; MCB distribution boards / LT switch boards; and safety system	Ganpati Electro Controls	Multiple	July 23, 2026	July 22, 2027	-	8.39	NA	8.39

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

Infrastructure facilities and utilities requirement

The Proposed Unit III has been planned in proximity to our Ghiloth Manufacturing Facility, enabling optimum utilization of available land, infrastructure, utilities, technical manpower, logistics and operational support systems. The water requirements for the will be sourced from tanker, ground water (with due approval of concerned government rules and regulations) and recycled water and the power requirement will be sourced from local power grid with the approval of electricity board.

Government approvals

Proposed Unit I

For the Proposed Unit I, our Company has taken and will take certain approvals, the details of which are set forth below:

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Approvals before and during Construction					
Consent to establish	Before construction	Environmental Engineer, u/s 25 of Water (Prevention & Control of Pollution) Act, 1974 and u/s 21 of Air (Prevention & Control of Pollution) Act, 1981	August 31, 2026	August 30, 2027	Obtained

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Right to business	Before construction	Deputy commissioner, Under section 10(1) and (2) of the Punjab right to business Act, 2020	August 6, 2026	February 5, 2030	Obtained
Power connection and sanction	During construction	PSPCL (SDO/Sr. Xen/SE-DS as per load), under Electricity Act, 2003 and PSERC (Electricity Supply Code) Regulations, 2014 (as amended)	-	-	To be applied at the relevant stage
Water connection and NOC	During construction	Punjab Water Regulation and Development Authority, Punjab Groundwater Extraction and Conservation Directions, 2023	-	-	To be applied at the relevant stage
Approvals post construction before operation					
Consent to operate	Post construction	Environmental Engineer, Punjab Pollution Control Board, under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and section 25 of the Water (Prevention & Control of Pollution) Act, 1974	-	-	To be applied at the relevant stage
Factory license	Post construction	Directorate of Factories, Punjab, Department of Labour, Government of Punjab	-	-	To be applied at the relevant stage
Fire NOC	Post construction	Punjab Fire Services, fire prevention and fire safety requirements of the National Building Code, Punjab Fire and Emergency Service Act, 2024	-	-	To be applied at the relevant stage
ESIC Registration	Post construction	Assistant/Deputy Director, ESI Act, 1948	-	-	To be applied at the relevant stage
Approval of electrical installation certificate	Post construction	Assistant Director, CEA (Measures relating to Safety and Electric Supply) Regulations, 2023	-	-	To be applied at the relevant stage
Certificate for hazardous waste authorization	Post construction	Environmental Engineer, Punjab Pollution Control Board, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016	-	-	To be applied at the relevant stage
Employee provident fund	Post construction	Sub-regional office, Bathinda, Employees' Provident Funds and Miscellaneous Provisions Act, 1952	-	-	To be applied at the relevant stage

Proposed Unit II

For the Proposed Unit II, our Company has taken and will take certain approvals, the details of which are set forth below:

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Approvals before and during Construction					
Consent to establish	Before construction	Environmental Engineer, Sec.25 of Water (Prevention & Control of Pollution) Act, 1974 and under Sec.21 of Air (Prevention & Control of Pollution) Act, 1981	August 11, 2026	August 10, 2033	Obtained

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Provisional Fire NOC	Before construction	Director of Fire services, Andhra Pradesh State Disaster Response and Fire Services Department, Govt. of Andhra Pradesh	June 17, 2026	NA	Obtained
Power connection and sanction	During construction	APSPDCL (Superintending Engineer), under Electricity Act, 2003 and APERC Supply Code/GTCS	-	-	To be applied at the relevant stage
Water connection and NOC	During construction	District Ground Water Officer, Groundwater and Water Audit Department, Tirupati, the Andhra Pradesh Water, Land and Trees Act, 2002	-	-	To be applied at the relevant stage
Approvals post construction before operation					
Consent to operate	Post construction	Environmental Engineer, Andhra Pradesh Pollution Control Board, under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and section 21 of the Air (Prevention & Control of Pollution) Act, 1981	-	-	To be applied at the relevant stage
Factory license	Post construction	Deputy Chief Inspector of Factories, the Factories Act, 1948	-	-	To be applied at the relevant stage
Fire NOC	Post construction	Andhra Pradesh State Disaster Response and Fire Services Department, fire prevention and fire safety requirements of the National Building Code	-	-	To be applied at the relevant stage
ESIC Registration	Post construction	Assistant/Deputy Director, ESI Act, 1948	-	-	To be applied at the relevant stage
Approval of electrical installation certificate	Post construction	Deputy Chief Electrical Inspector, under regulation 34/45 of the CEA (Measures relating to Safety and Electric Supply) Regulations, 2023	-	-	To be applied at the relevant stage
Certificate for hazardous waste authorization	Post construction	Environmental Engineer, Andhra Pradesh pollution control board, Section 25 of the Water (Prevention & Control of pollution) Act, 1974 and Under section 21 of the Air (Prevention & control of pollution) Act, 1981	-	-	To be applied at the relevant stage
Employee provident fund	Post construction	Sub-regional office, Kadapa, Employees' Provident Funds and Miscellaneous Provisions Act, 1952	-	-	To be applied at the relevant stage

Proposed Unit III

For the Proposed Unit III, our Company has taken and will take certain approvals, the details of which are set forth below:

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Approvals before and during Construction					

Approval description	Approval stage	Approving authority and department/ Applicable provision of law	Date of issue	Validity period	Present stage
Consent to establish	Before construction	Environmental Engineer, Andhra Pradesh pollution control board, Section 25 of the Water (Prevention & Control of pollution) Act, 1974 and Under section 21 of the Air (Prevention & control of pollution) Act, 1981	August 6, 2026	July 31, 2031	Obtained
Building plan approval	Before construction	Regional Manager, Rajasthan State Industrial Development & Investment Corporation	September 14, 2026	-	Obtained
Power connection and sanction	During construction	VVNL/JVVNL (concerned SE/XEN), under Electricity Act, 2003 and RERC (Electricity Supply Code) Regulations	-	-	To be applied at the relevant stage
Water connection and NOC	During construction	Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority	-	-	To be applied at the relevant stage
Approvals post construction before operation					
Consent to operate	Post construction	Rajasthan State Pollution Control Board, under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and section 21 of the Air (Prevention & Control of Pollution) Act, 1981	-	-	To be applied at the relevant stage
Factory license	Post construction	Chief Inspector of Factories and Boilers, the Factories Act, 1948	-	-	To be applied at the relevant stage
Fire NOC	Post construction	DC/EO/Commissioner, Municipal Council, Behror, under the Rajasthan Municipal Act, 2009	-	-	To be applied at the relevant stage
ESIC Registration	Post construction	Assistant/Deputy Director, ESI Act, 1948	-	-	To be applied at the relevant stage
Approval of electrical installation certificate	Post construction	Assistant Electrical Inspector, Office of the Electrical Inspectorate, under regulation 34/45 of the CEA (Measures relating to Safety and Electric Supply) Regulations, 2023	-	-	To be applied at the relevant stage
Certificate for hazardous waste authorization	Post construction	Regional Officer, Kotputli-Behror, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016	-	-	To be applied at the relevant stage
Employee provident fund	Post construction	Regional Office, Jaipur, Employees' Provident Funds and Miscellaneous Provisions Act, 1952	-	-	To be applied at the relevant stage

We will apply for all necessary approvals that we may require at the relevant stages in due course, as and when applicable. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or vary, subject to timelines. For further details, please see "***Risk Factors – Our proposed utilization of the Net Proceeds for funding the capital expenditure requirements towards the Proposed Projects, funding the capital expenditure requirements towards purchase of machinery and equipment, working capital requirements and general corporate purposes involves uncertainties and risks, and any delay or variation in implementation or deployment of funds may adversely affect our business, financial condition and results of operations***" on page 47.

Other confirmations

Our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management do not have any interest in the vendors from whom our Company has obtained quotations in relation to the proposed funding of capital expenditure.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

2. ***Funding the capital expenditure towards purchase of new machinery and equipment at our existing Manufacturing Facilities.***

In line with our continued focus on strategic growth opportunities, our Company proposes to utilise a portion of the Net Proceeds, amounting to ₹ 145.27 million, for purchasing and setting up of new machinery at our existing Manufacturing Facilities. For further details, please see, "***Our Business – Our Growth Strategies – Expansion of manufacturing capabilities by setting up 3 new manufacturing facilities in proximity to industry players and increasing capacities in our existing Manufacturing Facilities which will also help us tap the untapped markets and target new customers***" on page 302.

Our Board in its meeting dated September 23, 2026 approved an amount of ₹ 145.27 million for the purpose of funding the proposed expenditure as stated herein above from the Net Proceeds. Our Company has received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for purchase of manufacturing equipment and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. For further details see, "***Risk Factors – A significant portion of the plant and machinery proposed to be acquired from the Net Proceeds is yet to be ordered, and any delay in placing such orders or procuring and commissioning such plant and machinery may adversely affect our business, results of operations and financial condition***" on page 48. No second hand or used equipment are proposed to be purchased out of the Net Proceeds.

Our total estimated cost of purchase of equipment as per the quotations received from various vendors is ₹ 145.27 million, and we intend to utilise ₹ 145.27 million out of the Net Proceeds for the purchase of manufacturing equipment, and the remaining expenses including freight, commissioning etc., if any, shall be met from our internal accruals.

The estimated costs may increase or decrease depending on the revised commercial terms, rate of inflation or other macro-economic factors, amongst others. In the event of any increased estimated cost, such additional cost shall be funded entirely through internal accruals.

Methodology for computation

Our estimated costs are based on (i) a certificate dated September 23, 2026 from SCV & Co., LLP, Chartered Accountants for the purpose of certifying the expenditure requirements; and (ii) quotations received from certain contractors or vendors:

(a) Ghiloth Manufacturing Facility

(i) Plant and Machinery

The total estimated cost for procurement of plant and machinery for our Ghiloth Manufacturing Facility is ₹ 3.41 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 3.41 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. As on the date of this Draft Red Herring Prospectus, orders for procurement of such plant and machinery are yet to be placed. The machinery that is intended to be purchased, along with details of the quotation received in this respect, are set forth below, which has been included in the Detailed Project Report:

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in	Custom duty @ 10% (₹ in	Total cost (₹ in million)

							million)	million)	
1	VMC Tool room	Taizhou U Plus Smart Technology Co. Ltd	1	July 3, 2026	July 2, 2027	3,102,000	3.10	0.31	3.41

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

(ii) Electricals and Utility

The total estimated cost towards electricals and utility for our Ghiloth Manufacturing Facility is ₹ 17.76 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 17.76 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Total cost (₹ in million)
1	Supply of 500.34 Kwp solar on-grid power plant	Alpha Power	500.34 KW	August 1, 2026	July 31, 2027	35,500.00	17.76	17.76

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

Accordingly, the total capital expenditure for our Ghiloth Manufacturing Facility which will be funded out of the Net Proceeds is ₹ 21.17 million (exclusive of GST) and includes ₹ 3.41 million towards plant and machinery and ₹ 17.76 million towards electricals and utility.

(b) Noida Manufacturing Facility

The total estimated cost for procurement of plant and machinery for our Noida Manufacturing Facility is ₹ 52.99 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 52.99 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. As on the date of this Draft Red Herring Prospectus, orders for procurement of such plant and machinery are yet to be placed. An indicative list of machinery that is intended to be purchased, along with details of the quotations received in this respect, are set forth below, which has been included in the Detailed Project Report:

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	Integrated machine	Taizhou U Plus Smart Technology Co. Ltd	2	June 30, 2026	June 29, 2027	2,162,000	4.32	0.43	4.76
	Copper 2+2 Cutting Machine		2			1,562,750	3.13	0.31	3.44
	End forming machines		4			940,000	3.76	0.38	4.14
	Pipe Bending Machines		4			1,222,000	4.89	0.49	5.38
	Auto Brazing		4			1,927,000	7.71	0.77	8.48
	Copper Auto Drilling machine		1			1,504,000	1.50	0.15	1.65
	VMC Tool room		1			3,102,000	3.10	0.31	3.41
	Steel cutting machine		2			968,200	1.94	0.19	2.13

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
	Soldering machine		2			1,814,200	3.63	0.36	3.99
2	Integrated machine with cutting, end forming & bending machine	Zhongshan CLG Automation Equipment Co. Ltd	2	June 25, 2026	June 24, 2027	2,632,000	5.26	0.53	5.79
	End forming machine		2			705,000	1.41	0.14	1.55
	CNC Tube Bending machine		1			1,598,000	1.60	0.16	1.76
	Hole punching machine		1			1,598,000	1.60	0.16	1.76
3	End forming machines	Xinxiang Techstar Refrigeration Technology Co. Ltd	2	June 29, 2026	June 28, 2027	1,222,000	2.44	0.24	2.68
	Integrated Machine		1			1,880,000	1.88	0.19	2.07
Total									52.99

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

(c) Punjab Manufacturing Facility Unit I

The total estimated cost for procurement of plant and machinery for our Punjab Manufacturing Facility Unit I is ₹ 32.53 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 32.53 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. As on the date of this Draft Red Herring Prospectus, orders for procurement of such plant and machinery are yet to be placed. An indicative list of machinery that is intended to be purchased, along with details of the quotations received in this respect, are set forth below, which has been included in the Detailed Project Report:

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	Brass Multi Spindle Union machine	Taizhou U Plus Smart Technology Co. Ltd	2	June 24, 2026	June 23, 2027	8,460,000	16.92	1.69	18.61
	Brass Nut Machine		1			8,460,000	8.46	0.85	9.31
	Forging machine 80T		1			4,192,400	4.19	0.42	4.61
Total									32.53

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

(d) Punjab Manufacturing Facility Unit II

(i) Plant and Machinery

The total estimated cost for procurement of plant and machinery for our Punjab Manufacturing Facility Unit II is ₹ 19.08 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 19.08 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. As on the date of this Draft Red Herring Prospectus, orders for procurement of such plant and machinery are yet to be placed. An indicative list of machinery that is intended to be purchased, along with details of the quotations received in this respect, are set forth below, which has been included in the Detailed Project Report:

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	Integrated machine	Taizhou U Plus Smart Technology Co. Ltd	1	June 24, 2026	June 23, 2027	2,162,000	2.16	0.22	2.38
	Copper 2+2 Cutting Machine		1			1,562,750	1.56	0.16	1.72
	End forming machines		2			940,000	1.88	0.19	2.07
	Pipe Bending Machines		2			1,222,000	2.44	0.24	2.68
	Auto Brazing		2			1,927,000	3.85	0.39	4.24
2	Integrated machine with cutting, end forming & bending machine	Zhongshan CLG Automation Equipment Co. Ltd	1	June 25, 2026	June 24, 2027	2,632,000	2.63	0.26	2.89
	CNC Tube Bending machine		1			1,598,000	1.60	0.16	1.76
3	End forming machine	Xinxiang Techstar Refrigeration Technology Co. Ltd	1	June 29, 2026	June 28, 2027	1,222,000	1.22	0.12	1.34
Total									19.08

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

(ii) Electricals and Utility

The total estimated cost towards electricals and utility for our Punjab Manufacturing Facility Unit II is ₹ 4.11 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 4.11 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Total cost (₹ in million)
1	Supply of 114.08 Kwp solar on-grid power plant	Alpha Power	114.08 KW	August 1, 2026	July 31, 2027	36,000.00	4.11	4.11

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

Accordingly, the total capital expenditure for our Punjab Manufacturing Facility Unit II which will be funded out of the Net Proceeds is ₹ 23.19 million (exclusive of GST) and includes ₹ 19.08 million towards plant and machinery and ₹ 4.11 million towards electricals and utility.

(e) Sricity Manufacturing Facility

(i) Plant and Machinery

The total estimated cost for procurement of plant and machinery for our Sricity Manufacturing Facility is ₹ 7.88 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 7.88 million (exclusive of claimable GST) out of the Net Proceeds, towards such procurement and installation of machinery. As on the date of this Draft Red Herring Prospectus, orders for procurement of such plant and machinery are yet to be placed. An indicative list of machinery that is intended to be purchased, along with details of the quotations received in this respect, are set forth below, which has been included in the Detailed Project Report:

Sr. No.	Description	Vendor Name	Required Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Custom duty @ 10% (₹ in million)	Total cost (₹ in million)
1	VMC Tool room	Taizhou U Plus Smart Technology Co. Ltd	1	June 27, 2026	June 26, 2027	3,102,000	3.10	0.31	3.41
	Brass Drilling machine - PLC		3			770,800	2.31	0.23	2.54
	Brass Drilling machine - CNC		1			1,034,000	1.03	0.10	1.13
2	brazing table size 1400mm round & 1HP motor gear box 1hp drive delta nitrogen limit switch 5 nos and all piping	SAF Engineer and Fabrication	5	August 5, 2026	August 4, 2027	85,000	0.43	NA	0.43
	Flat Conveyor – Conveyor Belt 600 mm Conveyor Length 5 mt and Height 900 mm 1 HP Motor and Gearbox Company Havells 1 HP Drive Delta and Double soch Station Conveyor Belt 2mm ms 2 mm Sheet and Square Pipe MS Mac Jindal 40 mm and Powder Coating all Conveyor Parts 1 year Warranty		2			70,000	0.14	NA	0.14
	Leak Tank SS 304 Size 400 × 1200 × 250 Pneumatic Cylinder and Control vole & High Pressure vole Hydraulic Pipe High Pressure Tank Stand MS & One Gauge		5			45,000	0.23	NA	0.23
Total									7.88

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.
Figures have been rounded off to two decimal places and accordingly, the total may not correspond to the arithmetic aggregate of the figures set out above.

(ii) Electricals and Utility

The total estimated cost towards electricals and utility for our Sricity Manufacturing Facility is ₹ 7.51 million, exclusive of GST, as applicable, as per the Detailed Project Report. We propose to utilise an amount of ₹ 7.51 million (exclusive of GST) out of the Net Proceeds, towards such installation of electricals and utility. As on the date of this Draft Red Herring Prospectus, orders for such electricals are yet to be placed. The details of the quotation received in this respect are set forth below:

Sr. No.	Description	Vendor Name	Quantity	Date of the quotation	Quotation Validity	Rate per unit (₹)	Basic cost (without GST) (₹ in million)	Total cost (₹ in million)
1	Supply of 200.26 Kwp solar on-grid power plant	Alpha Power	200.26 KW	August 1, 2026	July 31, 2027	37,500.00	7.51	7.51

Notes: Installation, freight cost, commission charges shall be managed from internal accruals.

Accordingly, the total capital expenditure for our Sricity Manufacturing Facility Unit II which will be funded out of the Net Proceeds is ₹ 15.39 million (exclusive of GST) and includes ₹ 7.88 million towards plant and machinery and ₹ 7.51 million towards electricals and utility.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus.

The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment at any of our Manufacturing Facilities, according to the business requirements of such facilities and based on the estimates of our management.

Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

As on the date of this Draft Red Herring Prospectus, our Company has not deployed any fund towards such capital expenditure.

Our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management and do not have any interest in the proposed purchase of machinery and equipment or in the entities from which we have obtained quotations in relation to such proposed purchase.

3. *Funding the working capital requirements of our Company*

The working capital requirements of our Company are driven by multiple factors, which *inter alia* includes increase in production capacity pursuant to new units being set up and increase in capacities of the existing facilities, growth in sales and scale of operations, increase in inventory levels and trade receivables. In the ordinary course of business, our Company funds its working capital requirements primarily through internal accruals and through fund-based and non-fund-based credit facilities availed from various banks.

As at July 31, 2026, our Company had aggregate sanctioned working capital facilities of ₹1,460.00 million, comprising fund-based limits of ₹ 805.00 million and non-fund-based limits (including bank guarantees and letters of credit) of 655.00 million. Our Company proposes to utilize ₹ 600.00 million from the Net Proceeds towards funding its working capital requirements. For further details, see "***Restated Financial Information***" and "***Financial Indebtedness***" beginning on pages 368 and 458, respectively.

Our Company requires additional working capital for funding future growth requirements of our Company and for other corporate purposes. The existing sanctioned working capital limits of our Company shall continue to be available to our Company for funding the working capital requirements of our existing operations. In addition to utilising internal accruals, the working capital proposed to be funded from the Net Proceeds is intended to address incremental requirements arising from the projected scale-up of our business. For further details in relation to risks associated with the use of the Net Proceeds for funding the working capital requirements of our Company, see "***Risk Factors – Our business requires significant working capital for our operations, and any inability to meet our working capital requirements may adversely affect our business, financial condition, cash flows and results of operations***" and "***Risk Factors – Our proposed utilization of the Net Proceeds for funding the capital expenditure requirements towards the Proposed Projects, funding the capital expenditure requirements towards purchase of machinery and equipment, working capital requirements and general corporate purposes involves uncertainties and risks, and any delay or variation in implementation or deployment of funds may adversely affect our business, financial condition and results of operations***" on pages 29 and 47, respectively.

Basis of estimation of working capital requirements

The details of our Company's working capital as at and for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, derived from the audit financial statements of our Company, and source of funding of the same are provided in the table below:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
	(₹ in million)		
Current assets			
Inventories	1,700.24	682.34	306.98
Trade receivables	1,061.51	712.82	601.16
Other current financial assets	13.73	4.93	4.23
Other current assets	115.64	13.42	23.84
Total current assets (A)	**2,891.12**	**1,413.51**	**936.21**
Current liabilities			
Trade payables	1,180.04	561.89	640.77
Other current financial liabilities	54.02	42.39	30.39
Other current liabilities	24.58	76.67	22.37
Total current liabilities (B)	**1,258.64**	**680.95**	**693.53**
Total working capital requirements (A-B)	**1,632.48**	**732.56**	**242.68**
Funding patterns			
Short term borrowings	1,160.33	414.30	169.05
Equity and Internal accruals	472.15	318.26	73.63
Total	**1,632.48**	**732.56**	**242.68**

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026

Estimated working capital requirements

We propose to utilise ₹ 400.00 million and ₹ 200.00 million of the Net Proceeds in the financial year ended March 31, 2028 and March 31, 2029, respectively, towards our working capital requirements. On the basis of our existing working capital requirements and the increase in capacities pursuant to setting up of new manufacturing facilities and expansion of existing Manufacturing Facilities, management estimates the projected working capital requirements, our Board, pursuant to their resolution dated September 23, 2026, has approved the incremental working capital requirements for the financial year ended March 31, 2027, March 31, 2028 and March 31, 2029, respectively.

The proposed funding of such working capital requirements is as stated below:

Particulars	As at March 31, 2027	As at March 31, 2028	As at March 31, 2029
	(Estimated)		
	(₹ in million)		
Current assets			
Inventories	1,735.00	2,220.00	2,600.00
Trade receivables	1,275.00	1,725.00	2,200.00
Other current financial assets	17.00	22.00	30.00
Other current assets	140.00	180.00	240.00
Total current assets (A)	**3,167.00**	**4,147.00**	**5,070.00**
Current liabilities			
Trade payables	1,090.00	1,430.00	1,625.00
Other current financial liabilities	70.00	90.00	120.00
Other current liabilities	70.00	90.00	120.00
Total current liabilities (B)	**1,230.00**	**1,610.00**	**1,865.00**

Particulars	As at March 31, 2027	As at March 31, 2028	As at March 31, 2029
	(Estimated)		
	(₹ in million)		
Total working capital requirements (A-B)	**1,937.00**	**2,537.00**	**3,205.00**
Funding patterns			
Short term borrowings	1,135.00	1,135.00	1,135.00
Equity and Internal accruals	802.00	1,002.00	1,470.00
Working capital to be funded from short-term borrowings and equity and internal accruals	**1,937.00**	**2,137.00**	**2,605.00**
Amount proposed to be utilized from Net Proceeds*	**-^**	**400.00**	**600.00**

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026
** This is a cumulative usage of the Net Proceeds of the Fresh Issue*
^Our working capital requirements for Fiscal 2027 will be funded from the short-term borrowings as well as equity and internal accruals.

Key assumptions and justifications for funding the incremental working capital requirements

The details of the working capital holding levels for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024, each as derived from our audit financial statements and the estimated working capital holding levels as projected for the financial year ended March 31, 2028, and March 31, 2029, pursuant to the resolution of our Board dated September 23, 2026 are as under:

Particulars	Actual working capital holding levels (represented in terms of days of sales)		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Current Assets			
Inventories' average holding period	116	50	51
Trade receivables' average credit period	61	50	86
Other current financial assets as % to revenue	0.26	0.10	0.18
Other current assets as % to revenue	2.20	0.28	0.99
Current Liabilities			
Trade payables' average credit period	85	61	122
Other current financial liabilities as % to revenue	1.03	0.88	1.27
Other current liabilities as % to revenue	0.47	1.59	0.93

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026

Particulars	Estimated working capital levels (represented in terms of days of sales)		
	Fiscal 2027	Fiscal 2028	Fiscal 2029
Current Assets			
Inventories' average holding period	121	107	98
Trade receivables' average credit period	61	61	60
Other current financial assets as % to revenue	0.24	0.24	0.25
Other current assets as % to revenue	2.00	2.00	2.00
Current Liabilities			
Trade payables' average credit period	80	68	62
Other current financial liabilities as % to revenue	1.00	1.00	1.00
Other current liabilities as % to revenue	1.00	1.00	1.00

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.

The table below sets forth the key justifications for holding levels:

Particulars	Details
Inventories	Inventories' average holding period stood at around 50 days during Fiscal 2024, Fiscal 2025 and around 116 days during Fiscal 2026. Going forward, the Company expects the inventories' average holding period at around similar range of 100 to 120 days
Trade receivables	Trade receivables' average credit period stood at around 86 days during fiscal 2024, 50 days during Fiscal 2025 and around 61 days during Fiscal 2026. Going forward, the Company expects the trade receivables' average credit period at around same level as per Fiscal 2026 i.e. around 60 days.

Other current financial assets	Other current financial assets as % to revenue stood at around 0.18%, 0.10% and 0.26% during Fiscal 2024, Fiscal 2025 and Fiscal 2026 respectively. Going forward, the Company expects the same at around the same range of approximately 0.25%.
Other current assets	Other current assets as % to revenue stood at around 0.99%, 0.28% and 2.20% during Fiscal 2024, Fiscal 2025 and Fiscal 2026 respectively. Going forward, the Company expects the same range of approximately 2.00%.
Trade payables	Trade payables' average credit period stood at around 122 days during Fiscal 2024, 61 days during fiscal 2025 which again increased to around 85 days during fiscal 2026 due to internal accruals used for investment in property plant and equipment. Going forward, the company expects the trade payables' average credit period of around 80 days during fiscal 2027 and between 60 and 70 days during fiscal 2028 and fiscal 2029.
Other current financial liabilities	Other current financial liabilities as % to revenue stood at around 1.27%, 0.88% and 1.03% during Fiscal 2024, Fiscal 2025 and Fiscal 2026 respectively. Going forward, the Company expects the same range of approximately 1.00%.
Other current liabilities	Other current liabilities as % to revenue stood at around 0.93%, 1.59% and 0.47% during Fiscal 2024, Fiscal 2025 and Fiscal 2026 respectively. Going forward, the Company expects the same range of approximately 1.00%.

For further details, please see "***Risk Factors – Our proposed utilization of the Net Proceeds for funding the capital expenditure requirements towards the Proposed Projects, funding the capital expenditure requirements towards purchase of machinery and equipment, working capital requirements and general corporate purposes involves uncertainties and risks, and any delay or variation in implementation or deployment of funds may adversely affect our business, financial condition and results of operations***" on page 47.

4. General corporate purposes.

The Net Proceeds will first be utilized towards the Objects, as set out above. Subject to this, our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our Board will have flexibility in utilizing the balance Net Proceeds towards general corporate purposes, including but not limited to maintenance of plant and machineries, strategic initiatives, partnership and joint ventures, brand building exercises and business, meeting any expense of our Company, including administration, insurance, marketing, repairs and maintenance, payment of taxes and duties, and expenses incurred in the ordinary course of business and towards any exigencies, repayment of loans and any other purpose, other than the Objects as specified above, as may be finalized by our management in accordance with applicable laws.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any. In addition to the above, our Company may utilise the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount in the subsequent Fiscals.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any, which are not applied to the other purposes set out above.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

The Offer related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the Book Running Lead Manager, legal counsels, Registrar to the Offer, Escrow Collection Bank, Public Offer Account Bank, Refund Bank and Sponsor Banks including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue and audit fees (unrelated to the Offer), which shall be solely borne by the Company, all costs, charges, fees and expenses, including GST and all other applicable taxes imposed by any Governmental Authority, associated with and incurred with respect to the Offer, including but not limited to offer advertising, printing, research expenses, road show expenses, accommodation and travel expenses, stamp duty, transfer, issuance, documentary, registration, costs for execution and enforcement of this Agreement, and other Offer related agreements, Registrar's fees, fees to be paid to the Book Running Lead Manager, fees and expenses of legal counsels to the Company and the Book Running Lead Manager, fees and expenses of the auditors, fees to be paid to Sponsor Bank, SCSBs (processing fees and selling commission), brokerage and commission for Syndicate Members, commission to Registered Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors, regulatory fees, fees to intermediaries and third parties, shall be borne by the Company and each of the Selling Shareholders in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale and shall be paid within the time prescribed under the agreements to be entered into with such persons and in accordance with applicable law.

All expenses, in relation to the Offer, shall be paid by the Company in the first instance. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, each of the Selling Shareholders shall reimburse the Company for any expenses in relation to the Offer paid by the Company on behalf of the Selling Shareholders directly from the Public Offer Account except as may be prescribed by the SEBI or any other regulatory authority, in proportion to the Equity Shares offered in the Offer by each Selling Shareholder.

It is clarified that, if the Offer is withdrawn or not completed for any reason whatsoever, the Company and the Selling Shareholders shall bear the Offer related expenses on a pro-rata basis, in proportion to the Equity Shares issued and allotted by the Company in the Fresh Issue and the Offered Shares sold by each of the Selling Shareholders in the Offer for Sale. The BRLM and legal counsel shall be entitled to receive fees and reimbursement for expenses which may have accrued to them up to the date of such postponement, withdrawal, abandonment or failure, as set out in their fee letter, and will not be liable to refund the monies already received by them.

All amounts payable to the Book Running Lead Manager in accordance with the terms of the fee letter and the Offer Agreement shall be payable immediately upon listing and commencement of trading pursuant to the Offer, in the manner to be set out in the Offer Documents as well as in a cash escrow agreement to be entered into for this purpose.

The estimated Offer related expenses are set out below.

Activity	**Estimated expenses# (in ₹ million)**	**As a % of the total estimated Offer related expenses**	**As a % of the total Offer size**
BRLM' fees and commissions (including underwriting commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Banks and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding/uploading charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2)(3)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Other expenses:	[●]	[●]	[●]
(i) Listing fees, SEBI filing fees, upload fees, Stock Exchanges processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii) Printing and stationery expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsel	[●]	[●]	[●]
(v) Fees payable to the Monitoring Agency	[●]	[●]	[●]
(vi) Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

\# *Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted* (plus applicable taxes)*

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(2) No processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them. Processing fees payable to the SCSBs on the portion for Non-Institutional Investors which are procured by the Members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB (including 3-in-1 type accounts – linked online trading, demat and bank account) for blocking, would be as follows:

*Portion for RIIs**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹ [●] per valid application (plus applicable taxes)*

* *The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(3) The Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

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

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Selling commission on the portion for Retail Individual Investors(using UPI Mechanism), Non-Institutional Investors which are procured by Members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are Members of the Syndicate (including their sub-Syndicate Members) would be as follows:

*Portion for UPI Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

The selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

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

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI RTA Master Circular (to the extent applicable).

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Interim use of the Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, or the necessary duration, wherein no lien of any nature shall be created on the funds. Such investment as may be approved by our Board from time to time. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Appraising entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or financial institutions. For further details, see "***Risk Factor – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency***" on page 48.

Bridge financing facilities

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

Monitoring of utilisation of funds

Our Company will appoint a monitoring agency to monitor utilisation of the Gross Proceeds, including the proceeds proposed to be utilised towards general corporate purposes, prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilisation of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilisation of the Gross proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly results.

Pursuant to Regulation 32(3) and Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement prepared on an annual basis for utilisation of the Gross Proceeds shall be certified by the Statutory Auditors of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects. This information will also be published on our website.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules and regulations, including and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, our Company shall not vary the Objects, without our Company being authorised to do so by its Shareholders by way of a special resolution and our Company shall include the requisite explanation in the director's report in relation to such variation. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details and be published in accordance with the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Punjabi, Punjabi being the regional language of Punjab, where our Registered and Corporate Office is situated. Pursuant to the Companies Act, the Promoters, as at the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the provisions of the Companies Act and the SEBI ICDR Regulations.

Other confirmations

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Company, Key Managerial Personnel or Senior Management. Our Company has not entered into, and is not planning to enter into, any arrangements/ agreements with our Promoters, members of the Promoter Group, Directors, Group Company, Key Managerial Personnel or Senior Management in relation to the utilisation of the Net Proceeds of the Offer. Further, there is no existing or anticipated transaction with Promoters, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management or our Group Company in relation to the utilisation of the Net Proceeds.

Further, pursuant to the Offer, the Net Proceeds received by our Company shall only be utilised for Objects identified by our Company and for general corporate purposes.

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares of face value of ₹ 5 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price. The Cap Price shall be minimum 105% of the Floor Price and shall not exceed 120% of the Floor Price. Bidders should also see "***Risk Factors***", "***Our Business***", "***Restated Financial Information***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 23, 293, 368 and 428, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

1. ***Established position as a pre-qualified supplier to leading ODMs in an industry with high entry barriers***

   - The HVAC component industry presents significant barriers to entry, primarily due to stringent pre-qualification requirements imposed by OEMs and ODMs during their vendor selection and procurement processes. (*Source: CARE Report*)

   - We have manufactured and supplied HVAC components since 2008 and, as on July 31, 2026, offered 1,697 SKUs across our four business verticals, being (i) IDU components; (ii) ODU components; (iii) other HVAC components; and (iv) refrigeration components.

   - We have completed the technical approval, testing and quality control processes of several leading domestic and global ODMs, and we also hold ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities.

2. ***We are one of the leading manufacturers in a growing HVAC components industry in India, with supply relationships with eight of the top ten HVAC manufacturers in the country***

   - We are one of the leading manufacturers and supplier of heating, ventilation, and air conditioning (HVAC) components in India based on the 15% share on our TAM as of FY26. (*Source: CARE Report*) The Indian air-conditioner market volume is estimated at approximately 16.7 million units in FY30, based on 12.8 million units in FY27 growing at a CAGR of 9.3%. (*Source: CARE Report*)

   - We manufacture and supply a comprehensive range of brass and copper HVAC components across four business verticals, namely, (i) IDU components, such as U-bends, evaporator inlet and outlet tubes, and sockets; (ii) ODU components, such as suction tubes, condenser inlet and outlet tubes, C-bends and discharge tubes; (iii) other HVAC components, such as brass flare nuts and dead nuts; and (iv) refrigeration components, such as refrigeration lines.

   - We serve eight of the top ten HVAC manufacturers in the country (*Source: CARE Report*).

   - Our presence across multiple product verticals and price points has enabled us to be one of the fastest-growing manufacturers and suppliers of HVAC components in India among the peers considered, based on EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26 (*Source: CARE Report*).

3. ***Majority of our Manufacturing Facilities are strategically located with close proximity to our customers and stringent quality control***

   - Proximity of component manufacturers to OEM production facilities has emerged as a key structural driver for the industry. (*Source: CARE Report*) Locating component plants near OEM manufacturing hubs enables faster turnaround times, lower logistics costs, reduced inventory requirements, and improved supply-chain coordination. (*Source: CARE Report*) This geographic clustering supports just-in-time delivery models, enhances quality control through closer collaboration, and allows suppliers to respond quickly to design changes or demand fluctuations. (*Source: CARE Report*)

- As on the date of this Draft Red Herring Prospectus, we operate five Manufacturing Facilities located in Punjab, Uttar Pradesh, Rajasthan and Andhra Pradesh, and as on July 31, 2026, we had 773 employees.

- Majority of our Manufacturing Facilities are located in close proximity to manufacturing facilities of certain customers and other manufacturers in the HVAC and related industries, and we believe that this enables us to maintain shorter turnaround times and higher service levels for our customers.

4. ***Comprehensive product portfolio across various product verticals and price points, supported by our NPD capabilities and customer-focused product development***

- Our ability to offer a broad spectrum of products allows us to meet varied customer requirements. Our diverse product range offers tailored solutions that match the unique needs of consumers, providing greater flexibility and choice and further strengthens our market proposition.

- Each of our Manufacturing Facilities houses NPD functions, which are supported by a dedicated team of 12 personnel, comprising 11 on-roll employees and one contractual employee, as on July 31, 2026.

- The NPD team acts as the bridge between the customer's technical requirements and our Company's manufacturing capabilities ensuring that every new component is properly designed, validated, rested and approved before entering mass production.

5. ***Established and long-standing relationship with marquee customers across the organised HVAC industry***

- With over 17 years of operations, we cater to a diversified client base which includes large ODMs manufacturing air conditioners with various specifications, across a range of energy ratings and types of refrigerants.

- We serve a marquee customer base and have long standing relationships with several of our key customers, including various well established domestic and global ODMs, such as Daikin Airconditioning India Private Limited, Amber Enterprises India Limited, KRN Heat Exchanger and Refrigeration Limited, EPack Durable Limited, and Panasonic Life Solutions India Private Limited.

- Our commitment to delivering high-quality products is reflected in the numerous accreditations and certifications we have earned, ensuring adherence to global standards. We have obtained various certifications including ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities.

- Further, our customers also have exacting quality standards and adhering to such standards is a pre-requisite for us to be able to obtain repeat orders from such customers, owing to which, 10 customers have undertaken 108 audits and have approved our Manufacturing Facilities and processes in the past three Fiscals.

6. ***Experienced Promoters and senior management team with domain expertise supported by a well-trained and skilled workforce***

- We are led by an experienced management team that has the expertise and vision to manage and grow our business. Our business traces its origin to 2008, and we are today a second-generation promoter family-led business, with our Promoters having over 54 years of collective experience in the manufacture of HVAC and refrigeration components.

- Our Board of Directors also includes non-executive Directors, including independent directors, with experience across areas including engineering, marketing and finance.

- We have a well-qualified senior management team with experience in the HVAC components industry, which positions us to pursue future growth opportunities.

7. ***Track record of healthy financial performance with margin expansion driven by operating leverage***

- Our continued focus on efficiency and productivity has enabled us to deliver consistent financial performance. We have established a track record of consistent revenue growth, profitability and high return ratios.

- The table below sets forth some of key financial information and ratios for the periods mentioned:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations(1)	₹ in million	5,267.45	4,831.42	2,399.38
Gross Profit(2)	₹ in million	1,522.77	1,224.18	620.20
Gross Profit Margin(3)	%	28.91	25.34	25.85
Reported EBITDA(4)	₹ in million	573.88	458.91	156.35
Reported EBITDA Margin(5)	%	10.89	9.50	6.52
Adjusted EBITDA(6)	₹ in million	648.84	460.15	156.35
Adjusted EBITDA Margin(7)	%	12.32	9.52	6.52
Adjusted PAT(8)	₹ in million	416.11	275.34	68.18
Adjusted PAT Margin(9)	%	7.90	5.70	2.84
Adjusted ROE(10)	%	53.71	58.39	23.50
Adjusted ROCE(11)	%	32.38	43.53	23.59
Fixed Asset Turnover Ratio(12)	Times	8.25	10.01	6.43

Notes:

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*

(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*

(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*

(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*

(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*

(6) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*

(7) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*

(8) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*

(9) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*

(10) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(11) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(12) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*

- Our financial results are driven by our focus on effective cost management, commitment to product quality and continuous process optimization, as well as the expansion of our manufacturing capacities.

For further details, see "***Our Business – Our Competitive Strengths***" on page 297.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Information prepared in accordance with the SEBI ICDR Regulations. For further details, see "***Restated Financial Information***" beginning on page 368.

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

A. Basic and Diluted Earnings per share for continuing operations ("EPS") (face value of each Equity Share in ₹)

Fiscal/ Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2026	6.07	6.07	3
March 31, 2025	4.96	4.96	2
March 31, 2024	1.43	1.43	1
Weighted Average for the above three Fiscals	4.93	4.93	-

Notes:

(i) The face value of each Equity Share is ₹ 5.

(ii) Basic EPS (in ₹)- Basic earnings per share have been calculated by dividing the restated profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the year in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

(iii) Diluted EPS (in ₹)- Diluted earnings per share have been calculated by dividing the restated profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the period in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

(iv) Weighted average number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor.

(v) Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year divided by the Total of weights.

(vi) Subsequent to March 31, 2026, the Board of Directors, in their meeting held on September 01, 2026, approved the issue of bonus equity shares in the ratio of 2:1. Further, pursuant to a resolution passed in the general meeting held on September 03, 2026, the Shareholders approved the sub-division of each equity share of face value of ₹ 10 each fully paid up into 2 equity shares of face value of ₹ 5 each fully paid up. As required under Ind AS 33 "Earning per share" the effect of such split/bonus is required to be adjusted for the purpose of computing earnings per share for all the years presented retrospectively. As a result, the effect of split/bonus has been considered in for the purpose of calculating of earning per share

B. Price/ Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
Based on Basic EPS for Fiscal 2026	[●]	[●]
Based on Diluted EPS for Fiscal 2026	[●]	[●]

**The details shall be provided post the fixing of the price band by our Company at the stage of the Red Herring Prospectus or the filing of the price band advertisement.*

C. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio, the lowest P/E ratio and the average P/E ratio is as follows:

Particulars	Industry Peer P/E ratio
Highest	526.00
Lowest	19.08
Average	176.08

Notes:

1. *The industry high and low P/E ratio has been calculated from the listed industry peers provided later in this Draft Red Herring Prospectus.*
2. *The industry average P/E ratio has been calculated as the arithmetic average of P/E ratio of the listed industry peers disclosed in this Draft Red Herring Prospectus but P/E ratio of the listed industry peer having negative basic EPS for Fiscal 2026 has not been considered.*
3. *P/E Ratio has been computed based on the closing market price of equity shares on NSE on September 18, 2026, divided by the Basic EPS for the year ended March 31, 2026.*

D. Return on Net Worth ("RoNW")

Fiscal/ Period ended	RoNW (%)	Weight
March 31, 2026	35.28	3
March 31, 2025	44.61	2
March 31, 2024	22.91	1
Weighted Average for the above three Fiscals	36.33	-

Notes:

(i) Return on net worth/ RoNW (%) has been calculated as restated profit for the year divided by the Net Worth of the Company as at the end of the year.

(ii) Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights

(iii) "Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. We have calculated net worth by aggregate value of equity share capital, retained earnings and securities premium, as per the Restated Financial Information of the Company.

E. Net Asset Value ("NAV") per Equity Share

Net Asset Value per Equity Share	Amount (₹)
As at March 31, 2026	17.20^
After the Offer	-
- At Floor Price	[●]*
- At Cap Price	[●]*
- At Offer Price	[●]#

* *To be computed after finalization of price band.*

Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

^ *The Board of Directors, in their meeting held on September 01, 2026, approved the issue of bonus equity shares in the ratio of 2:1. Further, pursuant to a resolution passed in the general meeting held on September 03, 2026, the Shareholders approved the sub-division of each equity share of face value of ₹ 10 each fully paid up into 2 equity shares of face value of ₹ 5 each fully paid up. Accordingly, NAV computed above is based on 5,47,29,240 Equity Shares of face value of ₹ 5 each and NAV per Equity Share has been calculated after giving effect to such bonus issue and sub-division*

Notes:
Net asset value per equity share means total equity as per Restated Financial Information divided by number of equity shares as at the end of the period

*For further details, see "**Other Financial Information**" beginning on page 425.*

[***The remainder of this page has intentionally been left blank***]

F. Comparison with Listed Industry Peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of the Company	Latest financial year	Face Value (₹ per share)	Closing price on September 18, 2026	Total income (₹ in million)	EPS (₹ per share)		RONW (%)	NAV (₹ per share)	P/E ratio
					Basic	Diluted			
Koolking Industries India Limited	March 31, 2026	5	N.A.	5,293.76	6.07*	6.07*	35.28	17.20*	N.A.
Listed Peers									
PG Electroplast Limited	March 31, 2026	1	529.15	53,428.10	6.91	6.82	6.45	106.83	76.58
Amber Enterprises India Limited	March 31, 2026	10	7,125.00	123,066.37	50.48	50.28	4.08	1,238.60	141.15
KRN Heat Exchanger & Refrigeration Limited	March 31, 2026	10	1,446.20	6,098.06	12.30	12.30	13.32	92.35	117.58
Elin Electronics Limited	March 31, 2026	5	88.53	12,952.85	4.64	4.64	4.22	109.79	19.08
Centum Electronics Limited	March 31, 2026	10	4,333.30	9,685.65	(31.62)	(31.62)	(13.56)	233.47	N.A.
EPack Durables Limited	March 31, 2026	10	178.84	19,107.14	0.34	0.34	0.34	99.80	526.00

** The Board of Directors, in their meeting held on September 01, 2026, approved the issue of bonus equity shares in the ratio of 2:1 Further, pursuant to a resolution passed in the general meeting held on September 03, 2026, the Shareholders approved the sub-division of each equity share of face value of ₹ 10 each fully paid up into 2 equity shares of face value of ₹ 5 each fully paid up. Accordingly, the figures reported above are based on 5,47,29,240 Equity Shares of face value of ₹ 5 each as per Indian Accounting Standard 33, "Earnings per share"*

Notes:

(i) Information for Koolking Industries India Limited reported above is sourced/derived from the Restated Financial Information of the Company

(ii) Information for listed industry peers reported above is sourced/derived from the annual audited consolidated financial statements of the respective company for the year ended March 31, 2026 as available on website of the NSE. The closing price as on September 18, 2026, for industry peers has obtained from NSE.

(iii) P/E Ratio has been computed based on the closing market price of equity shares on NSE/ BSE on September 18, 2026 divided by the Diluted EPS provided

(iv) Return on net worth (RoNW) is computed as profit attributable to the equity shareholders of the parent company divided by Net Worth as at March 31, 2026

(v) Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of SEBI ICDR Regulations, 2018. It is further to clarify that foreign currency translation reserve has also been excluded while computing Net Worth.

(vi) NAV per equity share has been computed as the Net Worth divided by the total number of shares outstanding, as at March 31, 2026

[***The remainder of this page has intentionally been left blank***]

G. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 23, 2026 and the Audit Committee has confirmed that verified and audited details of all the KPIs pertaining to our Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus have been disclosed in this section. Further, the KPIs herein have been certified by SCV & Co. LLP pursuant to certificate dated September 23, 2026. This certificate has been designated as a material document for inspection in connection with the Offer. For further details, see "***Material Contracts and Documents for Inspection***" beginning on page 548.

We have described and defined the KPIs, as applicable, in "***Definitions and Abbreviations***" beginning on page 2. For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 293 and 428, respectively.

In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs, there are certain items/ metrics which have not been disclosed in this Draft Red Herring Prospectus as the same are either sensitive to the business and operations, not critical or relevant for analysis of our financial and operational performance or such items do not convey any meaningful information to determine performance of our Company. The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help it in analysing the growth of various verticals in comparison to its peers.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilisation of the Offer Proceeds as per the disclosure made in the section "***Objects of the Offer***" beginning on page 133 of this Draft Red Herring Prospectus, whichever is later, or for such other duration as required under the SEBI ICDR Regulations.

The Bidders can refer to the below-mentioned KPIs, to make an assessment of our Company's performances and make an informed decision.

Description on the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company:

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financials Information. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these KPIs should not be considered in isolation or construed as an alternative to Ind AS measures or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our operating results and trends and in comparing our financial results with other companies in our industry.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

KPIs	Explanation
Financial KPIs	
Revenue from Operations	Revenue from Operations enables us to track the revenue profile of the business and, in turn, assists in assessing the overall financial performance of the Company and the scale of the operations.
Gross Profit	Gross Profit provides information regarding the profitability of the business after absorbing the direct cost of materials, and enables to assess the efficiency of the operations.

KPIs	Explanation
Gross Profit Margin	Gross Profit Margin is an indicator of the profitability of the business at the gross level and assists in benchmarking the operational efficiency against the historical performance.
Reported EBITDA	Reported EBITDA provides information regarding the operational profitability and efficiency of the business and facilitates evaluation of the operating performance across periods, excluding the effect of financing decisions, taxation and non-cash charges.
Reported EBITDA Margin	Reported EBITDA Margin is an indicator of the operational profitability of the business, assists in tracking and benchmarking the margin profile against the historical performance.
Reported EBIT	Reported EBIT provides insight into the operational profitability of the business after accounting for depreciation and amortisation but before finance costs and taxation
Reported EBIT Margin	Reported EBIT Margin is an indicator of the operational efficiency of the business after absorbing depreciation and amortisation, and assists in benchmarking against the historical performance
Reported PAT	Reported PAT provides information regarding the overall profitability of the business and represents the profit generated for the shareholders.
Reported PAT Margin	Reported PAT Margin is an indicator of the overall profitability of the business and provides financial benchmarking against the historical performance.
Reported ROE	Return on Equity represents how efficiently the Company generates profits from the funds contributed by its shareholders.
Reported ROCE	Return on Capital Employed represents how efficiently the Company generates earnings from the capital employed in the business.
Adjusted EBITDA	Adjusted EBITDA provides information regarding the operational profitability of the business excluding the impact of foreign exchange fluctuations, and facilitates an evaluation of the operating performance across periods.
Adjusted EBITDA Margin	Adjusted EBITDA Margin is an indicator of the operational profitability of the business excluding the impact of foreign exchange fluctuations, and assists in tracking the normalised margin profile against the historical performance.
Adjusted EBIT	Adjusted EBIT provides insight into the operational profitability of the business excluding the impact of foreign exchange fluctuations, after accounting for depreciation and amortisation but before finance costs and taxation.
Adjusted EBIT Margin	Adjusted EBIT Margin is an indicator of the operational efficiency of the business excluding the impact of foreign exchange fluctuations, and assists in benchmarking against the normalised performance against historical performance.
Adjusted PAT	Adjusted PAT provides information regarding the overall profitability of the business excluding the impact of foreign exchange fluctuations, and enables a normalised comparison of profitability across periods.
Adjusted PAT Margin	Adjusted PAT Margin is an indicator of the overall profitability of the business excluding the impact of foreign exchange fluctuations, and provides financial benchmarking against the historical performance.
Adjusted ROE	Adjusted Return on Equity represents how efficiently the Company generates profits from shareholders' funds, excluding the impact of foreign exchange fluctuations.
Adjusted ROCE	Adjusted Return on Capital Employed represents how efficiently the Company generates earnings from the capital employed in the business, excluding the impact of foreign exchange fluctuations.
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio measures the efficiency with which the Company utilises its fixed assets to generate revenue from operations.
Imported Purchases of raw material	Imported Purchases of raw material enables to track the Company’s reliance on imported inputs and assists in assessing its exposure to import-related risks, including foreign exchange fluctuation.
Operational KPIs	
Revenue from Repeat Customers Revenue from Repeat Customers as a percentage of Revenue from Operations (%)	Revenue from Repeat Customers Revenue from Repeat Customers as a percentage of Revenue from Operations (%) reflects the strength and stability of the customer relationships and the recurring nature of the business and demonstrates the Company’s ability to retain customers over time.
Imported Purchases of raw material as a percentage of total raw material Purchases	Imported Purchases of raw material as a percentage of total raw material Purchases enables the Company to track the proportion of its input costs sourced from imports and assists in monitoring its exposure to import-related risks, including foreign exchange fluctuation

KPIs	Explanation
Installed capacity	Installed Capacity reflects the scale of the Company's manufacturing operations and its ability to service current and anticipated demand and provides an indication of the headroom available for growth in its production volumes.

We believe that the KPIs, disclosed above, are the only relevant and material KPIs pertaining to our Company which may have a bearing on the Offer Price.

Details of our KPIs for the Fiscals 2026, 2025 and 2024 from our Restated Financial Information are set our below:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs				
Revenue from Operations[1]	₹ in million	5,267.45	4,831.42	2,399.38
Gross Profit[2]	₹ in million	1,522.77	1,224.18	620.20
Gross Profit Margin[3]	%	28.91	25.34	25.85
Reported EBITDA[4]	₹ in million	573.88	458.91	156.35
Reported EBITDA Margin[5]	%	10.89	9.50	6.52
Reported EBIT[6]	₹ in million	533.77	429.41	135.94
Reported EBIT Margin[7]	%	10.13	8.89	5.67
Reported PAT[8]	₹ in million	332.06	271.37	76.70
Reported PAT Margin[9]	%	6.30	5.62	3.20
Reported ROE[10]	%	42.86	57.55	26.44
Reported ROCE[11]	%	28.39	43.40	23.59
Adjusted EBITDA[12]	₹ in million	648.84	460.15	156.35
Adjusted EBITDA Margin[13]	%	12.32	9.52	6.52
Adjusted EBIT[14]	₹ in million	608.73	430.65	135.94
Adjusted EBIT Margin[15]	%	11.56	8.91	5.67
Adjusted PAT[16]	₹ in million	416.11	275.34	68.18
Adjusted PAT Margin[17]	%	7.90	5.70	2.84
Adjusted ROE[18]	%	53.71	58.39	23.50
Adjusted ROCE[19]	%	32.38	43.53	23.59
Fixed Asset Turnover Ratio[20]	Times	8.25	10.01	6.43
Imported Purchases of raw material [21]	₹ in million	2,518.60	1,921.77	940.01
Operational KPIs				
Revenue from Repeat Customers as a percentage of Revenue from Operations [22]	%	96.91	99.47	97.66
Imported Purchases of raw material as a percentage of total raw material Purchases[23]	%	53.07	48.26	49.84
Installed Capacity[24]	Million units	419.26	331.72	279.86

Notes:

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*

(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*

(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*

(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*

(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*

(6) *Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.*

(7) *Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.*

(8) *Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.*

(9) *Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.*

(10) *Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(11) *Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(12) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*

(13) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*

(14) *Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.*

(15) *Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.*

(16) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*

(17) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*

(18) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(19) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(20) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*

(21) *Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.*

(22) *Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.*

(23) *Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.*

(24) *Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer.*

Explanation of the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these KPIs should not be considered in isolation or construed as an alternative to Ind AS measures or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our operating results and trends and in comparing our financial results with other companies in our industry.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. For further details please see "***Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable***" on page 73.

[***The remainder of this page has intentionally been left blank***]

H. Comparison of its KPIs with Listed Industry Peers

The following tables provides a comparison of our KPIs with our listed peers for the Fiscal indicated, which has been determined on the basis of companies listed on the Indian stock exchanges of comparable size to our Company, operating in the same industry as our Company and whose business model is similar to our business model.

(a) Comparison of KPIs of Fiscal 2026 with listed industry peers

Particulars	Unit	Company	PG Electroplast Limited	Amber Enterprises India Limited	KRN Heat Exchanger & Refrigeration Limited	Elin Electronics Limited	Centum Electronics Limited	EPack Durables Limited
Financial KPIs								
Revenue from Operations(1)	₹ in million	5,267.45	52,880.22	121,864.77	6,000.58	12,877.27	9,527.49	18,944.55
Gross Profit(2)	₹ in million	1,522.77	9,327.37	22,386.73	1,882.67	3,191.37	3,310.67	2,869.59
Gross Profit Margin(3)	%	28.91	17.64	18.37	31.37	24.78	34.75	15.15
Reported EBITDA(4)	₹ in million	573.88	3,899.33	8,232.06	1,128.73	546.48	(170.74)	1,074.71
Reported EBITDA Margin(5)	%	10.89	7.37	6.76	18.81	4.24	(1.79)	5.67
Reported EBIT(6)	₹ in million	533.77	3,017.60	5,006.50	941.08	302.81	(365.79)	534.90
Reported EBIT Margin(7)	%	10.13	5.71	4.11	15.68	2.35	(3.84)	2.82
Reported PAT(8)	₹ in million	332.06	1,965.67	2,264.53	764.67	225.91	(518.06)	32.59
Reported PAT Margin(9)	%	6.30	3.72	1.86	12.74	1.75	(5.44)	0.17
Reported ROE(10)	%	42.86	6.69	5.58	14.26	4.14	(14.40)	0.34
Reported ROCE(11)	%	28.39	8.80	7.77	14.55	5.35	(7.10)	3.49
Adjusted EBITDA(12)	₹ in million	648.84	4,287.03	8,232.06	1,128.73	548.63	(102.42)	1146.11
Adjusted EBITDA Margin(13)	%	12.32	8.11	6.76	18.81	4.26	(1.07)	6.05
Adjusted EBIT(14)	₹ in million	608.73	3,405.30	5,006.50	941.08	304.96	(297.47)	606.30
Adjusted EBIT Margin(15)	%	11.56	6.44	4.11	15.68	2.37	(3.12)	3.20
Adjusted PAT(16)	₹ in million	416.11	2,353.37	2,201.52	757.84	228.06	(449.74)	103.99
Adjusted PAT Margin(17)	%	7.90	4.45	1.81	12.63	1.77	(4.72)	0.55
Adjusted ROE(18)	%	53.71	8.01	5.43	14.13	4.18	(12.50)	1.09
Adjusted ROCE(19)	%	32.38	9.93	7.77	14.55	5.39	(5.78)	3.95
Fixed Asset Turnover Ratio(20)	Times	8.25	3.96	4.47	3.02	5.17	6.61	2.37
Imported Purchases of raw material (21)	₹ in million	2,518.60	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Operational KPIs								
Revenue from Repeat Customers as a percentage of Revenue from Operations (22)	%	96.91	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Imported Purchases of raw material as a percentage of total raw material Purchases(23)	%	53.07	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	Unit	Company	PG Electroplast Limited	Amber Enterprises India Limited	KRN Heat Exchanger & Refrigeration Limited	Elin Electronics Limited	Centum Electronics Limited	EPack Durables Limited
Installed Capacity[24]	Million units	419.26	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: The figures reported above in case of Company's listed peers are based on the audited consolidated financial statements of the respective Company as publicly available.

Notes:

a. *The figures reported above in case of Company's listed peers for FY 2025 and FY 2024 are based on comparative figures reported in the audited consolidated financial statements for the FY 2026 and FY 2025 respectively.*

b. *In case of Centum Electronics Limited, the business operations of certain subsidiaries have been discontinued during FY 2026 and accordingly, the figures may not be comparable to that extent.*

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*

(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*

(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*

(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*

(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*

(6) *Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.*

(7) *Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.*

(8) *Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.*

(9) *Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.*

(10) *Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(11) *Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(12) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*

(13) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*

(14) *Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.*

(15) *Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.*

(16) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*

(17) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*

(18) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(19) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(20) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*

(21) *Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.*

(22) *Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.*

(23) *Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.*

(24) *Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer.*

(b) Comparison of KPIs of Fiscal 2025 with listed industry peers

Particulars	Unit	Company	PG Electroplast Limited	Amber Enterprises India Limited	KRN Heat Exchanger & Refrigeration Limited	Elin Electronics Limited	Centum Electronics Limited	EPack Durables Limited
Financial KPIs								
Revenue from Operations(1)	₹ in million	4,831.42	48,695.32	99,730.16	4,298.49	11,802.06	7,402.59	21,708.71
Gross Profit(2)	₹ in million	1,224.18	9,164.33	17,874.59	1,109.08	3,048.56	2,812.61	3,531.39
Gross Profit Margin(3)	%	25.34	18.82	17.92	25.80	25.83	37.99	16.27
Reported EBITDA(4)	₹ in million	458.91	4,809.30	7,334.32	705.09	523.66	465.63	1,546.72
Reported EBITDA Margin(5)	%	9.50	9.88	7.35	16.40	4.44	6.29	7.12
Reported EBIT(6)	₹ in million	429.41	4,153.15	5,051.25	658.77	277.54	270.52	1,072.79
Reported EBIT Margin(7)	%	8.89	8.53	5.06	15.33	2.35	3.65	4.94
Reported PAT(8)	₹ in million	271.37	2,877.96	2,511.51	528.75	293.22	(19.27)	551.40
Reported PAT Margin(9)	%	5.62	5.91	2.52	12.30	2.48	(0.26)	2.54
Reported ROE(10)	%	57.55	14.89	11.35	16.81	5.65	(0.65)	5.98
Reported ROCE(11)	%	43.40	17.73	12.59	17.58	5.17	5.30	8.11
Adjusted EBITDA(12)	₹ in million	460.15	4,629.44	7,334.32	705.90	523.66	473.88	1546.72
Adjusted EBITDA Margin(13)	%	9.52	9.51	7.35	16.42	4.44	6.40	7.12
Adjusted EBIT(14)	₹ in million	430.65	3,973.29	5,051.25	659.58	277.54	278.77	1072.79
Adjusted EBIT Margin(15)	%	8.91	8.16	5.06	15.34	2.35	3.77	4.94
Adjusted PAT(16)	₹ in million	275.34	2,698.10	2,344.42	509.14	291.38	(11.02)	528.97
Adjusted PAT Margin(17)	%	5.70	5.54	2.35	11.84	2.47	(0.15)	2.44
Adjusted ROE(18)	%	58.39	13.96	10.59	16.19	5.62	(0.37)	5.74
Adjusted ROCE(19)	%	43.53	16.96	12.59	17.60	5.17	5.47	8.11
Fixed Asset Turnover Ratio(20)	Times	10.01	5.08	4.57	5.15	5.03	4.66	3.18
Imported Purchases of raw material (21)	₹ in million	1,921.77	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Operational KPIs								
Revenue from Repeat Customers as a percentage of Revenue from Operations (22)	%	99.47	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Imported Purchases of raw material as a percentage of total raw material Purchases(23)	%	48.26	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Installed Capacity(24)	Million units	331.72	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: The figures reported above in case of Company's listed peers are based on the audited consolidated financial statements of the respective Company as publicly available.

Notes:

a. *The figures reported above in case of Company's listed peers for FY 2025 and FY 2024 are based on comparative figures reported in the audited consolidated financial statements for the FY 2026 and FY 2025 respectively.*

b. *In case of Centum Electronics Limited, the business operations of certain subsidiaries have been discontinued during FY 2026 and accordingly, the figures may not be comparable to that extent.*

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*
(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*
(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*
(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*
(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*
(6) *Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.*
(7) *Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.*
(8) *Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.*
(9) *Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.*
(10) *Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*
(11) *Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*
(12) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*
(13) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*
(14) *Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.*
(15) *Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.*
(16) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*
(17) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*
(18) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*
(19) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*
(20) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*
(21) *Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.*
(22) *Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.*
(23) *Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.*
(24) *Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer.*

[***The remainder of this page has intentionally been left blank***]

(c) *Comparison of KPIs of Fiscal 2024 with listed industry peers*

Particulars	Unit	Company	PG Electroplast Limited	Amber Enterprises India Limited	KRN Heat Exchanger & Refrigeration Limited	Elin Electronics Limited	Centum Electronics Limited	EPack Durables Limited
Financial KPIs								
Revenue from Operations(1)	₹ in million	2,399.38	27,464.95	67,292.69	3,082.83	10,417.17	10,908.20	14,195.58
Gross Profit(2)	₹ in million	620.20	5,402.27	12,293.36	860.27	2,711.02	5,653.29	2,296.25
Gross Profit Margin(3)	%	25.85	19.67	18.27	27.91	26.02	51.83	16.18
Reported EBITDA(4)	₹ in million	156.35	2,596.78	4,895.37	584.52	405.41	809.69	1,146.80
Reported EBITDA Margin(5)	%	6.52	9.45	7.27	18.96	3.89	7.42	8.08
Reported EBIT(6)	₹ in million	135.94	2,130.66	3,030.08	544.62	186.92	356.95	792.01
Reported EBIT Margin(7)	%	5.67	7.76	4.50	17.67	1.79	3.27	5.58
Reported PAT(8)	₹ in million	76.70	1,349.00	1,394.67	393.90	138.74	(27.55)	353.73
Reported PAT Margin(9)	%	3.20	4.91	2.07	12.78	1.33	(0.25)	2.49
Reported ROE(10)	%	26.44	18.81	6.85	41.49	2.79	(1.37)	5.87
Reported ROCE(11)	%	23.59	17.42	8.58	34.75	3.44	7.51	7.48
Adjusted EBITDA(12)	₹ in million	156.35	2,514.68	4,895.37	584.52	405.41	853.20	1146.80
Adjusted EBITDA Margin(13)	%	6.52	9.16	7.27	18.96	3.89	7.82	8.08
Adjusted EBIT(14)	₹ in million	135.94	2,048.56	3,030.08	544.62	186.92	400.46	792.01
Adjusted EBIT Margin(15)	%	5.67	7.46	4.50	17.67	1.79	3.67	5.58
Adjusted PAT(16)	₹ in million	68.18	1,266.90	1,225.75	370.21	138.15	15.96	305.05
Adjusted PAT Margin(17)	%	2.84	4.61	1.82	12.01	1.33	0.15	2.15
Adjusted ROE(18)	%	23.50	17.67	6.02	39.00	2.77	0.80	5.06
Adjusted ROCE(19)	%	23.59	16.75	8.58	34.75	3.44	8.42	7.48
Fixed Asset Turnover Ratio(20)	Times	6.43	4.05	3.47	5.42	4.59	6.84	2.59
Imported Purchases of raw material (21)	₹ in million	940.01	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Operational KPIs								
Revenue from Repeat Customers as a percentage of Revenue from Operations(22)	%	97.66	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Imported Purchases of raw material as a percentage of total raw material Purchases(23)	%	49.84	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Installed Capacity(24)	Million units	279.86	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: The figures reported above in case of Company's listed peers are based on the audited consolidated financial statements of the respective Company as publicly available.
Notes:

a. *The figures reported above in case of Company's listed peers for FY 2025 and FY 2024 are based on comparative figures reported in the audited consolidated financial statements for the FY 2026 and FY 2025 respectively.*
b. *In case of Centum Electronics Limited, the business operations of certain subsidiaries have been discontinued during FY 2026 and accordingly, the figures may not be comparable to that extent.*

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*
(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*
(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*
(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*
(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*
(6) *Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.*
(7) *Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.*
(8) *Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.*
(9) *Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.*
(10) *Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*
(11) *Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*
(12) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*
(13) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*
(14) *Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.*
(15) *Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.*
(16) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*
(17) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*
(18) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*
(19) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*
(20) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*
(21) *Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.*
(22) *Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.*
(23) *Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.*
(24) *Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer.*

[***The remainder of this page has intentionally been left blank***]

I. Comparison of KPIs based on additions or dispositions to the business

Our Company has not undertaken a material acquisition or disposition of assets/ business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

J. Weighted average cost of acquisition, Floor Price and Cap Price.

(a) Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

Our Company has not issued any equity shares or convertible securities, excluding the issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the preOffer capital before such transaction(s), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving the Promoters, members of the Promoter Group and/or any shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the DRHP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There have been no secondary sale/ acquisitions of specified securities, where the Promoters, the Promoter Group or any Shareholder with special rights (including to nominate directors), are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either the acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Price of Equity Shares for last five primary or secondary transactions (where Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions

Primary issuance:

There have been no primary issuances in the three years prior to the date of this Draft Red Herring Prospectus.

Secondary transactions:

Following are the details of the last five secondary transactions (secondary transactions where the Promoter or members of the Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of transactions:

Date of acquisition	Name of acquirer	Nature of the transaction/ transfer	Nature of transaction	Face value (in ₹)	Number of Equity Shares	Cost per equity share	Total cost
January 29, 2024	Malti Sood	Amandeep Singh*	Transfer	10.00	23,500	34.66	814,510
		Amaninder Kaur*	Transfer	10.00	66,080	34.66	2,290,333
December 26, 2024	Malti Sood	Sunita Sabharwal	Gift	10.00	350,000	Nil	Nil
	Sajiv Gopal	Sunita Sabharwal	Gift	10.00	337,590	Nil	Nil
	Sunita Sabharwal	Vikas Sabharwal	Gift	10.00	22,150	Nil	Nil

**On January 29, 2024, 1,011,570 equity shares and 700,910 equity shares have been transferred to Malti Sood and Varun Sood respectively at a price of ₹ 34.66 per share and 565,640 equity shares have been transferred to Sunita Sabharwal, as a gift, at a price of ₹ Nil per share. Two transactions at highest price of ₹ 34.66 per share have been reported above out multiple transactions to same date to report last five secondary transactions as per the requirement of SEBI ICDR Regulations.*

(d) *Weighted Average Cost of Acquisition, Floor price and Cap Price*

The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on Primary Issuances and Secondary Transactions as disclosed below:

Past transactions	Weighted average cost of acquisition per Equity Share (₹)*	Floor Price ₹ [●]^	Cap Price ₹ [●]^
Weighted average cost of acquisition of Primary Issuances	Nil	[●]	[●]
Weighted average cost of acquisition of Secondary Transactions	Nil	[●]	[●]
Note: In the event there are no such secondary transactions, the information has to be disclosed for price per share of the Company based on the last 5 secondary transactions (secondary transactions where promoters /promoter group entities or shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction), not older than 3 years prior to the date of filing of this Red Herring Prospectus, irrespective of the size of transactions.			
- Based on primary issuances	Nil	[●]	[●]
- Based on secondary transactions	0.65	[●]	[●]

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*
^ To be updated at the Prospectus stage.

(a) *Detailed explanation for Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of primary issuances/ secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for Fiscal 2026, 2025 and 2024*

[●]*

**To be included on finalisation of Price Band.*

(b) *Explanation for the Offer Price/ Cap Price, being [●] times of weighted average cost of acquisition of primary issuances/ secondary transactions of Equity Shares (as disclosed above) in view of the external factors which may have influenced the pricing of the Offer*

[●]*

**To be included on finalisation of Price Band.*

Justification of the Cap Price

[●]*

**To be included on finalisation of Price Band.*

(c) The Offer Price is [●] times of the face value of the Equity Shares

The Price Band, Floor Price and Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of market demand from Bidders for Equity Shares of face value of ₹ 5 each, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***" and "***Restated Financial Information***" on pages 23, 293 and 368, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" on page 23 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Koolking Industries India Limited
(*formerly known as "Koolking Industries India Private Limited" and "Koolking Udhyog Private Limited"*)
Village Ratolan, Dhuri Road,
Malerkotla,
Sangrur, - 148023
Punjab, India
(the **"Company"**)

Keynote Financial Services Limited
The Ruby, 9th Floor,
Senapati Bapat Marg, Dadar (W),
Mumbai – 400028,
Maharashtra, India.
(the **"Book Running Lead Manager"/** the **"BRLM")**

Dear Sirs,

Re: Proposed initial public offering of equity shares of ₹ 5 (the "Equity Shares") by Koolking Industries India Limited (*formerly known as "Koolking Industries India Private Limited" and "Koolking Udhyog Private Limited"*) (the "Company") comprising of a fresh issue of the Equity Shares ("Fresh Issue") and an offer for sale of Equity Shares by certain shareholders of the Company ("Offer for Sale" and together with the Fresh Issue, the "Offer").

We, SCV & Co. LLP, Chartered Accountants, (Firm Registration no. 000235N/N500089) are the Statutory Auditor of the Company ("we" or "us" or "our" or "Firm"). We hereby confirm the enclosed statement in the Annexure A (the "**Statement**") provides the possible special tax benefits to the Company and to the shareholders of the Company under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 2025 ("ITA 2025"), as amended by the Finance Act 2026 read with the Income-tax Rules, 2026 and, to the extent applicable, the Income-tax Act, 1961 ("ITA 1961") read with the Income-tax Rules, 1962 , together with the circulars and notifications issued thereunder, applicable with effect from April 1, 2026 for Tax Year 2026–27, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, applicable goods and services tax legislations, as passed by various states in India, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars, orders and notifications issued thereunder (collectively the "**Taxation Laws**"), available to the Company, its shareholders.

A statement of possible special tax benefits available to the Company, its shareholders is required as per Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("**SEBI ICDR Regulations**"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders, the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed Statement are neither exhaustive nor conclusive and cover the possible special tax benefits available to the Company, its shareholders and do not cover any general tax benefits available to them.

Several of the benefits mentioned in the accompanying Statement are dependent on the Company, its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company, its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. We are unable to express any opinion or provide any assurance as to whether the Company, its shareholders will continue to obtain the benefits per the Statement in future or the conditions prescribed for availing the benefits per the Statement have been/ would be met with.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for a professional tax advice. Our views are based on the existing provisions of Taxation Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes**.** Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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

We hereby confirm that while providing this certificate we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, '*Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements*,' issued by the Institute of Chartered Accountants of India ("ICAI"). We have conducted our examination in accordance with the '*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*' issued by the ICAI which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI and accordingly we have complied with same.

We hereby give consent to include the said Statement in the draft red herring prospectus ("**DRHP**"), red herring prospectus ("**RHP**"), prospectus ("**Prospectus**") and in any other material used in connection with the Offer (together, the "**Offer Documents**").This report is not to be used, referred to or distributed for any other purpose without our prior written consent.

We also consent that this certificate, as part of the back-up documents may be retained by the BRLM, in relation to the Offer on the online document repository platform established by each of the Stock Exchanges, in accordance with SEBI Circular No. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/170 dated December 5, 2024. We also consent that this certificate, a part of "Material Contracts and Documents for Inspection" in connection with this Offer, may be made available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date.

We also consent to the references to us as "*experts*" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Offer Documents.

This certificate can be relied on by the Company, BRLM and the legal counsel to the Company and the BRLM appointed in relation to the Offer. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Offer commences trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date on which the Equity Shares commence trading on the Stock Exchanges.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

For SCV & Co LLP
Chartered Accountants
Firm Registration Number 000235N/N500089

(Sanjiv Mohan)
Partner
ICAI Membership Number 086066

Date: September 23, 2026
Place: Ludhiana

UDIN: 26086066TGHFKR5163

Encl: As above

CC:

Legal Counsel to the Company

CMS INDUS LAW
1502B, 15th Floor, Tower – 1C
One World Centre,
Senapati Bapat Marg, Lower Parel
Mumbai – 400013,
Maharashtra, India

Legal Counsel to the BRLM
Sterling Law Associates LLP
B-601, Umarji House, Teli Lane,
Opp. Criticare Hospital, Andheri (East),
Mumbai 400 069,
Maharashtra, India

ANNEXURE A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

I. Direct Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the ITA 2025, read with the Income-tax Rules, 2026 as amended i.e., applicable for the Tax Year 2026-27, presently in force in India

A. SPECIAL TAX BENEFITS TO THE COMPANY

i. Lower corporate tax rate under section 200 of ITA 2025 (erstwhile section 115BAA of the ITA 1961)

Section 200 of the ITA 2025, provides that domestic company can opt for a rate of tax of 22% (plus applicable Surcharge @ 10% and Health and education cess @ 4%), provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 200, provisions of Minimum Alternate Tax (MAT) would not be applicable and earlier year unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised by the Company, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it shall opt for section 115BAA of the erstwhile ITA 1961 w.e.f. the Financial Year 2025-26 relevant to the assessment year 2026-27, which corresponds to the provisions under section 200 of the ITA 2025.

ii. Deduction in respect of employment of new employees under section 146 of the ITA 2025 (erstwhile Section 80JJAA of ITA 1961) and set off of business losses

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 146 of the ITA 2025 Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the tax year, for three consecutive tax years including the tax year in which such employment is provided.

The said deduction is available even if the Company opts for concessional tax rate under section 200 of the ITA 2025.

The Company has availed deduction under erstwhile section 80JJAA of the ITA 1961 every year since Assessment Year 2023-24 till Assessment Year 2025-26 and shall avail for Assessment Year 2026-27 also.

Business losses, arising during the tax year can be set off against the income under any other head of income as per section 109 of the ITA 2025. Balance business loss can be carried forward and set off against business profits for 8 subsequent years as per section 112 of the ITA 2025. Unabsorbed depreciation, if any, for a tax year can be carried forward and set off against any source of income in subsequent years as per provisions of the ITA 2025.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the ITA 2025 for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain income(s).

i. Dividend Income

A domestic company receiving dividend is eligible to claim deduction under section 148 of the ITA 2025 on fulfilling certain conditions.

The Company would be required to deduct tax at source('TDS') on dividends paid to its shareholders at the applicable rates in accordance with the provisions of the ITA 2025. The shareholders would be eligible to claim credit for such tax deducted at source in their respective returns of income. In the case of non-resident shareholders, the Company would be required to deduct TDS on the amount of dividend paid or distributed at the applicable rate prescribed under the ITA 2025, read with the provisions of the applicable Double Taxation Avoidance Agreement ('DTAA'), wherever applicable and subject to the fulfilment of the prescribed conditions.

However, in accordance with the provisions of Section 393(1) of the ITA 2025, no deduction of tax at source would be required in the case of an individual shareholder where the dividend is paid by any mode other than cash and the amount of such dividend, or the aggregate amount of dividends paid or likely to be paid during the tax year by the Company to such shareholder, does not exceed INR 10,000.

ii. Capital gains

Where shares are held as capital assets for more than 12 months immediately preceding its date of transfer, then as per section 197/198 of the ITA 2025, long-term capital gains arising from transfer of an equity share through the recognized stock exchange, should be taxed at the special tax rate of 12.5% (plus applicable surcharge and cess), without indexation benefit, subject to fulfillment of prescribed conditions under the ITA 2025. The tax shall be levied on capital gains exceeding INR 1,25,000 in case taxable under section 198 of the ITA 2025.

Where shares are held as capital assets for 12 months or less, as per Section 196 of the ITA 2025, short term capital gains arising inter alia from transfer of listed equity shares through the recognized stock exchange, should be taxed at 20% (plus applicable surcharge and cess) subject to fulfillment of prescribed conditions under the ITA 2025.

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be as per the provisions of the Act and it is further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the relevant country subject to entitlement.

II. Indirect Taxation

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017/ Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications, the Customs Act, 1962, Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (collectively referred as "**Indirect Tax laws**").

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company under the Indirect Tax Laws.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax Laws by virtue of their investment in the Company.

Note:

This statement does not discuss any tax consequences in the country outside India of an investment in the equity shares of the Company. The shareholders/investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the industry and market related information in this section has been derived from a report titled "Industry Research Report on Electronics System Design and Manufacturing" dated September, 2026 prepared by CARE (the "**CARE Report**"). We commissioned and paid for the CARE Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Offer for an agreed fee. We engaged CARE in connection with the preparation of the CARE Report pursuant to an engagement letter dated October 29, 2025. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. A copy of the CARE Report is available on the website of our Company at https://kpmgroupindia.com/industry-reports*

*Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For further details, see "**Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and market data**" and "**Risk Factors – Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing**" on pages 20 and 69, respectively.*

[***The remainder of this page has intentionally been left blank***]

1. Economic Outlook

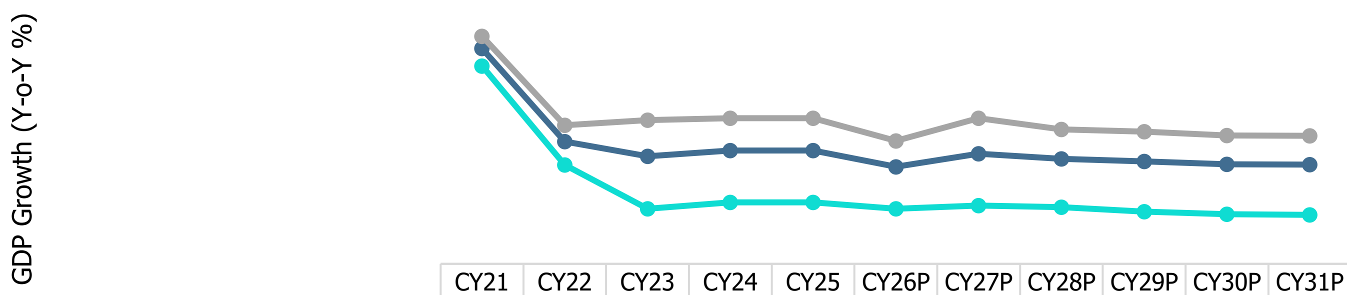
1.1 Global Economy

Global Economic Growth Expected to Sustain at ~3% in Near Term

Global economic growth is projected to moderate to around 3.1% in 2026, reflecting the impact of geopolitical tensions in energy and trade flows. The ongoing Middle East conflict poses downside risks with prolonged disruptions, potentially reducing growth further to 2.5%, or lower.

However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



	CY21	CY22	CY23	CY24	CY25	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
World	6.7%	3.8%	3.3%	3.5%	3.5%	3.0%	3.4%	3.2%	3.2%	3.1%	3.1%
Advanced Economies	6.1%	3.1%	1.7%	1.9%	1.9%	1.7%	1.8%	1.7%	1.6%	1.5%	1.5%
Emerging Market and Developing Economies	7.0%	4.3%	4.4%	4.5%	4.5%	3.8%	4.5%	4.2%	4.1%	4.0%	4.0%

Source: IMF – World Economic Outlook, April 2026 and July 2026; Note: P-Projections. Advanced Economies: Euro Area, Major Advanced Economies (G7), Other Advanced Economies (Advanced Economies excluding G7 and Euro Area), European Union, ASEAN-5; Emerging Market and Developing Economies: Emerging and Developing Asia, Emerging and Developing Europe, Latin America and the Caribbean, Middle East and Central Asia, Sub-Saharan Africa.

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y Change in %)										
	CY21	CY22	CY23	CY24	CY25	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
India	9.69	7.61	7.21	7.10	7.70	6.40	6.70	6.50	6.52	6.50	6.51
China	8.56	3.11	5.38	5.00	5.00	4.60	4.10	4.00	3.67	3.35	3.29
Indonesia	3.70	5.31	5.05	5.00	5.10	5.00	5.10	5.17	5.19	5.22	5.23
Saudi Arabia	6.52	12.00	0.54	2.60	4.60	1.70	5.50	3.65	3.54	3.52	3.55
Middle East and Central Asia	4.69	6.37	2.58	3.10	3.70	0.70	6.50	3.96	3.96	3.82	3.78
Latin America	7.50	4.30	2.33	2.40	2.40	2.40	2.70	2.87	2.86	2.75	2.63
Brazil	4.76	3.02	3.24	3.40	2.30	2.40	2.20	2.35	2.50	2.50	2.50
Euro Area	6.42	3.64	0.44	1.00	1.40	0.90	1.20	1.36	1.24	1.12	1.10
United States	6.15	2.52	2.94	2.80	2.10	2.30	2.20	2.10	1.88	1.75	1.76

Source: IMF - World Economic Outlook Database (April 2026, July 2026), Note: E-Estimate, P- Projections E-Estimated; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

Advanced Economies Group

Advanced economies are projected to grow at around 1.70% in CY26 and 1.8% in CY27, with the overall effect of the Middle East conflict on growth in advanced economies being modest.

In the **United States**, growth is forecast at about 2.30% in CY26, supported by fiscal measures and lower interest rates, even as the increase in trade barriers since April 25 continues to weigh on trade relations.

The **Euro Area** growth is expected to decline in CY26 to 0.90% from 1.40% in CY25 and moderate to 1.20% in CY27, due to the negative impact of the war in the Middle East over time, even though there was substantial growth in CY25.

Emerging Markets and Developing Economies Group

Emerging and developing economies are expected to fall to 3.80% in CY26 and recover to 4.5% in CY27, due to the global conflicts having a greater net impact on emerging economies than advanced economies.

China's growth remains steady at around 4.60% in CY26 and is expected to fall to 4.10% in CY27 due to higher global oil prices as well as global uncertainty. **India's** growth has been among the fastest-growing major economies, with projections of 6.400% in CY26, driven by strong private consumption and services activity.

Indonesia is expected to maintain consistent growth of around 5.00% in CY26 and 5.10% in CY27. **Saudi Arabia's** growth in CY26 has a downward projection to have a growth rate of 1.70% on account of the damage due to the ongoing tensions. On the other hand, **Brazil's** growth is projected to be 2.40% in CY26 and 2.20% in CY27, as the war has a small net positive effect in 2026, as a result of the country being a net energy exporter.

Despite the turmoil in the last two to three years, India bears good tidings to become a USD 5 trillion economy by CY28. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP is projected to be at USD 4.2 trillion for CY26 and is projected to reach USD 4.5 trillion by CY27 and USD 6.8 trillion by CY30. India's expected GDP growth rate for the coming years is almost double compared to the world economy. The Indian economy shows resilience amid global inflation, supported by a stable financial sector, strong service exports, and robust investment driven by government spending and high-income consumer consumption, positioning it for better growth than other economies.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at 6.5% in the period of CY25-CY30, outshining China's growth rate. By CY30, the Indian economy is estimated to emerge as the third-largest economy globally, surpassing Japan and Germany. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP), with an ~8.5% share in the global economy, with China at the top followed by the United States.

1.1.1 El Niño and Economic Growth

The rainfall during the June to September 2026 monsoon season is projected at approximately 90% of the Long Period Average (LPA), indicating a below-normal monsoon. The anticipated emergence of El Niño conditions is expected to contribute to uneven rainfall distribution and deficient precipitation across certain regions, with a high probability of a moderate-to-strong El Niño event during the season.

El Niño could exert upward pressure on food inflation through its impact on agricultural output and perishable commodities. Erratic weather patterns, elevated temperatures, and heatwaves may adversely affect the production of fruits and vegetables, particularly key inflation-sensitive crops such as tomatoes, onions, and potatoes. Pulse production also remains vulnerable to rainfall deficiencies, potentially leading to supply-side pressures and higher prices.

Historically, deficient monsoons have had a direct impact on agricultural output and economic growth. However, the sensitivity of overall economic activity to rainfall deviations has moderated significantly over time due to structural changes in the economy. Agriculture's contribution to India's Gross Value Added (GVA) has declined from approximately 53% in FY1951 to around 17% in FY2026, reducing the economy's overall dependence on the sector.

States with lower irrigation coverage, higher dependence on rain-fed agriculture, and limited crop diversification are highly vulnerable to rainfall shocks. While the macroeconomic impact of El Niño is expected to remain manageable, its potential implications for agricultural production and food inflation warrant close monitoring. The progress of the monsoon, inflationary trends, and region-specific agricultural stress indicators will remain key factors to watch during the year.

1.1.2 Iran Conflict Impacts Energy Intensive Sectors

The geopolitical tensions surrounding the Iran conflict in West Asia are having a direct, quantifiable impact on the Indian consumer industry due to its high dependence on energy imports routed through the Strait of Hormuz (presently the zone of conflict). India imports around 60% of its LPG demand, and nearly 90% of the imports transit through the Strait of Hormuz route. Since LPG is a primary cooking fuel for over 300 million Indian households, any disruption in supply chains, or increase in freight and insurance costs, has an immediate effect on household consumption expenditure and urban demand patterns in the country.

This impact is further amplified by India's crude oil dependence, with over 85% of total crude demand being imported, a large share of which travels from West Asia and eventually moves through the Strait of Hormuz route. A significant share of India's energy cargo, approximately 40–50% of crude oil imports and most LPG imports, is routed through the Strait of Hormuz too, making it a critical chokepoint for India's energy security.

This creates a structural vulnerability, where even moderate disruptions or price shocks translate into higher fuel costs. Since fuel constitutes a key component of logistics, particularly in a distribution-heavy economy like India, rising crude prices increase transportation and supply chain costs across sectors such as FMCG, retail, e-commerce, and consumer durables. This leads to cost transmission across the value chain, affecting both producers' margins and end-consumer prices.

Additionally, a significant share of India's natural gas imports is also linked to this route, impacting energy-intensive sectors such as fertilisers, packaging, and manufacturing inputs. These sectors are closely integrated with consumer industries, creating second-order effects through higher input costs and supply-side pressures. As a result, the consumer industry faces broad-based cost escalation, with companies either absorbing margin pressures or passing on selective price increases, potentially moderating demand in price-sensitive segments.

Recent signs of de-escalation in the region have contributed to greater stability in global financial markets and a moderation in crude oil prices. However, shipping activity and trade flows through key routes such as the Strait of Hormuz have not yet fully normalised, and risks related to energy prices, freight costs, and supply chain disruptions persist. Nevertheless, the Indian consumer sector is expected to remain resilient, supported by strong domestic consumption, healthy banking sector fundamentals, adequate foreign exchange reserves, and a stable regulatory environment. These factors are likely to mitigate the impact of external shocks and support sustained consumer demand.

1.2 Indian Economic Outlook

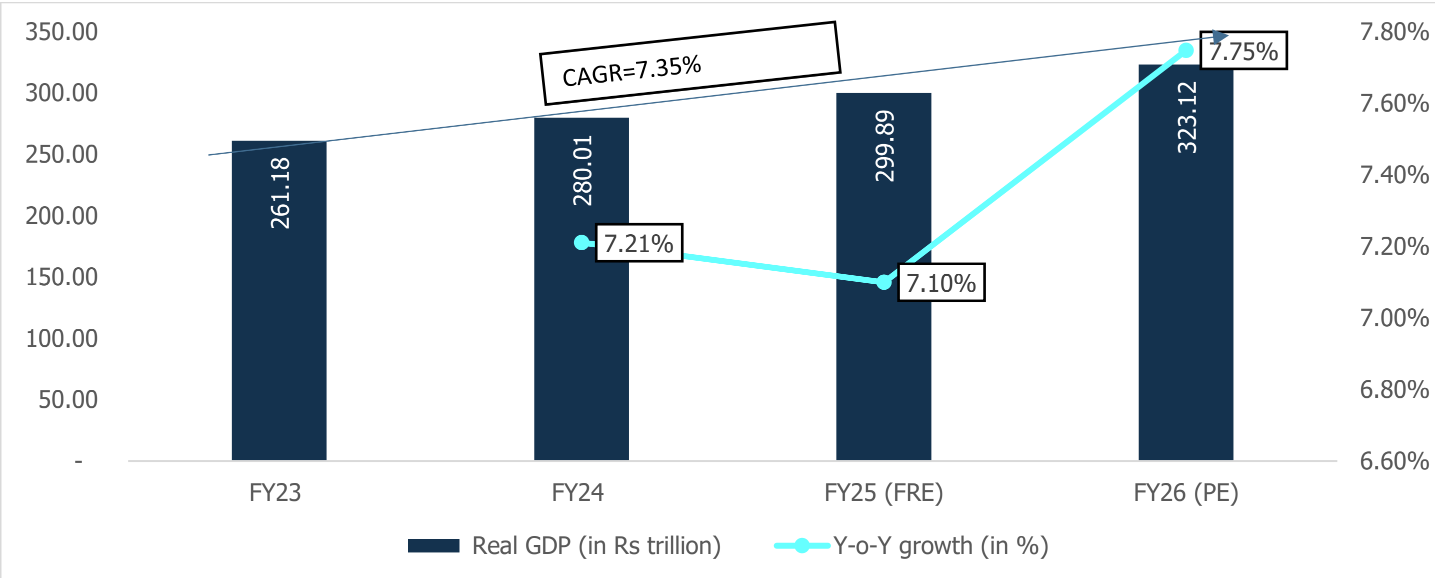
1.2.1 GDP Growth and Outlook

Resilience to External Shocks Remains Critical for Near Term Outlook

The Indian economy continues to show rapid growth. As per provisional estimates, GDP in FY26 is expected to have grown by 7.75%, supported by strong domestic consumption, investment, manufacturing and services activity. The economy showed resilience while the global economic environment remains challenging due to geopolitical tensions, trade-policy uncertainty and financial vulnerabilities.

For FY25, first revised estimates show a growth of 7.10% (Rs 299.89 trillion), led by robust performance in manufacturing, construction and financial services. Consumer spending rose by 7.70%, and government spending increased by 5.50%, both contributing to the overall growth. In FY23, the real GDP stood at Rs 261.18 trillion and registered Y-o-Y growth of 7.21% in FY24 (Rs 280.01 trillion).

Chart 2: Trend in Real Indian GDP growth rate



Source: MOSPI; Note: PE – Provisional Estimates, FRE- First Revised Estimates. Note: The trend for FY23-FY26 is based on new series base year 2022-23.

GDP Growth Outlook (August 2026)

FY27 GDP Outlook: The Reserve Bank of India (RBI) projects real GDP growth at 6.70% for 2026–27, supported by sustained momentum in the services sector, strong reservoir levels aiding the agricultural sector, and private consumption expected to remain uplifted by discretionary spending.

However, elevated energy and other commodity prices, cost pressures, as well as the travel disruptions in the Strait of Hormuz are likely to affect growth this year. However, the government is working towards minimising the impact of the supply chain disruptions towards critical sectors to ensure limited interruptions.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY27P (Complete Year)	Q1FY27P	Q2FY27P	Q3FY27P	Q4FY27P	Q1FY28P
6.70%	7.00%	6.40%	6.50%	6.80%	7.30%

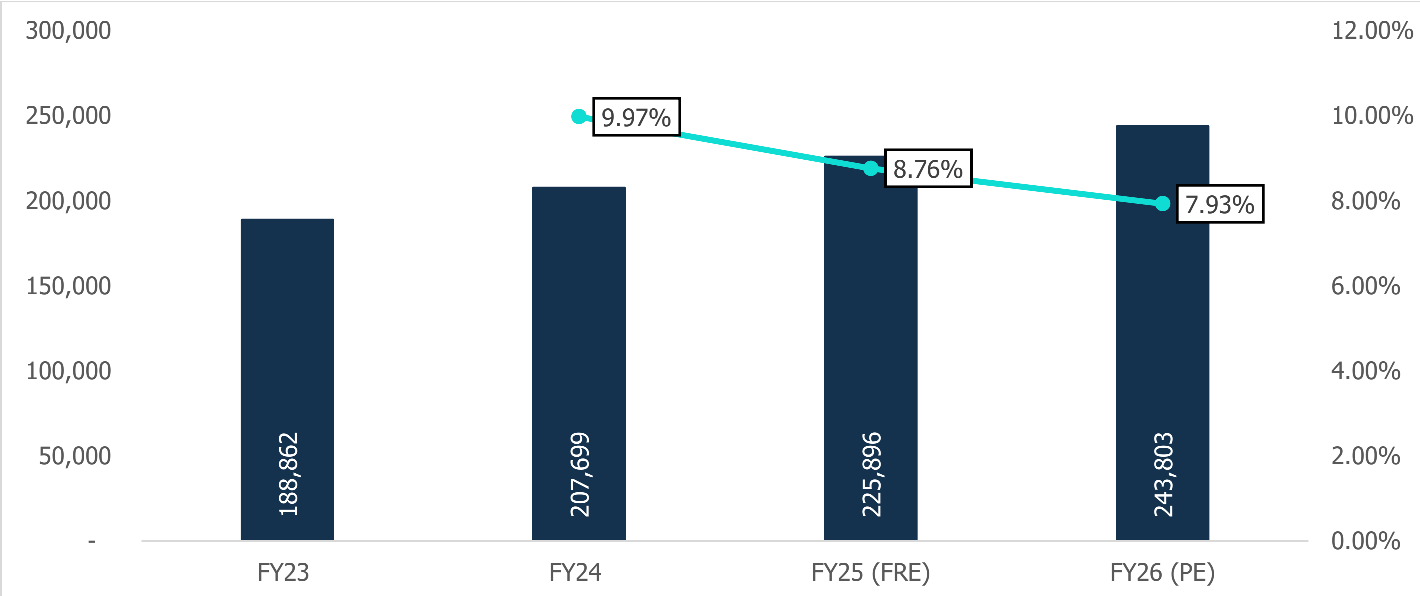
Source: Reserve Bank of India; Note: P-Projected

1.2.2 India's GDP Per Capita

India's per capita GDP has shown a consistent upward trend over the past decade, reflecting steady economic growth. Rising per capita income, driven by robust economic development, enhances consumer confidence and discretionary spending, reflecting a higher standard of living and overall prosperity.

From FY23 to FY25 (according to the estimates), the per capita GDP increased from Rs 1,88,862 to Rs 2,25,896, with an average growth rate of around 8.80% annually. In FY26, the growth is expected to reach around 7.93% at Rs 2,43,803. Key drivers of this growth include structural reforms, digitalisation, rising domestic consumption and increased foreign investment.

Chart 3: Per capita GDP (current prices)



Source: MOSPI.
Note: FRE- First Revised Estimates, PE- Provisional Estimates;
The trend for FY23-FY26 is based on new series base year 2022-23.

1.2.3 Gross Value Added (GVA)

GVA is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side, whereas GDP represents consumption. GVA in FY25 was powered by a broad-based rebound across sectors.

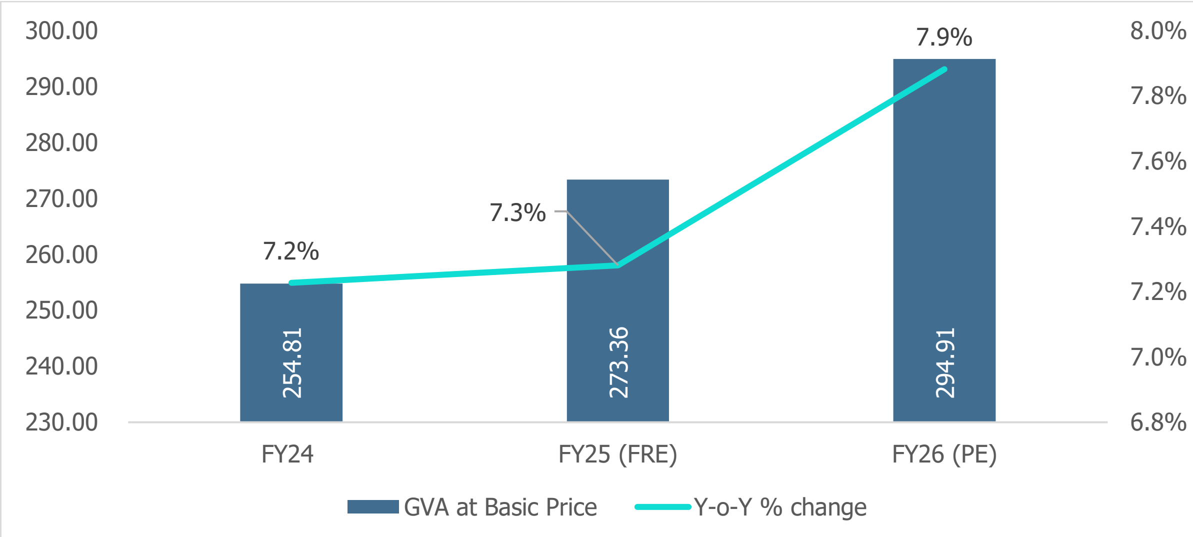
In FY26 (PE), real GVA growth of 7.9% is primarily led by manufacturing, Trade, Hotels, Transport, Communication & Services related to Broadcasting. Industry is estimated at 8.5%, supported by a pickup in manufacturing and construction (10.7% and 7.4%, respectively). The gap between GDP and GVA growth stood at 0.2 percentage points in FY26, with GDP growing at 7.7% and GVA at 7.9%.

Table 3: Sectoral Growth (Y-o-Y % Growth) – at Constant Prices

At Constant Prices	FY24	FY25 (FRE)	FY26 (PE)
Agriculture, Forestry & Fishing	**2.60**	**4.20**	**3.00**
Industry	**10.90**	**8.30**	**8.50**
Mining & Quarrying	2.40	11.70	5.20
Manufacturing	12.70	9.30	10.70
Electricity, Gas, Water Supply & Other Utility Services	10.70	2.90	1.70
Construction	9.90	7.30	7.40
Services	**7.00**	**7.90**	**9.30**
Trade, Hotels, Transport, Communication & Broadcasting	10.10	6.60	11.00
Financial, Real Estate & Professional Services	5.50	10.00	10.40
Public Administration, Defence and Other Services	6.80	5.00	5.00
GVA at Constant Price	**7.20**	**7.30**	**7.90**

Source: MOSPI; Note: FRE- First Revised Estimates, PE – Provisional Estimates;
The trend for FY24-FY26 is based on new series base year 2022-23.

Chart 4: Gross Value Added (Y-o-Y growth)



Source: MOSPI; Note: FRE – First Revised Estimates, PE – Provisional Estimates

1.2.4 Trends in Per capita State Domestic Product (SDP)

SDP is the total value of goods and services produced during any financial year, within the geographical boundaries of a state. The top-performing states on per capita SDP include Gujarat, Karnataka and Tamil Nadu, due to their strong industrial and services base, higher urbanisation, better infrastructure and greater investment inflows leading to higher income generation.

As of FY26, major states having a per capita SDP below the national average include Rajasthan and Madhya Pradesh, growing Y-o-Y by 7.76% and 6.99% respectively. Bihar is the poorest-performing state with a per capita SDP of Rs 38,878 in FY26. It has consistently been performing the poorest since FY18, growing merely at a CAGR of 4.8% from FY18 to FY26. Bihar's poor performance is due to factors such as a high population base, lower levels of industrialisation, infrastructure gaps, lower human capital development and higher dependence on agriculture, together limiting productivity and income growth.

Table 4: Per Capita State Domestic Product (SDP) for Key States (at constant prices, in Rs.)

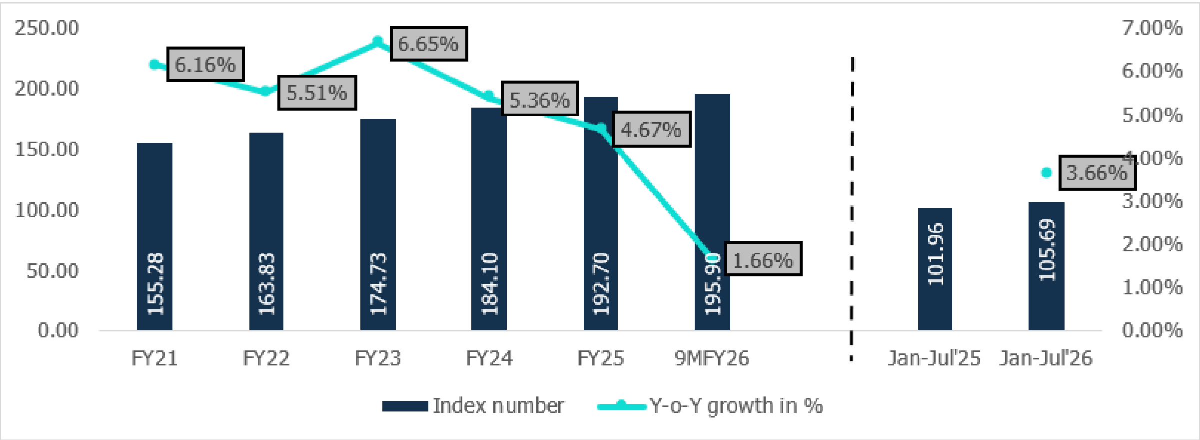
State\UT	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Andhra Pradesh	103,177	108,853	110,587	110,971	118,349	123,707	131,449	141,847	155,412
Bihar	26,719	29,092	29,798	26,839	27,674	30,678	33,968	36,264	38,878
Gujarat	143,604	154,887	164,060	156,285	170,519	182,527	196,541	208,895	224,654
Karnataka	140,747	149,024	156,478	149,578	163,999	181,487	195,448	208,397	223,866
Madhya Pradesh	54,824	59,005	60,452	56,037	61,011	63,852	68,014	71,945	76,971
Maharashtra	137,808	140,782	145,626	127,550	141,651	157,504	170,468	181,580	194,403
Rajasthan	73,529	73,975	76,840	73,447	79,490	83,561	88,868	95,762	103,189
Tamil Nadu	133,029	141,844	144,845	143,482	154,269	163,205	178,496	197,747	218,481
Uttar Pradesh	42,876	43,454	44,265	40,959	45,303	48,014	52,651	57,685	NA
Delhi	252,960	257,597	260,559	228,162	239,821	252,930	272,950	285,207	NA

Source: MOSPI, Note: NA- Not Available (The numbers are not yet published by MOSPI)

1.2.2 Consumer Price Index (CPI)

Between January and July 2026, inflation averaged around 3.66% across the Consumer Price Index. By July 2026, inflation increased to 4.45% on a Year-on-Year basis, compared with 4.38% in June 2026 over June 2025. Within this, the rural inflation rate stood at 4.84%, while the urban inflation rate was comparatively lower at 3.96%. This indicates an overall modest inflationary trend, with rural areas experiencing relatively higher price pressures than urban regions

Chart 5: Retail Price Inflation in Terms of Index and Y-o-Y Growth in % (Base: 2011-12=100, 2023-24=100)

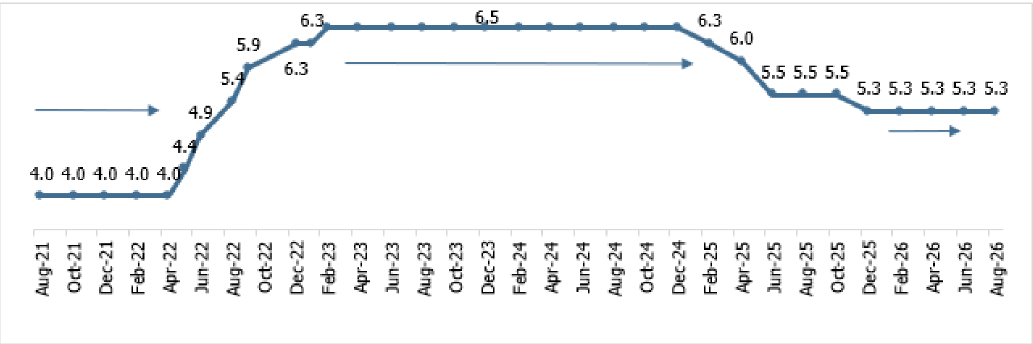


Source: MOSPI

The CPI is primarily factored in by the RBI while preparing its bi-monthly monetary policy. At the bi-monthly meeting held in August 2026, the RBI projected inflation at 5.00% for FY27, with inflation during Q2FY27 at 4.70%, Q3FY27 at 5.90%, Q4FY27 at 5.50%, and Q1FY28 at 5.30%.

Considering the current inflation situation, RBI has maintained the repo rate at 5.25% in the August 2026 meeting of the Monetary Policy Committee (MPC).

Chart 6: RBI historical Repo Rate



Source: RBI

RBI maintained a 'neutral' monetary policy stance, even as the Monetary Policy Committee (MPC) noted an increase in geopolitical tensions. The RBI has adopted a non-inflationary growth strategy, supported by strong demand and supply fundamentals while maintaining macroeconomic stability. With volatile trade conditions in view, the domestic growth and inflation curve requires policies to be supportive.

The India Meteorological Department (IMD) expects a below-normal monsoon, with rains in most parts of the country, except in some areas of the northeast, southern peninsula, and northwest India, which is likely to affect inflation levels.

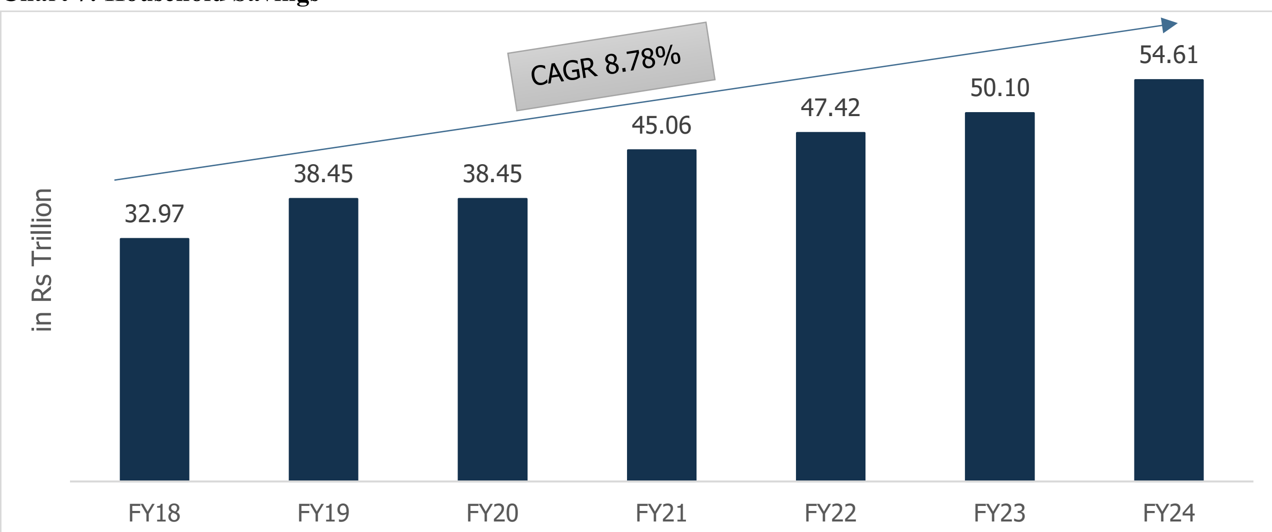
Despite elevated global crude oil prices, India initially kept retail petrol and diesel prices stable by reducing central excise duty and absorbing part of the cost through state-owned oil marketing companies. Subsequently, retail fuel prices were increased in a phased manner to partly pass on the higher input costs to consumers. The rise in energy prices and weather disturbances affecting food prices are upside risks to inflation.

1.2.5 Household Savings' Shift from Financial Assets to Physical Assets

Household savings are of the household sector, measured as the excess of income over consumption and invested in financial assets and physical assets. Household savings in India have grown at an 8.78% CAGR since FY18, reaching Rs 54.6 trillion in FY24, a 9.0% Y-o-Y increase. A shift toward physical assets, particularly housing and gold/silver ornaments, reflects a preference for tangible investments amid high inflation and slow growth in monetary assets. Savings in the form of gold and silver ornaments (% of Household sector savings) were reported at 1.2% in FY24.

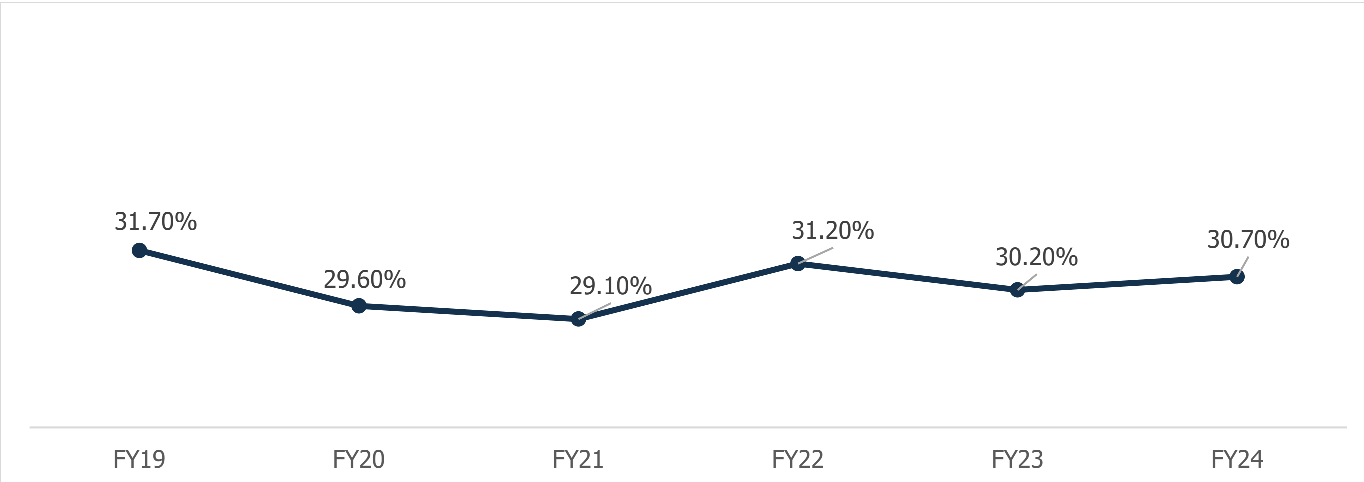
This increasing trend towards physical assets is occurring alongside a rise in household leverage, with borrowing, especially for housing, automobiles, and personal consumption, pushing household financial liabilities to a six-year high. Mutual funds and life insurance also grew, with an 11.5% and 13.6% Y-o-Y increase, respectively, while investment in equities and capital market instruments rose as they offer higher returns than bank deposits.

Chart 7: Household Savings



Source: MOSPI

Chart 8: Gross Savings (as % of GDP) (at current prices)



Source: MOSPI

Gross Domestic Savings (GDS) are the total savings within the economy, comprising the savings of the household, private corporate and public sectors. GDS as percentage of GDP has seen a flat growth moving within a narrow range. Within the last five years, it was highest in FY19 at 31.7%. It declined to less than 30% during FY20 and FY21 on account of COVID-19 pandemic, increasing again to 31.2% in FY22 before declining to 30.2% in FY23. The trend picked up marginally in FY24 to 30.70%.

As of FY24, Savings were Rs 92.59 trillion indicating a Y-o-Y growth of 12.3% while GDP was at Rs 301.23 trillion showing a growth of 12.0%.

1.2.6 Growth of the middle class in India and the rural economy in India

The Indian rural economy is becoming a significant driver of the Fast-Moving Consumer Goods (FMCG) sector's resurgence, signalling a promising turnaround in aggregate demand after a slow start to FY24-25. RBI highlights that rising incomes and improved infrastructure are fuelling increased rural consumption of FMCG products. This boost is supported by a rise in rural savings, marked by growing numbers of savings bank accounts and balances, and a reduction in inflationary pressures, which has allowed rural consumption to catch up with urban areas. Additionally, favourable monsoon conditions and improved sowing data are expected to sustain this growth, complemented by increased government spending on rural development and infrastructure.

The expansion of middle-income households in rural India is transforming the country's economic landscape. This growth is driven by rising incomes, increased discretionary spending, a shift towards online and omnichannel shopping, and advancements in payment and logistics infrastructure. There is also a notable dietary shift in rural areas from carb-based foods to more protein-rich diets. India's middle class, characterised by significant income variability, exhibits diverse spending patterns. Lower-middle-class households allocate much of their income to private healthcare, education and essential consumer goods such as motorbikes and basic appliances. In contrast, the upper-middle-class invests in luxury items, entertainment, property, and personal services, with a higher propensity to own assets like cars, computers, and air conditioners. Both segments of the middle class are substantial and emerging as key drivers of consumption and economic growth in India. Recent policies, including the Mahatma Gandhi National Rural Employment Guarantee Act, have increased rural incomes, enabling more rural households to enter the middle class. The growing, more inclusive, and politically engaged middle class reflects broader economic growth, although there is a risk of social strain if growth falters and quality job creation does not keep pace.

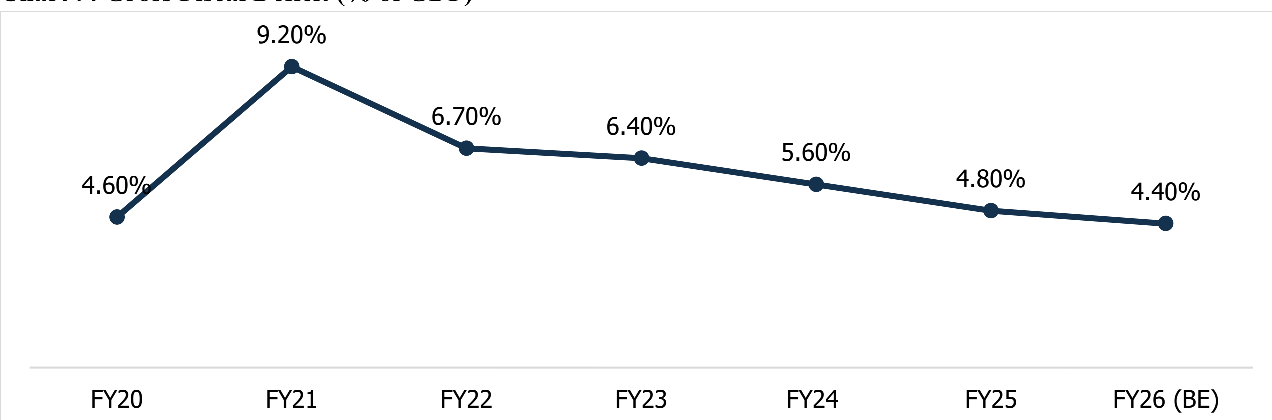
The government's budget measures, which focus on agriculture, infrastructure and rural development, aim to increase incomes and revitalise the rural sector. These measures include transforming agricultural research, introducing new crop varieties, promoting natural farming and enhancing digital infrastructure for agriculture. Successful implementation of these programs, coupled with proper fund allocation, is crucial for improving farm incomes and strengthening supply chains. A shift towards diversified, high-value agricultural production, along with marketing and trade reforms, is needed to foster more inclusive, environmentally friendly and climate-resilient agriculture

Despite higher absolute incomes among the wealthy class, the sheer size of India's middle class indicates it will become a major force in the economy, creating one of the world's largest markets. This burgeoning middle class, with its growing discretionary spending power, is poised to drive investment, generate employment and spur further economic growth. Assuming effective reforms are implemented, and the middle class expands to over one billion people, its role will be pivotal in India's economic and social fabric, influencing a wide range of activities from consumption to employment and political change.

1.2.7 Fiscal Deficit (as a % of GDP)

In FY21, India's fiscal deficit was 9.20% due to the impact of the COVID-19 pandemic; since then, it has seen a steady improvement and is expected to reduce to 4.8% of GDP in FY25 (RE), driven by strong economic growth and higher tax and non-tax revenues. The government aims for further fiscal consolidation, setting a target of 4.40% of GDP for FY26 to maintain fiscal prudence.

Chart 9: Gross Fiscal Deficit (% of GDP)

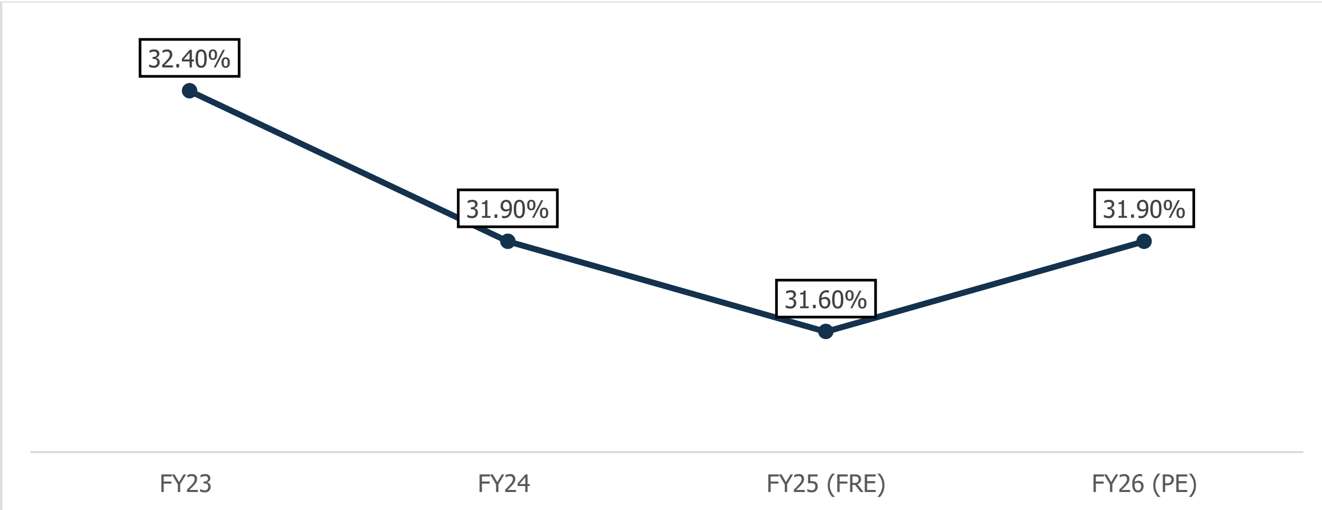


Source: RBI; Note: RE-Revised Estimates, BE-Budget Estimates

1.2.8 Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF) is a measure of net increase in physical assets. GFCF as a share of GDP eased during FY23–FY25 and was estimated to be broadly stable in FY26. This pattern is aligned with a period in which nominal GDP expanded, while investment growth remained positive, it did not outpace the overall nominal expansion. GFCF rose by 8.9% in FY25 and 9.9% in FY26 in real terms, alongside continued growth in consumption, indicating that the movement in the ratio reflects relative GDP shares rather than a decline in investment activity.

Chart 10: Gross Fixed Capital Formation (GFCF) at Current Princes (as % of GDP)



Source: MOSPI; Note: FRE- First Revised Estimates, PE- Provisional Estimates.

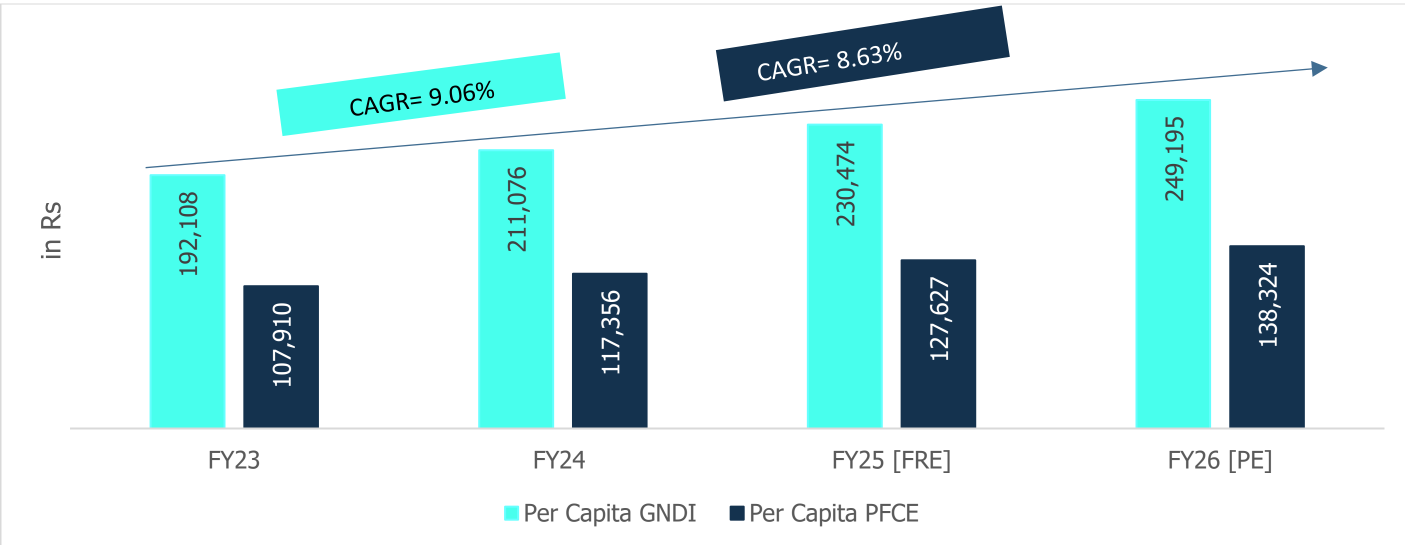
1.2.9 Per capita Private Final Consumption Expenditure (PFCE) and Gross National Disposable Income (GNDI)

- **Increasing Disposable Income and Consumer Spending**

GNDI is a measure of the income available to the nation for final consumption and gross savings. Between the period FY23 and FY26, per capita GNDI at current prices registered a CAGR of 9.1%. More disposable income drives more consumption, thereby driving economic growth.

With an increase in disposable income, there has been a gradual change in the country's consumer spending behaviour. Per capita Private Final Consumption Expenditure (PFCE), which is a measure of consumer spending, has also shown significant growth from FY23 to FY26 at a CAGR of 8.6%.

Chart 7: Trend of Per Capita GNDI and Per Capita PFCE (Current Price)

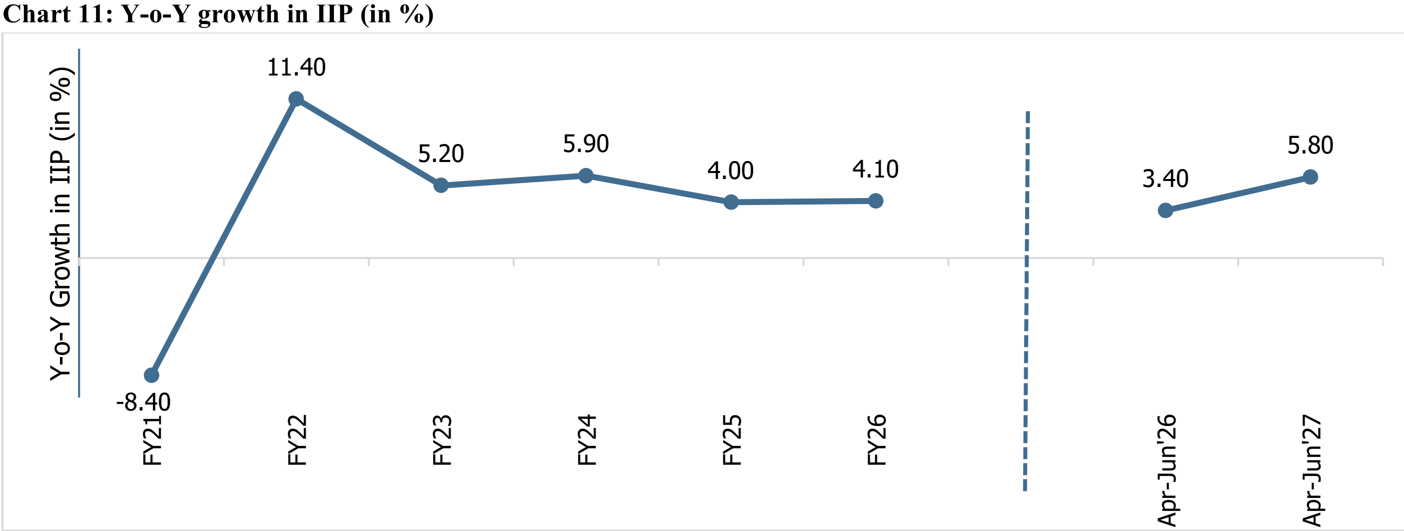


Source: MOSPI; Note: FRE – First Revised Estimates, PE- Provisional Estimates;
The trend for FY23-FY26 is based on new series base year 2022-23.

1.2.10 Industrial Growth

The Index of Industrial Production (IIP) in India grew by 5.80% Year-on-Year from April-June (FY27), showing steady but moderate industrial momentum, supported by 7.80% growth in the manufacturing sector and strong growth of 10.60% in the Electricity & Gas Supply sector.

Chart 11: Y-o-Y growth in IIP (in %)

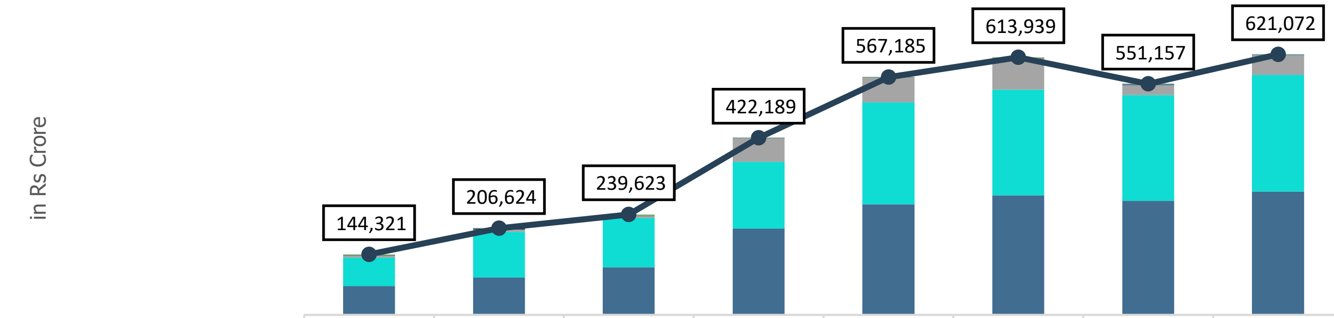


Source: MOSPI

1.2.11 Budgetary expenditure on Infrastructure

With the growing population, the long-term need for robust infrastructure is necessary for economic development. This generates the need for massive investments in the development and modernisation of infrastructure facilities, which will not only cater to the growing demand but will also ensure competitiveness in the global market.

Chart 12: Budgetary outlay towards infrastructure



	FY20	FY21	FY22	FY23	FY24	FY25 (A)	FY26 (R)	FY27 (B)
Power	1,615	370	2,827	23	125	1,122	584	361
Ports	259	169	614	678	1,149	1,339	1,199	1,200
Oil & Gas	572	2,313	347	40	41	341	1,407	238
Telecom	5,660	5,254	5,254	56,205	59,380	73,846	23,916	47,275
Railways	67,842	109,324	117,271	159,256	242,579	251,947	252,000	277,830
Roads and Highways	68,374	89,195	113,312	205,986	263,912	285,344	272,051	294,167
Total	144,321	206,624	239,623	422,189	567,185	613,939	551,157	621,072

Source: Union Budget FY27 document; Note: A- Actual, R- Revised, B- Budgeted

Some of the key government infrastructure schemes include:

- **Infrastructure financing and asset monetisation (Budget 2026-27)**
  - **Infrastructure Risk Guarantee Fund** announced to strengthen private developer confidence by addressing construction-phase risk.
  - **Dedicated REITs for CPSE Assets** announced to accelerate recycling and monetisation of significant CPSE real estate assets, supporting capital redeployment into infrastructure.
  - **Public Capex Push** continues, with higher Central Government capital expenditure for FY 2026-27 to sustain infrastructure-led growth.
- **Urban Infrastructure and City Development (Budget 2026-27)**
  - **City Economic Regions (CER)** introduced to support competitive, region-based urban infrastructure and economic agglomerations (Tier II and Tier III focus), with multi-year funding support.
  - **Urban Rejuvenation Mission (including AMRUT and Smart Cities)** continues as the principal umbrella for water supply, sewerage and urban infrastructure investments, with FY 2026-27 allocations provided in the Budget documents.

PMAY-Urban 2.0 remains the primary affordable housing programme for urban areas, with FY27 allocations provided in the Budget documents**.**

Key growth drivers for the Indian economy

1. **Domestic demand resilience (consumption-led, investment-supported)**: India's current expansion remains primarily domestic-demand led, with household consumption and capital formation sustaining growth momentum. This demand base supports capacity utilisation, improves revenue visibility for consumer, housing and services-linked sectors and reduces reliance on external demand cycles.

2. **Public capital expenditure and infrastructure modernization**: The policy stance continues to prioritize infrastructure creation and logistics efficiency, which improves economy-wide productivity and lowers delivered cost across value chains. The focus is increasingly on project preparation, standardization and dispute resolution to strengthen bankability and accelerate execution, including greater use of PPP structures where feasible.
3. **Services sector competitiveness and export strength**: Services remain a key supply-side driver, with ongoing strength in IT and business services and a growing role for global delivery and capability centers. This supports higher-value employment, urban demand and resilient external receipts, with spillovers into commercial real estate, telecom, transport and professional services.
4. **Manufacturing scale-up and supply chain deepening**: Industrial policy continues to target manufacturing depth, technology capability and supply chain resilience, with incentives and programmes aimed at scaling domestic production and exports. Recent budget emphasis on frontier manufacturing areas indicates a continued push towards higher complexity manufacturing and import substitution in strategic segments.
5. **Digital public infrastructure enabling formalization and productivity gains**: Rapid diffusion of interoperable digital rails (notably payments and identity-linked services) continues to reduce transaction friction, improve compliance, support SME formalization and strengthen credit underwriting. This is complemented by policy focusing on cyber-risk mitigation and trust frameworks to sustain adoption at scale.
6. **Energy transition investment and renewable capacity build-out**: India's transition strategy is driving sustained investment across renewables, grid integration and associated supply chains, supporting industrial competitiveness and reducing medium-term exposure to imported fossil fuel volatility. The renewables build-out also creates multi-sector capex demand (equipment, civil works, transmission, storage and services) with material employment and localization potential.
7. **Human capital, skills upgrading and innovation capacity**: Medium-term growth potential is closely linked to skills upgrading, innovation and human capital quality, particularly as technology adoption reshapes employment patterns across services and manufacturing. Policy emphasis on capability building improves the investability of knowledge-intensive sectors and supports productivity-led expansion rather than purely factor-driven growth.
8. **Macroeconomic stability and financial sector resilience**: Continued emphasis on fiscal consolidation, contained external imbalances and financial system resilience supports lower risk premia and improves long-horizon investment appetite. Reform momentum (including tax system changes and ongoing institutional strengthening) further supports private investment sentiment and the scale-up of formal sector activity.

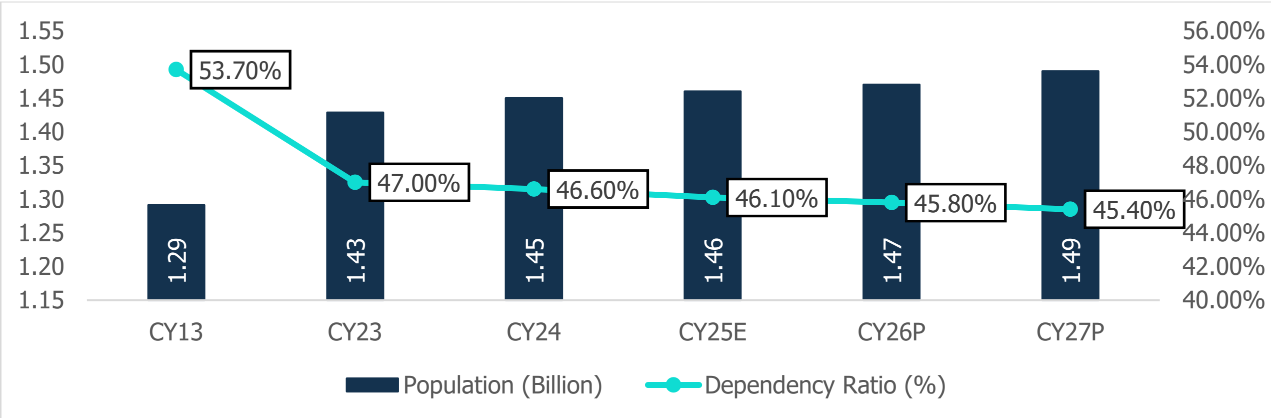
1.2.12 Overview of key demographic parameters

- **Population growth and Urbanization**

The trajectory of economic growth and private consumption in India is driven by socio-economic factors such as demographics and urbanisation. According to the World Bank, India's population in CY22 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

The Age Dependency Ratio, which is the ratio of dependents to the working age population has been on a declining trend. The ratio covers age 15 to 64 years, wherein dependents are population younger than 15 and older than 64. Declining dependency ratio indicates that the country has an improving share of working-age population generating income, which is a good sign for the economy. It was as high as 76% in 1983, which has reduced to 47% in CY23. However, this ratio is expected to rise again to 54% by CY36, driven by an increase in the elderly population as life expectancy improves.

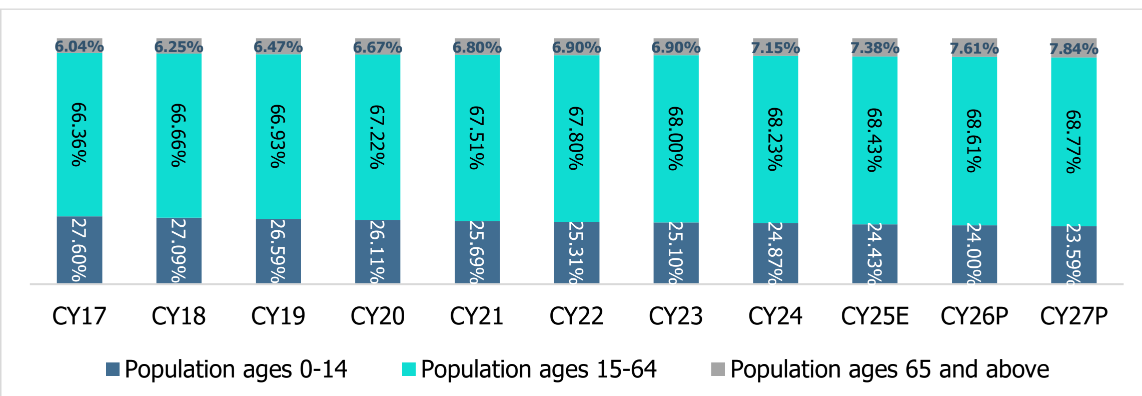
Chart 8: Trend in Population growth vis-à-vis dependency ratio in India (in Billion)



Source: World Bank Database, MOSPI; Note; E- Estimated, P- Projected

Despite a projected rise in the dependency ratio to 54% by CY36, India's young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation and railways. Rising employment, urbanisation, and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

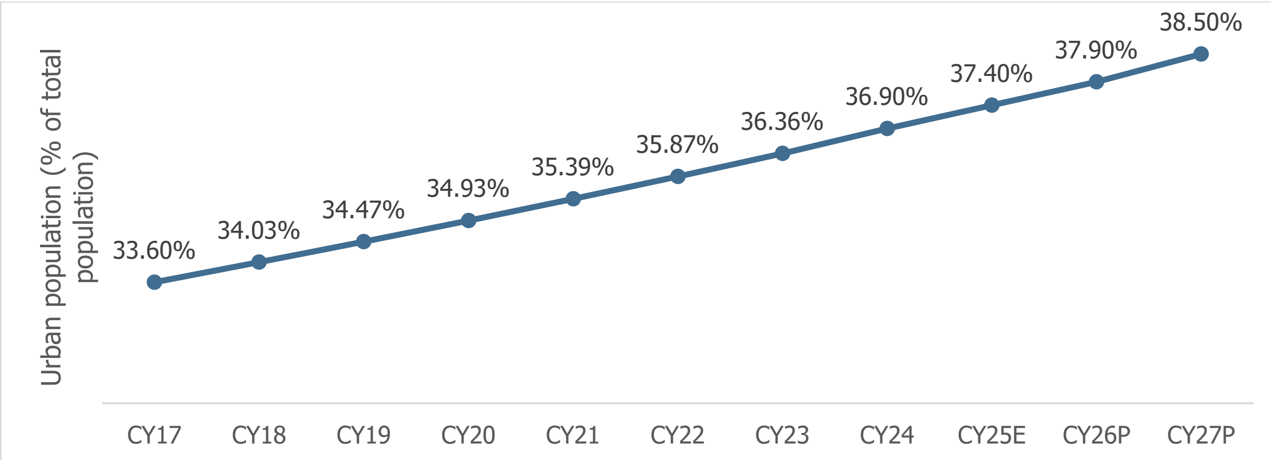
Chart 9: Age-Wise Break Up of Indian population (% of working-age population)



Source: World Bank Database; Note; E- Estimated, P-Projected

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. India is undergoing a significant urban transformation, with the urban population projected to rise to 40% by CY36. This shift is driven by factors such as improved living standards, increased employment opportunities in urban areas and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing and transportation.

Chart 10: Urbanization Trend in India



Source: World Bank Database; Note; E- Estimated, P-Projected

1.3 Conclusion

From a macroeconomic standpoint, India remains one of the most resilient large economies in a challenging global environment. The IMF forecasts GDP growth for India at 6.40% in CY26, far outpacing the estimated CY26 global average of 3.00%. This performance reflects a combination of strong domestic fundamentals, policy stability and a sustained focus on capital formation. While the global economy continues to face uncertainty from geopolitical conflicts, commodity price volatility and rising public debt, India's diversified growth drivers, stable policy framework and expanding export ecosystem position it well to navigate these headwinds.

The key sectors with potential exposure to changes in US tariff policy include engineering goods, electronics, gems and jewellery, pharmaceuticals, textiles and automobiles/auto components, given their material export linkages to the US market.

As of August 2026, the US-India trade relationship faces renewed uncertainty. The US Senate has passed the Graham Sanctioning Russia and Iran Act of 2026, which could allow the US President to impose tariffs of up to 100% on goods from major buyers of Russian energy, including India. The bill is not itself a 100% tariff currently in force, but it creates a significant additional risk for Indian exporters if enacted and applied. In July 2026, the US had imposed a baseline tariff of 10% on roughly 70% of Indian manufactured exported goods (covering textiles, engineering items, gems, and machinery.

India continues to strengthen its position through diversification of trade partnerships and expansion of FTAs with the European Union, the United Kingdom, EFTA and other key economies. India continues to strengthen its position through diversification of trade partnerships and expansion of FTAs. The India-UK Free Trade Agreement officially came into effect on 15th July 2026, providing improved market access and lower trade barriers between the two countries. The agreement is expected to support greater trade in goods and services and create new opportunities for Indian exporters. India is also continuing engagement with the EU, EFTA, GCC and other key markets to reduce dependence on any single trading partner.

The US-Iran conflict remains ongoing and uncertainties around the same remain. As of August 2026, negotiations have stalled, with the US stating that no formal talks are currently planned with Iran. The Iran conflict has led to an increase in prices of consumer products in India due to potentially higher fuel, freight and input costs, which can make everyday goods like FMCG items, plastics and packaged foods more expensive. Disruptions in shipping and fertiliser supplies are also pushing up food prices, affecting imports of agricultural inputs and leading to costlier food products for consumers. Overall, delays in trade routes and rising logistics costs are reducing availability and increasing prices of imported consumer goods, especially from Gulf-linked supply chains. Overall, this is leading to supply shortages, rising costs, and production slowdowns in India's chemical and pharma sectors, with the impact likely to worsen if the conflict continues. Prolonged geopolitical tensions or conflict in the region could lead to sustained increases in crude oil and LPG prices, which may translate into higher input costs across industries and contribute to inflationary pressures in the Indian economy.

Domestically, a below-normal monsoon and potential El Niño conditions may contribute to higher food inflation, which could affect household spending and consumer sentiment, particularly in rural markets. Elevated prices of essential commodities may reduce discretionary spending; however, strong domestic demand, urban consumption, and rising income levels are expected to support overall growth in the consumer sector.

Policy momentum remains strong. The 56th meeting of the GST Council marked a major structural reform by proposing a simplified two-rate system of 5% and 18%, replacing the earlier four-slab framework, along with a 40% demerit rate for luxury and sin goods. This rationalisation aims to reduce compliance burdens, enhance efficiency, and stimulate private consumption. Together with recent revisions in personal income tax rates, these measures are projected to release savings exceeding Rs 2.5 lakh crore into the economy, supporting demand and easing inflationary pressures.

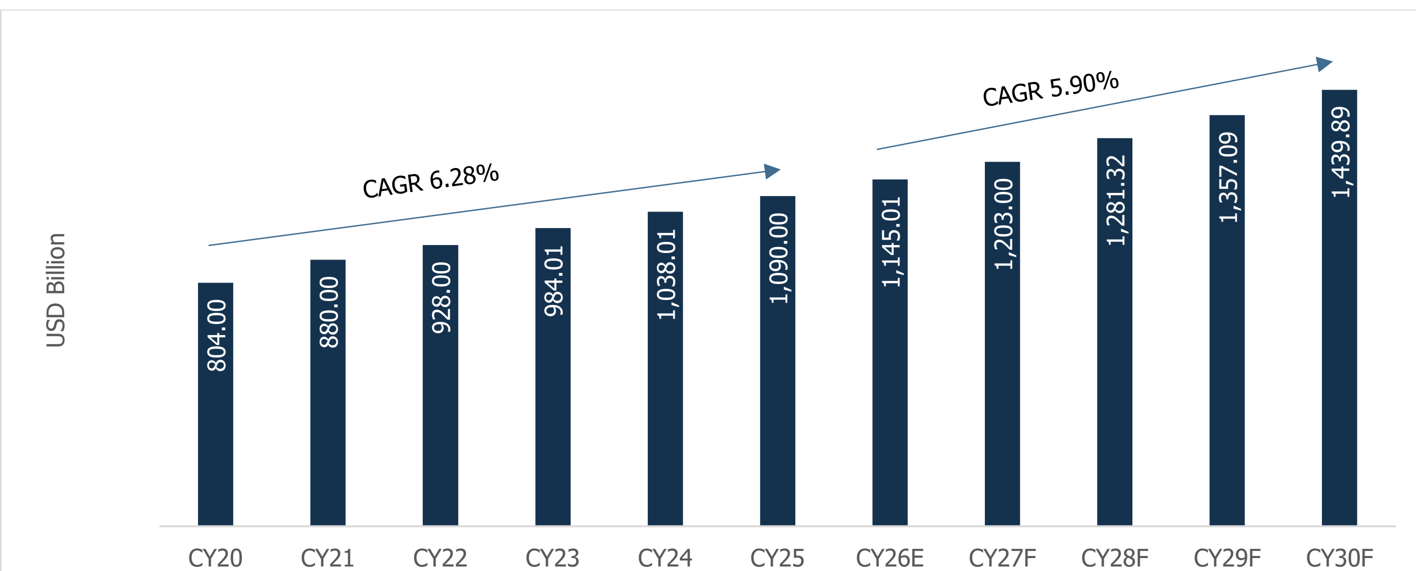
The Union Budget’s allocation of Rs 12.20 lakh crore for capital expenditure in FY27 further reinforces the government’s commitment to infrastructure-led growth. Public investment is expected to catalyse private sector activity, evidenced by rising project announcements and growing imports of capital goods. Improving rural demand, supported by healthy monsoon progress, favourable sowing conditions, and adequate reservoir levels, provides additional tailwinds for consumption and investment.

2. Overview Of Electronic System Design and Manufacturing Industry

2.1 Global Electronics System Design and Manufacturing Industry

The global Electronics System Design and Manufacturing (ESDM) market has demonstrated steady growth over the years, overcoming short-term headwinds. This upward trajectory is expected to continue through the decade, supported by strong demand across end-user segments such as automotive, consumer electronics, healthcare, medical devices, IT and industrial applications. Technology advancements, digital transformation, and increased localization of supply chains are further driving the expansion. The global ESDM market, valued at USD 1,090 billion in CY25, grew at a CAGR of 6.28% from CY20 to CY25 and is expected to reach USD 1,440 billion by CY30, indicating a CAGR of 5.90% between CY26 to CY30.

Chart 13: Global ESDM Market



Source: Maia Research, CareEdge Research

Note: E indicates Estimated; F indicates Forecasted

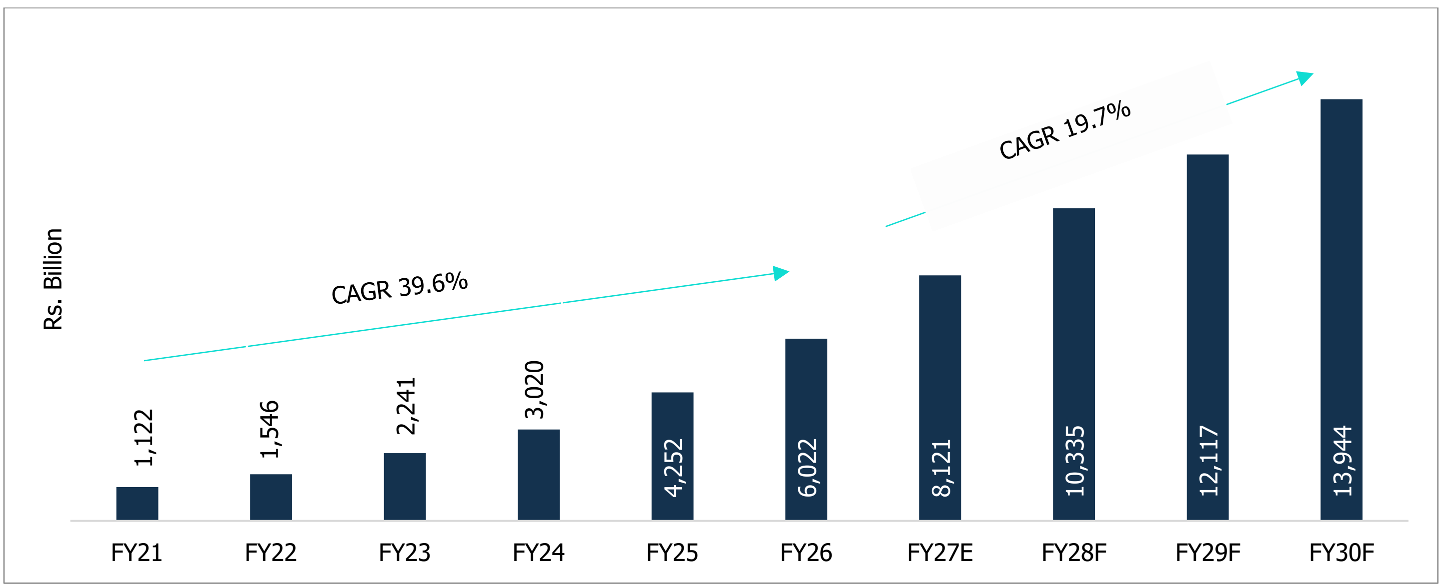
As geopolitical factors influence supply chain diversification, countries are investing in building resilient electronics ecosystems. This has led to increased government focus on domestic manufacturing and R&D in key regions, notably in Asia and North America. Innovation in chip design, energy-efficient components, and specialized applications like EVs, 5G, and AI are shaping the next phase of growth. Looking ahead, the global ESDM market is expected to maintain a upward trajectory, underpinned by strong demand from emerging technologies and growing emphasis on electronics self-reliance across nations.

2.2 Indian Electronics System Design and Manufacturing Industry

India's ESDM sector may be just under three decades old, but its growth story is remarkable. Between 2005 and 2007, major investments from Jabil Circuits and Nokia sparked substantial further investments across India's ESDM landscape. Though Nokia exited its Indian operations around 2013-14, this pause was brief. By 2015, global ESDM players once again showed strong interest in India, and the sector began a steady upward trajectory.

Most leading mobile phone manufacturers and their supply-chain partners have set up manufacturing bases in India. This, together with strong government backing through initiatives such as 'Make in India' and PLI, positions the Indian ESDM industry well for further growth. Considering these developments, India's ESDM sector is poised to unlock its full potential, evolving into global electronics manufacturing hub over the coming years.

Chart 14: Indian ESDM Market Trend



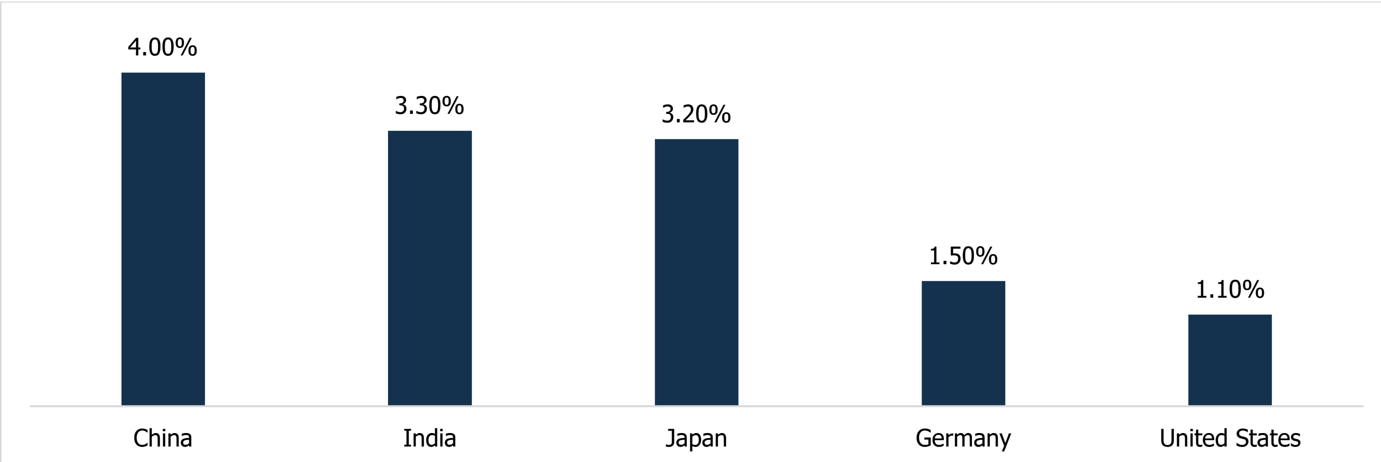
Source: Maia Research, CareEdge Research

Note: E indicates Estimated; F indicates Forecasted

Note: For forecasted values, the exchange rate has been assumed to remain the same as the closing rate of 91.52 as on 02/02/2026.

PLI for the electronics sector was launched on April 1, 2020, by the Ministry of Electronics and Information Technology marking the Indian government's strategic push to boost local electronics manufacturing and reduce import dependence. It applies for a period of five years following the base year and aims to transform India into a major hub for electronics system design and manufacturing (ESDM). Following its rollout, India's ESDM market growth accelerated, rising at a CAGR of 39.64% during the CY20-25 period and is projected to grow at a CAGR of 19.34% during the CY26-30 period; highlighting the scheme's impact on scaling up local production and positioning India as key electronics manufacturing hub.

Chart 15: Electronics Manufacturing Contribution to GDP for Major Countries (CY24)



Source: CareEdge Research

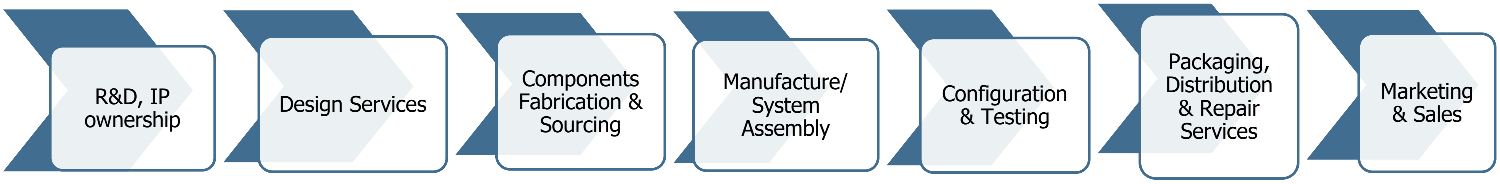
China continues to maintain a dominant position in global electronics manufacturing, driven by its large-scale production ecosystem and established supplier networks. Japan also holds a significant role, particularly in precision components and advanced technologies. Meanwhile, the United States and Germany have a relatively lower dependence on electronics manufacturing as a share of their overall economies, with a stronger tilt toward innovation, design, and high-tech R&D rather than volume-based production.

2.3 Value Chain Dynamics

Indian ESDM companies operate under four main types of business models, ODM model, OEM Model, ESDM model, Job work and After-sales service. As of CY25, the ESDM (Electronics System Design and Manufacturing) model dominates the Indian ESDM market, accounting for roughly 56% of the share, while the ODM (Original Design Manufacturing) model accounts for 35%. A key reason for the limited presence of ODMs is that many electronics manufacturers in India do not yet have fully developed R&D capabilities, primarily due to the high capital requirements and long gestation periods involved.

Despite this, India holds a competitive advantage in design services, as many global firms outsource design work to cost-efficient markets like India. As a result, several Indian ESDM companies are now expanding their offerings to include end-to-end design capabilities in addition to manufacturing and assembly.

India also demonstrates high maturity in supporting functions such as packaging, distribution, repair, sales, and marketing—enabling products to meet diverse regional standards and customer expectations. After-sales service, particularly repair and maintenance, remains important in the Indian market, where the "use-and-throw" mindset is not yet prevalent. ESDM companies that offer reverse logistics capabilities can gain a competitive edge by attracting more business from brands, while also contributing meaningfully to global e-waste management efforts.



The ESDM value chain in India begins with research and design activities, including product conceptualisation, system architecture, and design-for-manufacturing. This is followed by sourcing of raw materials and components, where high-value items such as semiconductors and chipsets are largely imported, while PCBs, metals, plastics, and wiring components are increasingly sourced domestically. Manufacturing involves PCB assembly, sub-assembly and final system integration, which may be carried out in-house for quality-critical processes or outsourced for cost efficiency and scalability. Products then undergo configuration, testing, and quality assurance before being packaged and distributed to OEMs or end customers. The value chain concludes with after-sales services and, in the case of OEMs and ODMs, marketing and sales to end users across consumer, industrial, automotive, and institutional segments.

2.4 Business Model of Indian ESDM Companies

Indian ESDM companies operate under four key business models that define their role and value creation within the electronics supply chain. These models differ in terms of design ownership, manufacturing responsibility, revenue structure, and customer engagement. Together, they enable Indian players to serve a wide range of end markets such as consumer electronics, telecom, automotive, industrial automation, healthcare electronics, and defence systems.

Indian ESDM companies operate under four main types of business models, which are as follows:

- Original Design Manufacturing model
- Electronics System Design and Manufacturing model
- Original Equipment Manufacturing Model
- Job work
- After-sales service

The **ODM (Original Design Manufacturing) model** represents the highest value segment of the ESDM industry, wherein companies not only manufacture products but also undertake complete product design, engineering, prototyping, and tooling activities. These products are then marketed and sold by OEMs under their own brand names. ODM companies invest significantly in R&D capabilities, embedded software, hardware design, and compliance certifications, allowing them to exercise strong control over product architecture and innovation. This model leads to higher margins and deeper customer stickiness, as OEMs rely on the manufacturer for both product IP and continuous upgrades. In India, the ODM model is gaining traction across categories like smartphones, wearables, networking devices, LED lighting, and automotive electronics, driven by the growing push for local design capabilities.

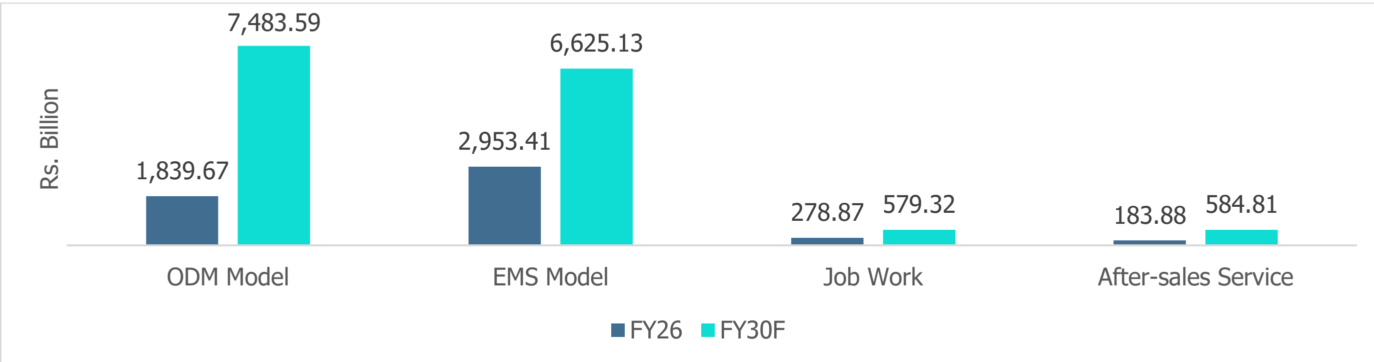
Under the broader **ESDM (Electronics System Design and Manufacturing) model**, companies provide comprehensive system-level design-to-manufacture solutions for OEMs. Unlike ODM, where the manufacturer owns the design, ESDM firms often co-develop the product with customers or execute designs supplied by OEMs. Their services typically include electronics hardware design, prototyping, component sourcing, PCB assembly, sub-system integration, firmware support, testing, quality assurance, and final product assembly. This business model enables India to improve domestic value addition by integrating advanced manufacturing with product engineering. ESDM companies serve as strategic partners by offering supply-chain management, faster scaling capabilities, and cost-efficient production for global and domestic brands.

The **Original Equipment Manufacturing (OEM) model** involves companies that manufacture and sell electronic products under their **own brand names**, while also controlling product design, specifications, and market positioning. OEMs may manufacture products in-house or outsource part or all the production to EMS or ESDM partners. In the Indian electronics ecosystem, OEMs are typically present in consumer electronics, appliances, and industrial equipment segments, focusing on brand building, distribution, and after-sales support while leveraging manufacturing partnerships for scalability.

In the **Job Work model**, the ESDM firm is responsible solely for manufacturing or assembling products using components and designs provided entirely by the customer. Here, design ownership and inventory risk remain with the OEM, while the manufacturer earns a processing or conversion fee for value-added work such as PCB assembly, mechanical fabrication, or sub-assembly creation. This model is commonly used for high-volume consumer electronics and appliances, where OEMs aim to minimize capital expenditure by outsourcing production. Although job work offers secure and predictable orders, its profit margins are relatively lower because the manufacturer has limited control over procurement, pricing, and product complexity.

The **After-sales service model** focuses on repair, maintenance, installation support, refurbishment, field servicing, and reverse logistics of electronic products. Companies operating under this model typically work as authorized service partners to OEMs, ensuring continuity of product lifecycle management and quality compliance. With the rising penetration of electronics across automotive, medical, telecom, and consumer sectors, after-sales service has emerged as an important revenue stream, helping manufacturers create long-term customer relationships, gather product performance insights, and strengthen brand reliability.

Chart 16: ESDM Market Segmentation by type of Business Model



Source: Maia Research, CareEdge Research
Note: F indicates forecasted, For forecasted values, the exchange rate has been assumed to remain the same as the closing rate of 91.52 as on 02/02/2026.

Table 4: Comparative Overview of Business Models in the Indian ESDM Industry

Service / Capability	ODM	ESDM	OEM	Job Work	After-sales Service
Product & System Design	✓	✓	✓	✕	✕
R&D and Engineering	✓	✓	✓	✕	✕
Design Ownership / IP	✓	(Shared / Client-owned)	✓	✕	✕
Component Sourcing & Supply Chain	✓	✓	✓	✕	✕
PCB Assembly	✓	✓	✓	✓	✕
Sub-system / Module Assembly	✓	✓	✓	✓	✕
Final Product Assembly	✓	✓	✓	✓	✕
Manufacturing Execution	✓	✓	✓	✓	✕
Branding & Market Sales	✕	✕	✓	✕	✕
After-sales Repair & Maintenance	✕	(Shared / Client-owned)	✓	✕	✓
Inventory & Demand Risk	✓	(Shared / Client-owned)	✓	✕	✕

2.5 Global Companies Expanding ESDM Operations in India

Over the past decade, India has emerged as a key destination for global electronics and consumer durable manufacturers seeking to diversify supply chains and strengthen regional manufacturing footprints. Several multinational companies have established or significantly expanded their ESDM and electronics manufacturing operations in India, driven by rising domestic demand, cost competitiveness, and policy support under initiatives such as PLI and Make in India. Global smartphone and electronics manufacturers such as Foxconn, Samsung, and Pegatron have expanded large-scale assembly and component manufacturing facilities, positioning

India as a key export and domestic supply hub. These companies continue to evaluate further capacity additions as India's role in global electronics supply chains strengthens.

In the consumer durables and HVAC segment, global appliance manufacturers including LG Electronics, Daikin, Panasonic, Whirlpool, and Samsung have either expanded manufacturing facilities or deepened localisation of components in India. These players have increasingly focused on local sourcing of air-conditioner and refrigeration components such as heat exchangers, copper tubing, wiring harnesses, and control assemblies to reduce import dependence and improve cost efficiency. Many of these companies have announced or indicated plans to further increase local value addition, particularly for air conditioners and refrigerators, in line with India's rapidly growing cooling demand.

In addition, global automotive and industrial electronics companies such as Bosch, Continental, and Siemens have expanded electronics manufacturing, R&D, and system integration capabilities in India over the past decade. These investments support the growing demand for automotive electronics, industrial automation, and power electronics, with further expansion expected as electrification and digitalisation accelerate across industries.

2.6 Few Players in Indian EMS Industry

Amber Enterprises India Ltd

Amber Enterprises India Limited is a leading manufacturer of room air conditioners (RAC) and RAC components in India, serving major brands like LG, Daikin, and Voltas. Established in 1990 and headquartered in Gurugram, the company operates over 20 manufacturing facilities across the country. It provides end-to-end solutions as an OEM/ODM player in consumer durables, electronics, and railway/defence segments.

Dixon Technologies (India) Ltd.

Dixon Technologies (India) Limited, incorporated in 1993, is a leading Electronic Manufacturing Services (EMS) company in India. It operates across multiple electronic product verticals including consumer electronics, lighting, home appliances, mobile phones, and CCTV cameras. The company provides design-focused, end-to-end manufacturing solutions to top Indian and global brands.

ESS Kay Components Pvt Ltd

ESS Kay Components Pvt Ltd was incorporated in 1973 and is headquartered in New Delhi, with manufacturing operations located in Haryana. The company is engaged in the manufacture of copper and brass components used in refrigeration, air-conditioning, electrical, and industrial applications. Its product mix includes copper tubes, fittings, and precision-engineered components. ESS Kay primarily follows a job-work and component-supply business model, providing manufacturing, machining, and finishing services to OEMs.

EMM ESS Aircon Pvt Ltd

EMM ESS Aircon Pvt Ltd was incorporated in 1994 and is headquartered in Gurugram, Haryana, with manufacturing facilities in Haryana. The company manufactures copper and aluminium components and assemblies used in air-conditioning and refrigeration systems. Its product portfolio includes heat-transfer components, tubing solutions, and related assemblies. EMM ESS Aircon primarily operates as a component manufacturer and EMS partner to OEMs, offering fabrication, assembly, and quality-assured supply tailored to RAC industry requirements.

PG Electroplast Ltd

PG Electroplast Ltd was incorporated in 1977 and is headquartered in Noida, Uttar Pradesh. The company operates multiple manufacturing facilities across Uttar Pradesh, Uttarakhand, Maharashtra, and Tamil Nadu, enabling pan-India production and logistics coverage. Its product mix includes plastic injection moulded components, complete plastic assemblies, printed circuit board assemblies (PCBA), and electronics manufacturing services for consumer electronics and home appliances. The company provides integrated services ranging from product engineering support and tooling to contract manufacturing, assembly, and testing, serving major OEMs in the consumer durables and electronics segments.

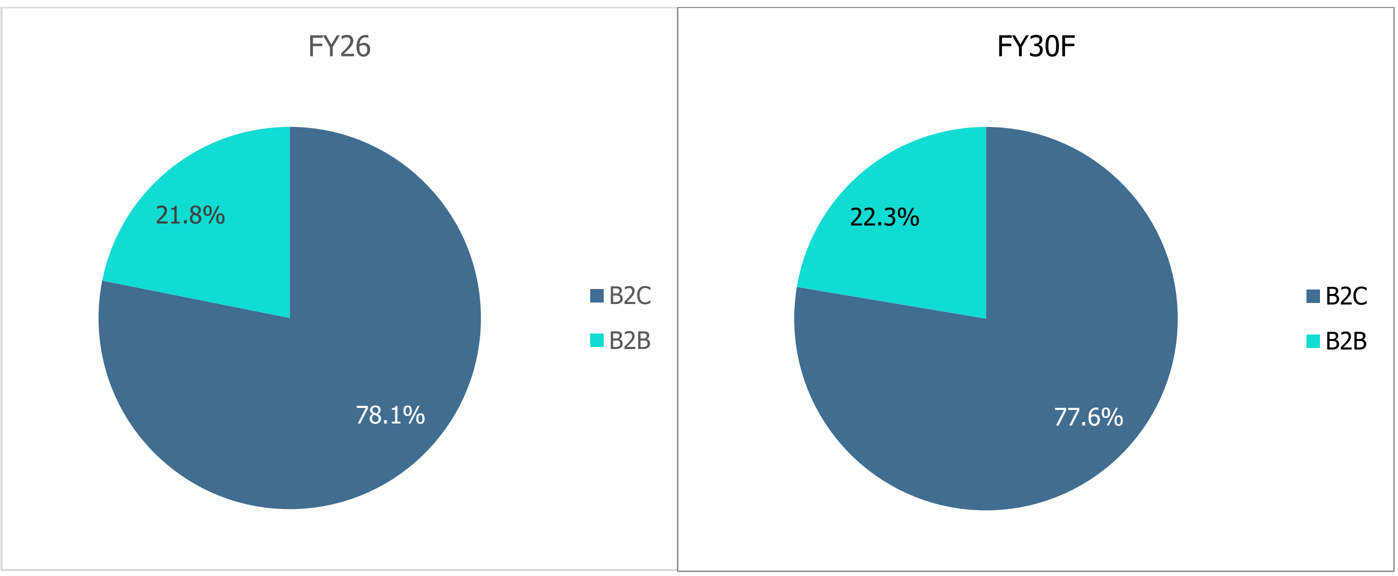
KRN Heat Exchanger & Refrigeration Ltd

KRN Heat Exchanger & Refrigeration Ltd was incorporated in 2016 and is headquartered in Haryana, with manufacturing operations located primarily in northern India. The company specializes in the manufacture of aluminium heat exchangers used in air-conditioning and refrigeration systems. Its product mix includes condenser coils, evaporator coils, and other heat-exchange solutions catering to the RAC and commercial refrigeration markets. KRN operates largely as a component supplier to OEMs, offering manufacturing, testing, and supply of critical thermal management components.

2.7 ESDM Market Segmentation By segments - B2B vs B2C

As of FY26, the B2C channel (78% share) leads the domestic ESDM market due to the high demand for consumer electronics like smartphones, laptops, and wearables, which require large-scale production and efficient supply chains. Consumer electronics also experience faster product cycles and constant innovation, driving consistent growth in the ESDM sector.

Chart 17: Indian (ESDM) Market: Breakup by Segments



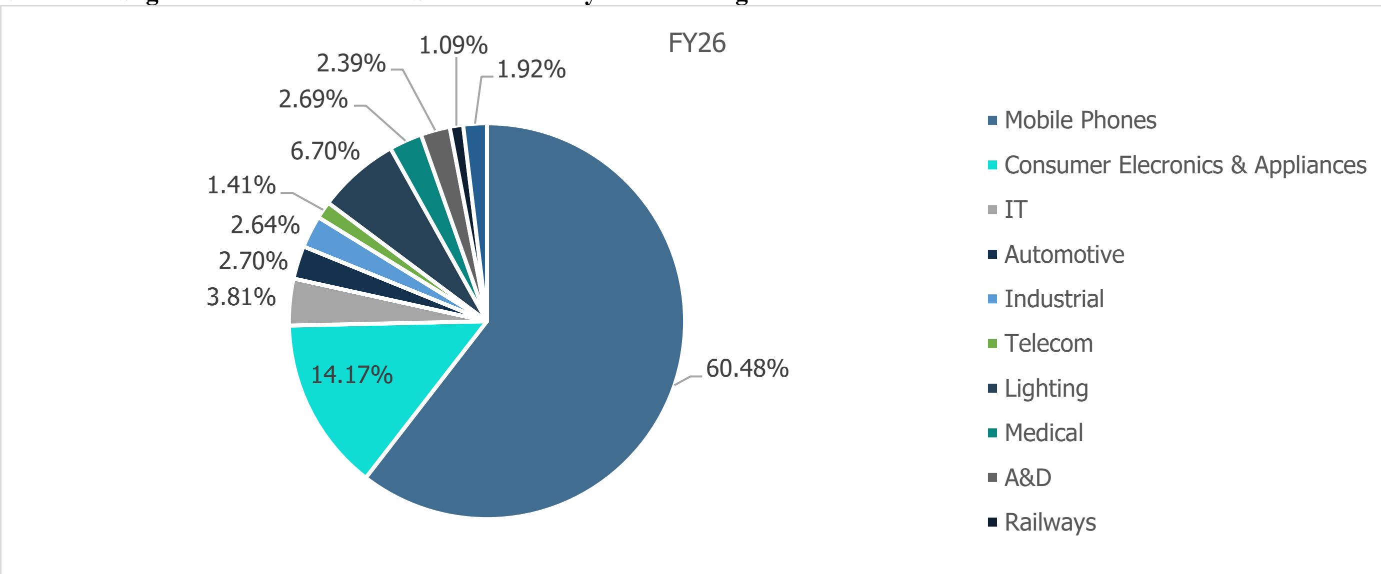
Source: Maia Research, CareEdge Research
Note: B2B includes Railways, Aerospace, Defence, telecom etc. B2C includes Consumer electronics, Home and Kitchen appliances, etc.
Note: For forecasted values, the exchange rate has been assumed to remain the same as the closing rate of 91.52 as on 02/02/2026.

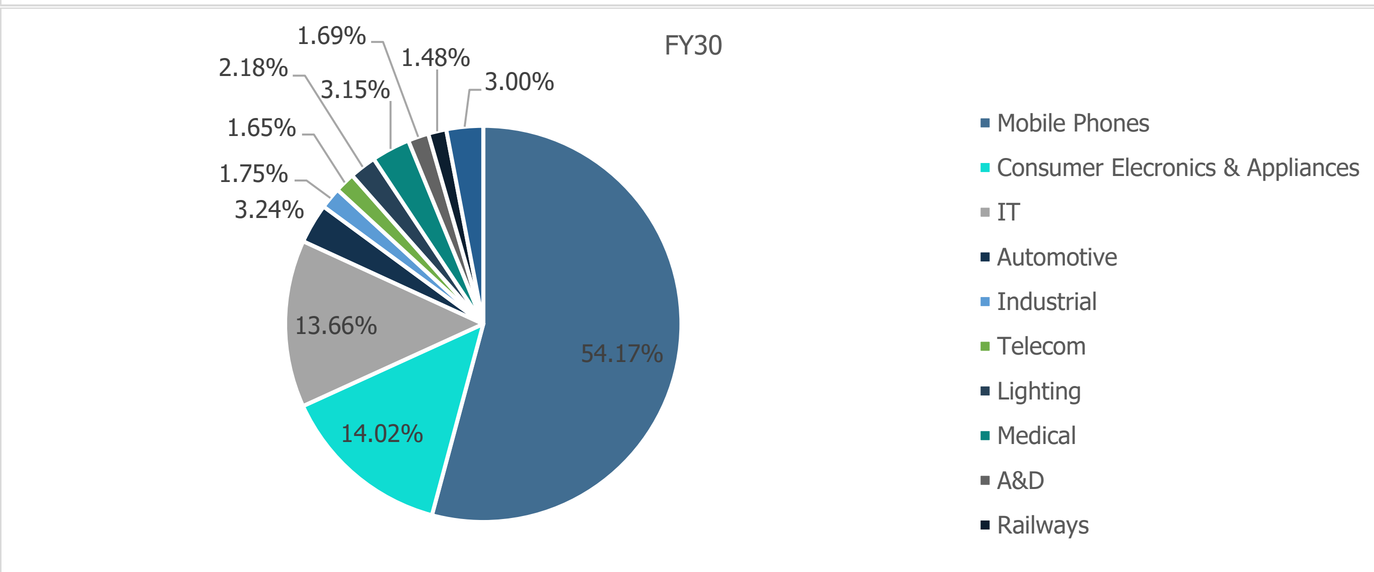
The B2B segment (22% share) follows, as businesses in sectors like automotive, Aerospace & defence, railways, IT, data centres, power, clean energy healthcare, and telecommunications rely on ESDM for specialised, high-quality, and custom electronic components. However, B2C remains dominant due to the larger volume of consumer products being produced.

2.8 ESDM Market Segmentation by End User Industries

Mobile Phones, Consumer Electronics, Automotive, and Industrial Electronics segments account for nearly 82% share of the ESDM business in India. The scenario is however likely to change as Indian ESDM companies are gearing up to manufacture IT and IT related products in India. Share of IT segment in Indian ESDM market is expected to increase from 3.81% in FY26 to 13.66% by FY30.

Chart 18: Segmentation of Indian ESDM market by end-user segments





Source: Maia Research, CareEdge Research

Note: IT – Information Technology products; Others include energy and power, Agri Tech and EdTech

Note: For forecasted values, the exchange rate has been assumed to remain the same as the closing rate of 91.52 as on 02/02/2026.

- **Mobile Phones:** Mobile phone manufacturing continues to be the largest and most dynamic segment of India's ESDM sector, showing strong and steady growth. As of FY26, India has become the world's second-largest mobile phone manufacturing hub after China, accounting for over 11% of global handset production. The value of mobile phones manufactured domestically stood at approximately Rs 4,220 billion, with local value addition on the rise, supported by government incentives and increasing localization of components.

  India's mobile ecosystem has developed rapidly alongside technological advancements from the limited capabilities of 3G to the widespread adoption of 4G and VoLTE, which significantly expanded internet access across both urban and rural regions. The rollout of 5G in 2023 has accelerated the momentum, enabling advanced connectivity, industrial use cases, and greater demand for next-generation devices and network infrastructure. This ongoing technological shift continues to strengthen India's role in the global mobility landscape, not only as a major producer but also as a large and growing consumer and innovator in the mobile space.

- **Information Technology products:** In the coming years, the IT sector is expected to drive stronger demand for ESDM (Electronics System Design & Manufacturing) products, particularly due to rapid digitization, AI adoption, cloud infrastructure expansion, and data center proliferation. Hence, its share is expected to rise significantly by FY29.

- **Consumer Electronics & Appliances (CEA):** In India, the CEA segment holds the second-largest share of the electronics market after mobile phones. A significant portion of this segment is driven by small and kitchen appliances such as mixers, grinders, electric kettles, induction cooktops, microwave ovens, water purifiers, and vacuum cleaners, which benefit from rising urbanisation, changing lifestyles, and increasing penetration of modern kitchens. In addition, large home appliances, particularly air conditioners and refrigerators, account for a growing share of the CEA market, supported by rising disposable incomes, climate-driven cooling demand, and improved electricity access across urban and semi-urban regions. As demand for electronic components continues to rise across these categories, ESDM providers and Tier-1 suppliers are increasingly focusing on building a stronger domestic component manufacturing ecosystem, including compressors, heat exchangers, control units, and power electronics. Growing income levels and rapid technological advancements are accelerating replacement cycles, as consumers upgrade to energy-efficient and technologically advanced products. Furthermore, the expansion of digital technologies, e-commerce platforms, and improved connectivity infrastructure has enabled deeper market penetration into Tier-2 and Tier-3 cities, attracting increased investment from consumer electronics and appliance manufacturers. Tier-2 and Tier-3 cities are among the fastest-growing segments within the consumer durables market, with adoption rates for appliances growing at a double-digit pace as affordability improves and lifestyle aspirations evolve. This shift is further supported by enhanced electricity access and logistics infrastructure, which have reduced barriers to product distribution and after-sales support in smaller cities and towns

- **Automotive:** Automotive electronics sales in India are projected to rise, supported by increasing income levels and growing demand for enhanced in-vehicle digital experiences. Greater awareness of advanced safety features and communication technologies are also factoring for this growth. Additionally, automakers are increasingly integrating embedded connectivity solutions, further driving the expansion of this segment. The PLI scheme for Automobile and Auto Components was launched in September 2021 with an outlay of Rs 25,938 crore over five years. It aims to boost domestic manufacturing of advanced automotive components and electric/hydrogen vehicles. OEMs can get incentives of 13-18%, and component makers 8-13%, with bonuses for EV-related parts. About 95 companies have been approved under the scheme, with investment commitments exceeding Rs 74,000 crore. It is expected to generate Rs 2.3 lakh crore in production and create over 1.45 lakh jobs, supporting India's push for cleaner and self-reliant automotive manufacturing.

- **Industrial:** Industrial electronics are essential for enhancing operational efficiency, automation, and productivity across sectors such as energy, transportation, manufacturing, and mining. In India, the demand for industrial electronics is rising due to increasing automation and the adoption of Industry 4.0 technologies. These include robotics, intelligent sensors, and IoT-enabled systems that enable real-time monitoring and control.

  Key applications also involve power conditioning systems using power electronic switches, sensors, actuators, and smart meters. According to the Ministry of Heavy Industries and MeitY, government initiatives such as the National Smart Grid Mission and Smart Cities Mission are further driving the automation equipment in industrial processes. With the growing push toward digitization and sustainability, industrial electronics will continue to play a pivotal role in modernizing Indian industry and supporting sectors like renewable energy, semiconductor manufacturing, and electric mobility.

- **Telecom:** The telecom electronics segment holds significant growth potential, particularly for products like GPON, IP PBX, media gateways, routers, and modems. Among these, routers, GPONs, and modems are expected to remain major revenue drivers in the telecom and networking products space over the coming years. The rollout of 5G is set to accelerate growth in technology-driven sectors such as IoT, smart cities, and smart agriculture. With its higher data speeds and low latency, 5G will support advanced IoT and machine-to-machine (M2M) applications, including autonomous vehicles and immersive technologies like virtual and augmented reality. To meet the evolving demands of this sector, OEMs require strong technical capabilities, particularly in manufacturing complex and large-scale PCBAs, along with the flexibility to scale up production rapidly.

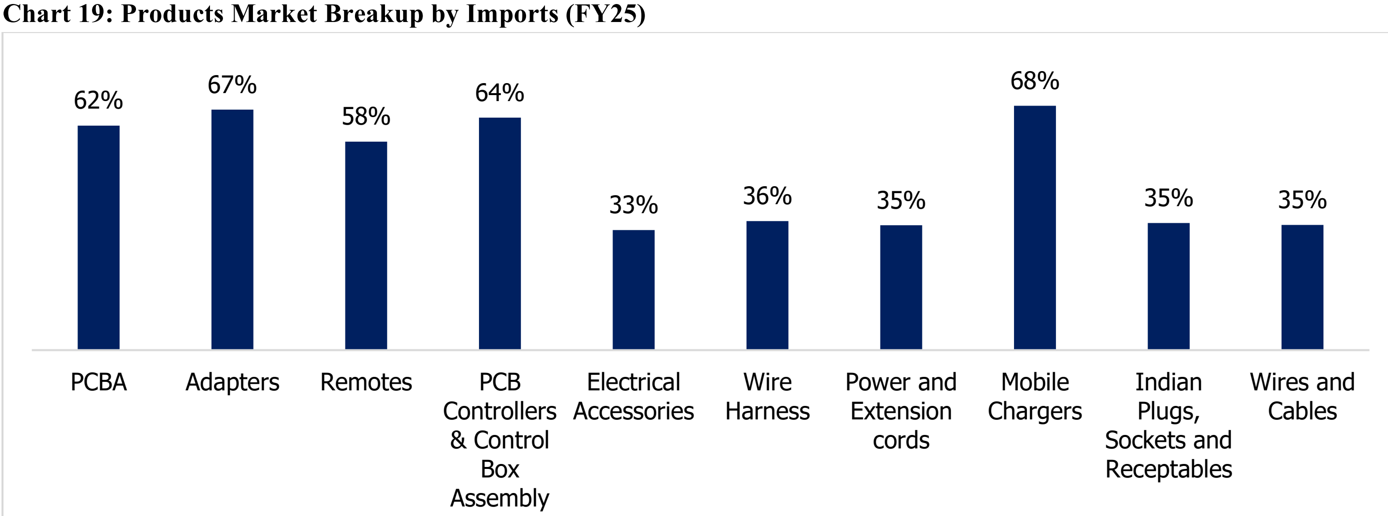
- **Medical:** India's medical devices market is undergoing rapid transformation, driven by technological advancements, shifting healthcare needs, and evolving regulatory frameworks. Over the past decade, both the healthcare and medical device sectors have witnessed significant growth. However, a large gap still exists between the demand and supply of medical devices in the country. This under-penetration presents a strong opportunity for domestic manufacturing. Recognizing this, several Indian and international medical device manufacturers are expanding their presence in the country to meet unmet demand and tap into the growing market. As innovation becomes crucial for staying competitive, the industry is increasingly focused on developing affordable, high-quality solutions tailored to the needs of the Indian healthcare ecosystem.

- **Aerospace and Defence:** The demand from Aerospace and Defence in ESDM is expected to rise driven by increased government focus on indigenization, rising defence budgets, and incentives under the Make in India and DAP (Defence Acquisition Procedure) policies. Growing demand for advanced electronics in drones, radars, and communication systems will also drive this growth.

2.9 Segment-wise percentage share of major products In India's trade

India's trade profile in electronics continues to be driven by a high reliance on imported components and sub-assemblies that are crucial for domestic electronics manufacturing. As highlighted breakup of major products in India's trade categories such as PCB Assemblies, adapters, remote controls, and control box assemblies constitute a significant portion of total imports, with shares ranging from 58% to 67% in FY25. The largest contribution comes from mobile chargers (68%), closely followed by adapters (67%) and PCB controllers and control box assemblies (64%), reflecting the expanding domestic demand for smartphones and consumer electronics. Meanwhile, PCBA (62%) remains a critical import segment despite increased local EMS capacity and PLI-driven investments. Other product groups including wire harness (36%), power and extension cords (35%), plugs and receptacles (35%), and wires and cables (35%) highlight that interconnects and electrical accessories continue to be imported to support assembly-level manufacturing within India. Overall, this dependence indicates that while India has made strong progress in final product assembly and smartphone manufacturing, building deeper component-level value addition remains essential to reduce import intensity, improve cost competitiveness, and achieve long-term self-reliance in the electronics value chain.

Chart 19: Products Market Breakup by Imports (FY25)



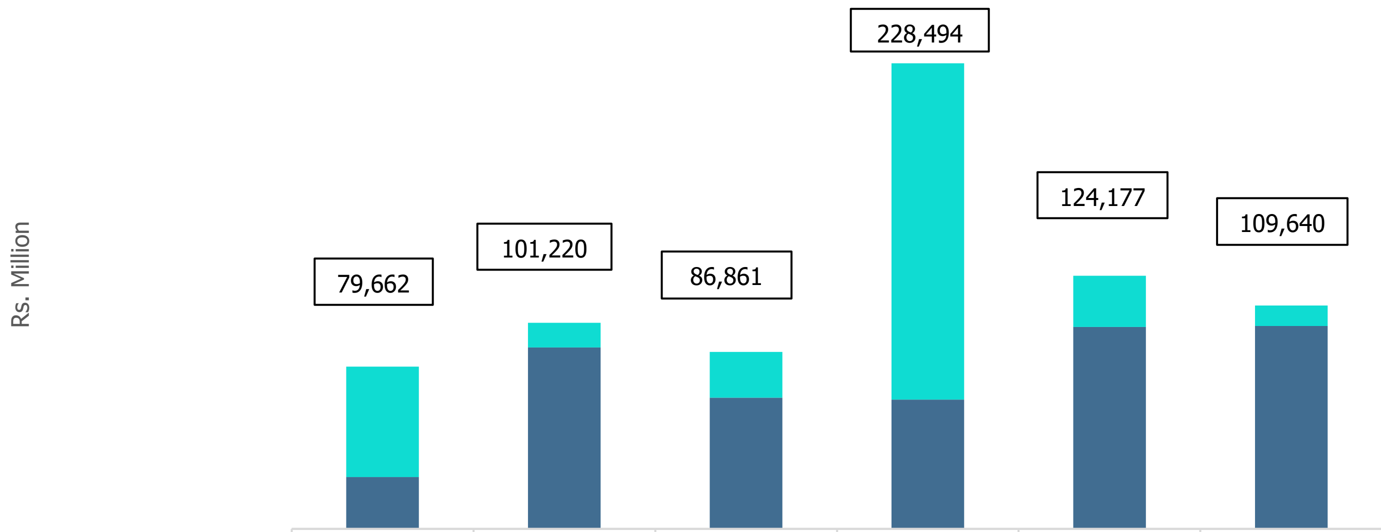
Source: IMARC Group, CareEdge Research

2.10 Investment trends and Capex additions

The Indian ESDM industry is seeing a surge in investment and capital expenditure as firms scale up to meet rising demand and global supply-chain shifts. Government-backed incentives under schemes for component manufacturing and semiconductor production have spurred a wave of capacity additions, enabling many players to transition from simple assembly to component fabrication, PCBA, module manufacturing and full-system manufacturing. Capital is being deployed not only to build new factories and SMT lines, but also toward advanced testing infrastructure, automation, and compliance-ready manufacturing setups to serve industrial, automotive, telecom, and export-oriented markets. This trend reflects a broad structural shift from low-value, labour-intensive assembly to a more integrated, high-value electronics manufacturing ecosystem capable of design, production, and supply-chain integration.

In recent months, several new projects and expansions underline this trend. For instance, new electronic components manufacturing plants have been approved under national component-manufacturing schemes, with committed investments running into several thousand crores aiming to produce PCBs, camera and display modules, semiconductors and other critical sub-assemblies. Additional investments have been directed toward setting up semiconductor-materials plants, packaging and test-units, and specialized fabrication facilities in multiple Indian states. There are also greenfield and brownfield expansions for EMS facilities to boost production capacity across consumer electronics, telecom equipment and industrial electronics domains. As a result, the industry's output is forecast to climb substantially in the coming years, supported by both domestic consumption growth and increasing export demand.

Chart 20: Total New Investments by Ownership



	FY20	FY21	FY22	FY23	FY24	FY25
Foreign Private Sector	54,300.00	12,150.00	22,473.80	165,000.00	25,000.00	10,000.00
Indian Private Sector	25,362.30	89,070.50	64,387.30	63,494.40	99,177.00	99,640.00

Source: CMIE, CareEdge Research

The trend indicates a fluctuating trend in private sector investment over the period FY20 to FY25, with both domestic and foreign contributions playing distinct roles. Total private sector investment increased steadily from FY20, peaked sharply in FY23 driven by a significant surge in foreign private sector investment, and subsequently moderated in FY24 and FY25. Indian private sector investment shows a relatively stable upward trajectory, particularly strengthening in the post-FY23 period, reflecting sustained domestic confidence and capacity expansion. In contrast, foreign private sector investment exhibits higher volatility, with a pronounced spike in FY23 followed by a sharp decline, indicating sensitivity to global economic conditions and capital allocation cycles. Overall, the trend underscores the growing role of domestic investment in maintaining momentum, while foreign inflows continue to provide periodic acceleration to sectoral growth.

2.11 China +1 Strategy

The China+1 strategy involves global manufacturers diversifying their production by expanding operations beyond China to reduce overdependence. This shift is driven by rising costs, geopolitical tensions, and the need for more resilient and flexible supply chains.

The "China + 1" strategy has emerged due to:

- **Geopolitical Tensions**: Trade disputes and political issues have led companies to reconsider relying solely on China.

- **Supply Chain Disruptions**: COVID-19 exposed supply chain vulnerabilities, prompting diversification of manufacturing bases.
- **Rising Costs in China**: Increased labour costs in China have driven companies to seek alternative manufacturing locations.

India is rapidly emerging as a preferred alternative hub under the "China+1" strategy, driven by cost-effective labour, robust government incentives, and advancing electronics manufacturing capabilities. The country offers significantly lower operational costs than China, along with a large pool of English-speaking, technically skilled professionals in IT, engineering, and electronics, crucial for high-tech and precision-driven industries. Beyond cost advantages, India's vibrant digital economy, growing start-up ecosystem, and strength in software and embedded systems enhance its strategic appeal. Simultaneously, large-scale infrastructure investments in roads, ports, and industrial corridors are improving logistics efficiency and reducing turnaround times. Global players like Foxconn and Dell are already relocating operations to India, reinforcing its position as a rising force in the global EMS landscape.

Relaxation of FDI Restrictions for Land Bordering Countries

In March 2026, the Government of India approved changes to the guidelines governing investments from countries sharing a land border with India, providing a limited relaxation of the restrictions introduced under Press Note 3 (2020). Under the revised framework, investments involving non-controlling beneficial ownership of up to 10% by investors from land bordering countries can be made through the automatic route, subject to applicable sectoral caps and conditions. In addition, investment proposals from such countries in specified manufacturing activities, including electronic components, electronic capital goods and capital goods, are to be processed within a defined 60 day timeline. The revised framework is expected to facilitate greater access to foreign capital and technology, encourage domestic value addition and support the integration of Indian manufacturers into global supply chains. For the ESDM industry, the changes could enable greater participation of Chinese companies and investors in India's manufacturing ecosystem, including through technology partnerships and manufacturing collaborations, while the requirement for majority Indian ownership and control in specified cases continues to provide safeguards around domestic control.

2.12 Market Drivers

1. Government Support and Incentives

- Schemes like **PLI (Production-Linked Incentive)** and **Make in India** have encouraged both domestic and global players to invest in local EMS operations.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) has further supported this growth
- Income Tax benefits, infrastructure support, and regulatory easing have made India an attractive manufacturing hub.

2. Rising Demand for Consumer Electronics

- India's consumer electronics market is expected to grow from USD 120 billion in FY25 to USD 287 billion by FY30, registering a strong CAGR of 19%. This surge is fuelled by rising income levels, demand for smart devices, and expanding rural and urban adoption.
- Increasing digitalization and internet penetration in both urban and rural areas are fuelling consumption.

3. Growth of IoT and Smart Devices

- Expanding use of IoT in industrial, consumer, and automotive sectors is driving demand for custom EMS solutions and component-level innovation.
- From FY26 to FY30, smart device categories in India are projected to grow at strong rates, with mobile phones expected to grow at a CAGR of 7%, LED TVs at 8%, and laptops at 9%, driven by rising digital adoption and consumer demand for connected technologies.
- The automobile industry is experiencing a major shift driven by the adoption of Internet of Things (IoT) technologies, which are enhancing vehicles with connectivity features and advanced smart functionalities such as remote diagnostics and personalized user

interfaces. Consumer priorities have evolved from traditional engine performance to a growing emphasis on convenience and intelligent features. Innovations like ADAS (Advanced Driver Assistance Systems), sunroofs, and integrated connectivity are becoming increasingly significant, reflecting the changing expectations of modern buyers and redefining the competitive landscape of the sector.

4. Export Opportunities

- India is emerging as a global alternative to China for electronics manufacturing, especially for North American, European, and ASEAN markets.

5. Shift Toward Outsourcing by OEMs

- Original Equipment Manufacturers (OEMs) increasingly rely on EMS providers for cost efficiency, scalability, and supply chain flexibility.
- OEMs are increasingly outsourcing manufacturing to EMS providers to reduce costs, improve scalability, and focus on core functions like R&D and marketing. This trend benefits Indian EMS companies by boosting contract volumes, enhancing capacity utilization, and attracting global clients, supporting growth and profitability.

6. Expansion of the Automotive Electronics Segment

- Rise in electric vehicles (EVs) and connected cars is boosting demand for EMS in components like battery management systems, infotainment, and control units.
- Many automobile OEMs are expanding their reach through innovative retail strategies, such as 'pop-up' stores in malls, airports, and smaller-format outlets. These digital and retail innovations enhance brand presence, improve customer convenience, and elevate the overall buying experience, thereby strengthening demand sentiment, ultimately benefitting the EMS industry as well.

7. Availability of a Young and Skilled Workforce

- India benefits from a large, young, and increasingly skilled workforce, which serves as a critical enabler for both manufacturing operations and the electronics design and R&D ecosystem. The availability of engineers, technicians, and software professionals at competitive cost levels supports scalable production, process innovation, and product development. This talent advantage strengthens India's position as a preferred destination for global EMS and ESDM investments.

8. Tariff Advantages from Local Manufacturing

- Manufacturing electronics locally in India offers a clear advantage by reducing exposure to import duties and tariffs on finished goods and sub-assemblies. As tariff structures increasingly favour domestic production over imports, local manufacturing helps OEMs and EMS providers achieve better cost competitiveness.
- This tariff differential, combined with government incentives, encourages localisation of production and supports long-term investment in domestic manufacturing capacity.

2.13 Emerging trends in EMS industry in India

The EMS industry in India is witnessing a strong transformation driven by technology upgrades, policy support, and rising domestic and export demand. A key trend is the shift from traditional assembly-focused manufacturing to higher value-added services including product design, component manufacturing, and system-level integration. Companies are investing in capabilities such as PCB fabrication, camera modules, power electronics, and embedded design to increase domestic value addition and reduce import dependence. Government initiatives such as PLI and design-linked incentives are accelerating capacity expansion, especially in priority sectors like smartphones, telecom, automotive electronics, and IT hardware. Adoption of Industry 4.0 technologies automation, advanced robotics, IoT-enabled smart factories, AI-based quality control, and predictive maintenance is enhancing productivity, improving yield, and enabling global-scale manufacturing competitiveness. In addition, there is a clear movement toward diversification from consumer electronics into high-reliability and strategic segments such as EV components, medical electronics, and defence systems, which offer superior margins and long-term contracts. The growing export focus, with India increasingly integrated into global supply chains, is further reshaping the EMS landscape. Overall, these trends reflect a sector transitioning from low-cost contract manufacturing to a technology-driven and innovation-oriented electronics ecosystem.

In addition, sustainability and environmental responsibility are emerging as important focus areas across the EMS value chain. EMS companies are increasingly adopting energy-efficient manufacturing processes, renewable energy sourcing, water conservation measures, and waste-reduction practices to lower their environmental footprint. Greater emphasis is being placed on compliance with environmental, social, and governance (ESG) standards, including responsible sourcing of materials, reduction in hazardous substances, and improved recycling and e-waste management practices. These initiatives are not only driven by regulatory requirements but also by rising expectations from global OEM customers, who increasingly prioritise sustainable manufacturing partners. As sustainability becomes a key differentiator in global electronics supply chains, Indian EMS players that integrate environmental best practices are likely to enhance their competitiveness and long-term resilience.

2.14 Government Initiatives

1. Production Linked Incentive Scheme (PLI)

The PLI Scheme for large-scale electronics manufacturing incentivizes companies by offering direct financial support based on incremental sales of goods manufactured in India. It primarily targets smartphone and electronic component manufacturers. It will help offset the high capital investment required to enter the market by providing a 5-6% incentive on incremental sales. Encourages global and domestic companies to set up large production bases in India, boosting economies of scale and reducing reliance on imports.

Impact: Attracted major investments from companies like Foxconn, Wistron, and Dixon, strengthening India's position as a global electronics' manufacturing hub.

2. Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)

SPECS offers financial incentives of up to 25% on capital expenditure for manufacturing electronic components, including semiconductors, passive components, sensors, and display fabrication units. It addresses the supply chain dependence barrier by promoting the local manufacturing of critical electronic components. Reduces India's reliance on imports (especially from China and Taiwan) and helps develop a self-reliant ecosystem.

Impact: Boosts backward integration and supports companies entering component-level manufacturing.

3. Modified Electronics Manufacturing Clusters Scheme (EMC 2.0)

EMC 2.0 supports the development of world-class infrastructure by establishing electronics manufacturing clusters with ready plug-and-play facilities, testing labs, logistics support, and training centers. It will help easing the infrastructure and logistics challenges by offering shared facilities and lowering costs for new entrants. Encourages cluster-based growth, which improves supply chain coordination and enhances productivity.

Impact: Supports the setting up of electronics parks in states like Karnataka, Tamil Nadu, and Uttar Pradesh, attracting both foreign and domestic investments.

4. Make in India

The Make in India initiative provides the overarching strategic framework for strengthening domestic manufacturing across sectors, including electronics and consumer durables. The initiative aims to enhance domestic value addition, encourage technology transfer, and position India as a global manufacturing hub by promoting large-scale production within the country. Make in India complements schemes such as PLI, SPECS, and EMC 2.0 by incentivising localisation of components, expansion of manufacturing capacities, and development of supplier ecosystems. The policy has encouraged global and domestic manufacturers to establish long-term production bases in India, reduce import dependence, and integrate Indian facilities into global supply chains. As a result, Make in India has played a key role in accelerating capacity creation, employment generation, and manufacturing-led growth within the electronics and white goods segments.

3. Overview Of Consumer Durables Industry

3.1 Global Consumer Durables Industry

The global consumer durables industry comprises a broad range of household appliances and electronics used for everyday personal and home applications. Over the historical period, the sector has exhibited steady expansion driven by rising incomes, urbanisation, and technology adoption that is shifting consumer preference toward energy-efficient and connected appliances. Structural drivers such as digital penetration, enhanced living standards, and rapid urbanisation are broadening the market's addressable base across both developed and emerging regions. Moreover, manufacturers are increasingly investing in innovation, sustainability and supply-chain resilience to meet evolving regulatory standards and customer expectations.

In value terms, the global consumer durables and home appliances market has expanded significantly and is projected to continue its growth trajectory over the coming decade. Industry estimates suggest that the global home appliances market was valued at around USD 503 billion in 2024 and is expected to grow to approximately USD 676 billion by 2030, reflecting continued demand for durable goods worldwide. Another forecast projects the broader consumer appliances segment to grow from around USD 492–525 billion in the mid-2020s to roughly USD 661 billion by 2030, supported by demand for smart, energy-efficient appliances. Moreover, some long-term industry forecasts point to sustained global expansion well into the mid-2030s, driven by higher product adoption in emerging markets and continued innovation across categories. Volume growth in the global consumer durables market has mirrored value trends but with a slightly different dynamic—while unit shipments grew steadily over the historical period, replacement cycles and saturation in developed markets have moderated growth. Nevertheless, emerging markets continue to drive incremental volume demand as household appliance penetration increases. Global production and sales volumes have been forecast to remain on an upward trajectory, with industry projections indicating year-on-year increases in production and sales growth across consumer durables as global economies recover and discretionary spending strengthens. The volume story is particularly strong in large-format appliances (refrigerators, washing machines and air conditioners) as well as connected devices in developing regions of Asia Pacific, Latin America and Africa, where rising electrification and increasing disposable incomes support broader adoption.

Overall, the global consumer durables industry is expected to witness steadfast growth in both value and volume terms through FY30, underpinned by demographic and economic drivers, technology adoption, and ongoing premiumisation of products. Value growth is being led by higher average selling prices and demand for advanced, energy-efficient and connected appliances, while volume growth continues through rising penetration in emerging regions and replacement demand in mature markets.

3.2 Indian Consumer Durables Industry

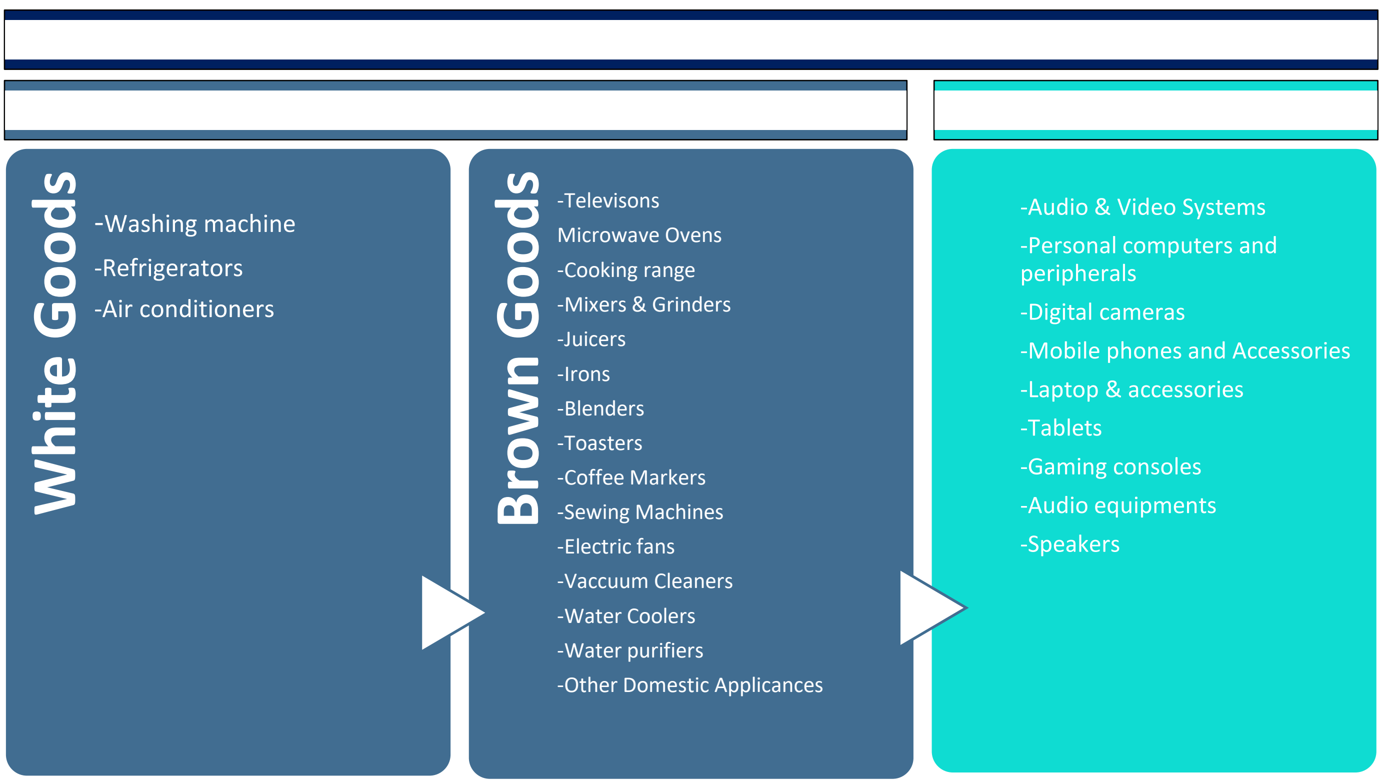
The Indian consumer durables industry spans a broad range of products, covering large household appliances commonly referred to as white goods, such as refrigerators, washing machines, air conditioners, and microwave ovens, as well as smaller domestic appliances and brown goods including televisions, mixers, vacuum cleaners, and personal care devices. White goods comprise high-value, durable appliances that support essential household functions such as cooling, washing, and cooking, and typically have longer replacement cycles. Brown goods include electronic products primarily used for entertainment and information consumption, characterised by faster technology evolution and shorter replacement cycles. Consumer electronics represent a wider category encompassing electronic devices for personal and household use, including entertainment and digital products, and are defined by rapid innovation, frequent upgrades, and a strong emphasis on connectivity and smart features.

The sector benefits from favourable demographic and socio-economic fundamentals, including rapid urbanisation, a growing share of nuclear households, rising per capita incomes, and increasingly aspirational consumption behaviour. The widespread adoption of smartphones and improved internet connectivity has accelerated e-commerce penetration, while advancements in last-mile logistics have enabled manufacturers and retailers to reach Tier II and Tier III cities more effectively, significantly expanding the industry's addressable market.

The sector is expected to witness steady mid-single digit to double digit value growth across major categories through the second half of the 2020s, with large home appliances remaining a multibillion-dollar opportunity well into the next decade.. In 2025, revenues from key white goods categories such as air conditioners and refrigerators were estimated at approximately Rs. 65,598 crore (USD 7.52 billion) and Rs. 1,06,208 crore (USD 12.12 billion), respectively. Other segments, including washing machines, generated revenues of around Rs. 43,552 crore (USD 4.97 billion). This highlights the strong demand across core white goods segments, particularly in air conditioners and refrigerators, where the company has a significant operating presence.

According to industry sources, India's consumer durables sector is projected to grow at a compound annual growth rate of around 11 percent, reaching nearly Rs. 3 lakh crore (USD 35.7 billion) by 2029. In FY25, the sector contributes approximately 0.6% to India's GDP, with industry stakeholders targeting 1.5 times increase in this share over the medium term. On the back of strong domestic demand, supportive government policies and expanding manufacturing capabilities, India is expected to emerge as the fourth-largest consumer durables market globally by 2027, behind China, United States, and Japan, with ambitions to assume a leadership position in the global industry by 2030. Supported by localisation initiatives, technology upgrades and premiumisation trends, the white goods segment is expected to remain a key growth engine of the Indian consumer durables industry over the long term.

Structure of the Indian Consumer Durables Industry



3.3 Key players in Indian Consumer Durables Industry

The consumer durables industry in India is highly concentrated, with several prominent brands operating in the market. Key players include Whirlpool, Blue Star, Carrier, Godrej India, Bajaj Electricals, Orient, Philips, Samsung, Sony, Hitachi India Limited, Sharp India Limited, Tata, LG, Onida, Toshiba India Private Limited, Videocon, Voltas, and others.

Figure 1:Key Players in the Consumer Durables Industry

Players	Product Range
Blue Star	ACs, refrigerators, specialty cooling products including mortuary chambers and cold storage
Bajaj Electricals	Household products and kitchen appliances, microwave oven, room heater, air cooler, irons, water heaters, etc
Daikin	ACs and cooling equipment
Godrej	Refrigerators, ACs, washing machines, microwave ovens, DVD players, digital-imaging products and audiovisual products
Hitachi	ACs, refrigerators and televisions
LG	TVs, audio-visual solutions, computers, mobile phones, refrigerators, washing machines, microwave ovens, vacuum cleaners and Acs
Havells	Household products, air purifier, climate controller, water heater, air cooler, flexible cables, water pump, solar panels, ceiling fans
Voltas	ACs, Engineering products, Electro-mechanical products
Philips	TVs, home theatre systems, DVD players, audio products, personal care products, household products, computers and phones
Samsung	TVs, home theatre systems, DVD players, mobile phones, digital cameras, camcorders, refrigerators, ACs, washing machines, microwave ovens and computers
IFB	Washing machines, kitchen appliances, air conditioners and stabilizers
Sony	TVs, projectors, DVD players, audio systems, home theatre systems, digital cameras, camcorders, computers, video-gaming products and recording media
Videocon	TVs, DVD players, microwave ovens, refrigerators, washing machines, ACs and power backup solutions
Whirlpool	Refrigerators, washing machines, microwave ovens, water purifiers and power backup solutions
Haier	Refrigerators, ACs – home & commercial, washing machines, LED TVs, water heaters, microwave Ovens, freezers and deep freezers, wine chillers

In major white-goods categories contribute a significant portion of total consumer durables value the leading players typically a large share by value within each category. Premium-positioned brands tend to capture a disproportionately higher share of value relative to volumes due to higher average selling prices, while mass-market brands dominate entry-level volumes. In brown goods and consumer electronics, market leadership is similarly concentrated, with the top brands accounting for over half of category value, driven by smart-TV adoption, premium display technologies, and faster replacement cycles.

Overall, the consumer durables market is characterised by brand-led value concentration, where a relatively small group of large OEMs controls a meaningful share of industry revenues despite a long tail of regional and unorganised players. This structure creates a sizeable and addressable opportunity for component suppliers and EMS partners, as these large OEMs operate at scale, drive localisation initiatives, and account for a significant portion of industry procurement spend. Consequently, suppliers catering to these leading brands are exposed to a substantial share of the total consumer durables market value and benefit from the sector's long-term growth, premiumisation, and outsourcing trends.

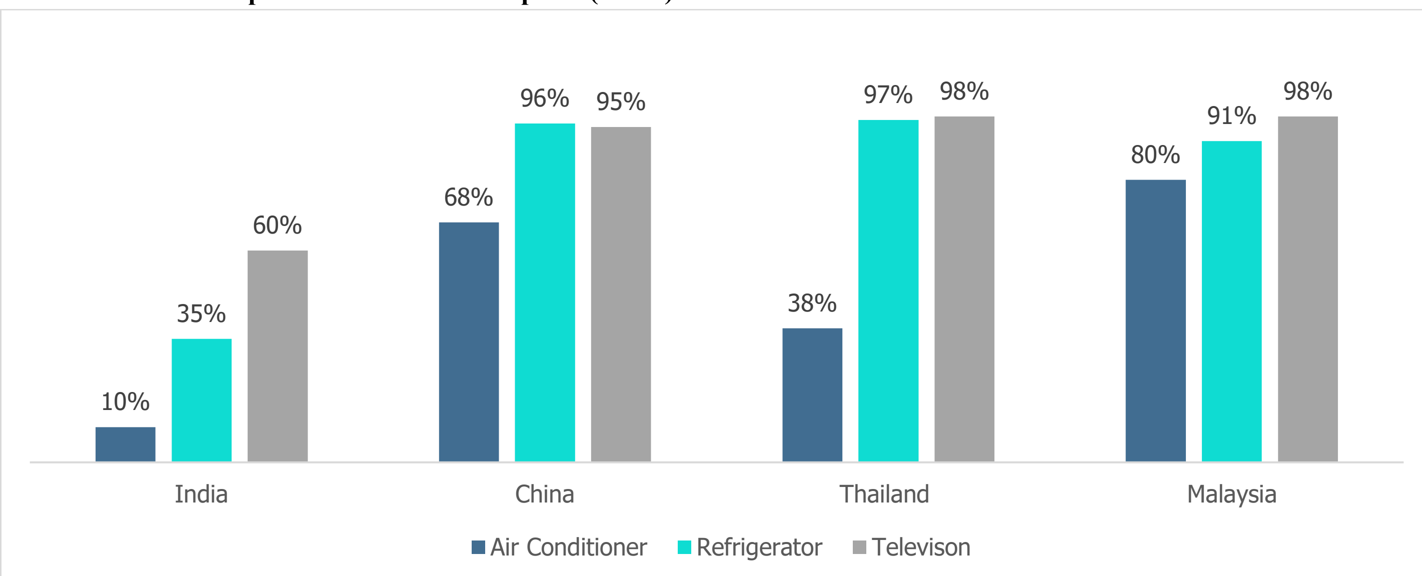
3.4 Consumer durable penetration - In India vs other regions

The penetration of consumer durables in India remains materially lower than that of several other developing and developed economies, underscoring the scale of untapped demand and the long growth runway available to appliance manufacturers and retailers. Although ownership levels have improved steadily over the past decade, Indian households continue to lag global and regional peers across most major appliance categories.

Penetration of key appliances such as air conditioners and washing machines in India is still at an early stage when compared with other Asian markets and developed economies. Industry research indicates that air conditioner ownership in India is limited to a small share of households, while several countries in East and Southeast Asia have achieved widespread adoption driven by higher income levels, greater urban density and long-standing cooling requirements. Similarly, refrigerator ownership in India remains well below that observed in markets such as China, where refrigerators are close to being a universal household appliance. These differences reflect structural factors including income dispersion, historical electrification patterns and climatic adaptation, while also highlighting the substantial headroom for future adoption as affordability improves.

The penetration gap represents one of the most compelling long term investment themes in the Indian consumer durables sector. A significant proportion of households, particularly in semi urban and rural regions, remain first time buyers as electrification, credit availability and organised retail access continue to expand. As these markets mature, initial adoption is expected to be followed by rising replacement demand, gradually shifting the industry's growth profile from being driven primarily by penetration to a more balanced mix of first-time purchases and repeat replacement cycles over the next decade.

Chart 21: Household penetration India vs its peers (CY23)



Source: CareEdge Research
Note: Refers to CY23 for other counties, FY24 for India

The comparison reinforces that India's consumer durables market remains structurally underpenetrated relative to regional peers, positioning it for sustained volume growth over the medium to long term as affordability improves, financing penetration increases, and lifestyle aspirations evolve.

3.5 Replacement cycles of home appliances

Replacement cycles are a critical structural characteristic of the consumer durables industry, as they determine the balance between first time demand and repeat purchases and directly influence long term volume stability. In India, replacement cycles for home appliances have historically been longer than those observed in developed markets, largely due to lower penetration levels, high product utilisation, price sensitivity and a greater emphasis on repair rather than replacement. However, this dynamic is gradually evolving as incomes rise, technology advances and consumer preferences shift toward higher efficiency and feature rich products.

Large white goods such as refrigerators and washing machines typically exhibit replacement cycles ranging from eight to twelve years, depending on usage intensity, brand quality and after sales service availability. Refrigerators, in particular, tend to have longer operating lives as households prioritise repair over replacement unless there is a significant improvement in energy efficiency, capacity or design.

Washing machines show slightly more variability in replacement timing, influenced by changes in household size, the transition from semi-automatic to fully automatic models, and water and power efficiency considerations.

Air conditioners generally have longer replacement cycles, often extending to ten to fifteen years, reflecting their relatively high upfront cost and seasonal usage patterns. Replacement demand in this category is increasingly being driven by shifts toward inverter technology, stricter energy efficiency norms and the desire for lower electricity operating costs rather than outright product failure. As penetration increases from a low base, a substantial portion of demand in the near to medium term will continue to be first time purchases, particularly in non-metropolitan markets.

In contrast, brown goods such as televisions and smaller appliances tend to have shorter replacement cycles. Televisions, in particular, have seen accelerated replacement due to rapid technological upgrades, including larger screen sizes, smart connectivity and improved display technologies. Consumers increasingly replace functional units to upgrade features, which has shortened effective replacement cycles compared to the past. Small appliances and personal care devices often have the shortest replacement cycles, driven by lower price points, higher wear and tear and frequent product innovation.

Overall, replacement cycles in India are gradually compressing across categories as consumers place greater value on energy efficiency, modern features and improved aesthetics, and as organised service networks and financing options make replacement more accessible. Over time, as penetration levels rise and the installed base expands, replacement demand is expected to account for an increasing share of total sales, providing a stable and recurring demand driver for the consumer durables industry.

3.6 Growth in household electrification in India

Household electrification in India has witnessed a structural transformation over the last decade and has emerged as one of the most important enablers for the long-term growth of the consumer durables industry. The Government of India’s focused push toward universal electricity access, led by flagship programmes such as the Pradhan Mantri Sahaj Bijli Har Ghar Yojana Saubhagya, significantly accelerated the pace of electrification across rural and semi urban regions. Under Saubhagya and earlier schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana, millions of households that were previously unelectrified were connected to the power grid, sharply reducing the access gap between urban and rural India.

Beyond physical connectivity, the emphasis has gradually shifted toward improving the quality, reliability and continuity of power supply. Central and state governments, along with power distribution companies, have undertaken feeder separation, last mile infrastructure upgrades and loss reduction initiatives to ensure more stable electricity availability. These improvements are critical because durable appliance adoption depends not only on grid connection but also on predictable power supply that allows households to use appliances such as refrigerators, televisions, washing machines and fans without frequent disruptions. As reliability improves, households that were earlier hesitant to invest in electric appliances are increasingly willing to make first time purchases.

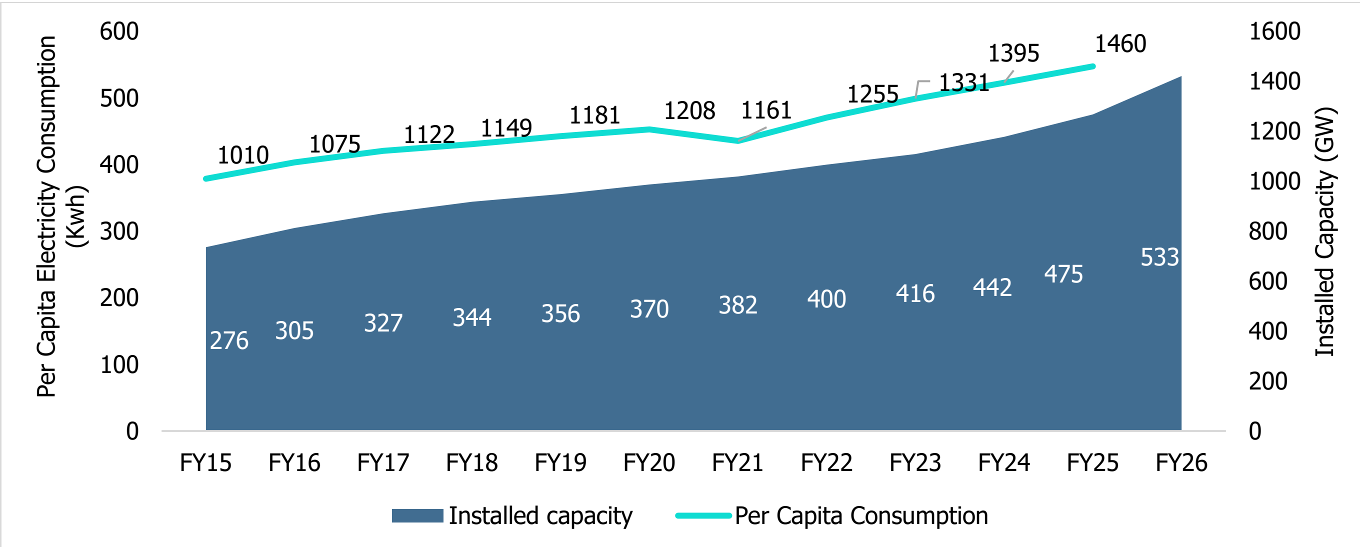
Figure 2: The total quantity of power generated in the country (*All figures are in Million Units*)

FY22	FY23	FY24	FY25	FY26
1,491,859.37	1,624,465.61	1,739,091.19	1,824,210.00	1,836,65.00

Source: Ministry of Power, PIB

India's Per Capita Power Consumption

Chart 22: Growth of Electricity Sector in India - Installed Capacity and Per Capita Consumption*



Source: CEA, CareEdge Research

(*) Per Capita Consumption= Gross Electricity availability/ Mid-year Population

Developed countries such as Japan and the United States have the world's highest per capita electricity consumption. India's per capita consumption has remained low as compared to even the emerging countries like Brazil and Mexico, implying significant room for growth.

The expansion of electrification has a direct multiplier effect on consumer durables demand, particularly in rural and peri urban geographies. Electrified households represent newly addressable consumers for a wide range of entry level appliances, starting with basic lighting, fans and televisions, and gradually moving toward higher value products such as refrigerators and washing machines as incomes rise. This sequential adoption pattern creates a long runway for volume growth and raises the effective penetration ceiling for multiple product categories. For manufacturers, electrification translates into a sustained pipeline of first-time buyers rather than only replacement driven demand.

3.7 Deployment of bank credit towards consumer durables

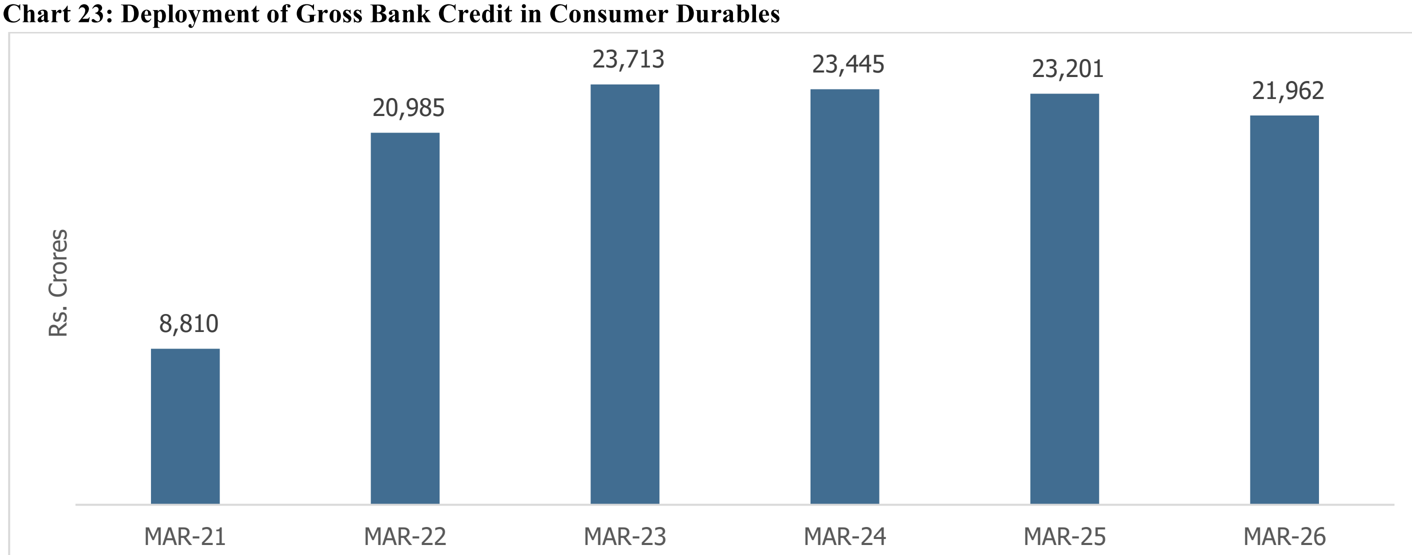
Access to financing has emerged as a critical demand enabler for the consumer durables industry in India, particularly for higher ticket appliances such as air conditioners, refrigerators and washing machines. The expansion of retail credit over the past decade has been driven by a combination of scheduled commercial banks, non-banking financial companies and point of sale financing models offered through appliance retailers and digital fintech platforms. Easy availability of EMIs has significantly lowered the upfront affordability barrier for consumers and has expanded the addressable market beyond higher income urban households to include middle income, semi urban and rural consumers.

The deployment of credit toward the consumer durables sector has shown a sharp expansion in the early part of the period, followed by a phase of stabilisation in recent years. Credit deployment increased significantly from Rs. 8,810 crores in March 2021 to Rs. 20,985 crores in March 2022, reflecting a strong post pandemic recovery in discretionary consumption. This surge was driven by pent up demand, aggressive point of sale financing by NBFCs, easy EMI availability and rapid growth in higher ticket categories such as air conditioners, refrigerators and premium television.

The upward momentum continued into March 2023, with credit deployment peaking at Rs. 23,713 crores. This period marked the high point of consumer durable financing, supported by robust urban demand, rising replacement purchases and deep penetration of zero cost EMI and buy now pay later schemes across offline and online retail channels. NBFCs played a dominant role during this phase, leveraging fast approvals and merchant partnerships to capture both value and volume growth. Following the peak recorded in March 2023, deployment of gross bank credit towards the consumer durables sector moderated to Rs. 23,445 crores in March 2024. The marginal decline reflected a moderation in retail credit growth amid regulatory measures introduced by the Reserve Bank of India to strengthen prudential standards for unsecured consumer lending. During this period, banks adopted a relatively cautious approach towards consumption-oriented credit, while financing continued to be supported through NBFCs and retailer-led financing arrangements.

The moderation continued in March 2025, with outstanding credit declining marginally to Rs. 23,201 crores. Although consumer demand for durable goods remained resilient, growth in bank lending to personal and retail segments softened due to slower expansion in unsecured consumer credit. The RBI noted that the deceleration in personal loan growth was primarily driven by slower growth in other personal loans, vehicle loans and credit card outstanding, reflecting a more calibrated lending environment. As of March 2026, deployment of gross bank credit to the consumer durables sector declined further to Rs. 21,962 crores. The decline reflects continued moderation in bank financing for consumer durable purchases as lenders maintained prudent underwriting standards following earlier regulatory measures. At the same time, financing for consumer durable purchases increasingly shifted towards NBFCs, captive finance companies and credit card-based financing, reducing the share of scheduled commercial banks in this segment even as overall non-food bank credit recorded healthy growth during FY26.

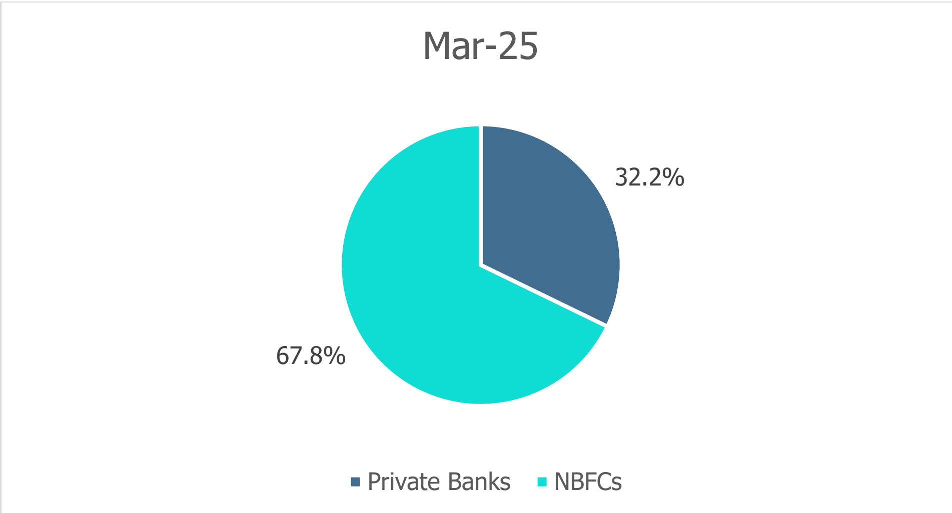
Chart 23: Deployment of Gross Bank Credit in Consumer Durables



Source: Press Release, Reserve Bank of India

Borrowing for consumer durables, particularly smartphones and home appliances, has increased sharply in recent years, reflecting a structural shift in household spending behaviour. The study shows, the share of borrowing for these categories rose to 37% in 2024, from just 1% in 2020. It represents the share of consumer durables within total borrowings. This sharp increase highlights growing reliance on formal credit and easy financing options to support purchases of technology-led and high-ticket appliances. The trend underscores consumers' increasing focus on digital adoption, home improvement, and lifestyle upgrades, supported by expanding access to loans and EMI-based financing.

Chart 24: Consumer Durable Active Loans - Market Share



Source: Centre for Research in International Finance

3.8 Increasing demand from rural India

Demand for consumer durables in India has been growing on the back of rising incomes. This trend is set to continue even as other factors like rising rural incomes, increasing urbanisation, a growing middle class and changing lifestyles aid demand growth in the sector. As of September 2025, rural India has overtaken cities in consuming affordable premium FMCG products. Villages now account for 51% of volumes. Companies targeting high growth in rural market.

Rural demand for consumer durables is rising for several reasons. First electrification and improving grid reliability reduce the access barrier to electric appliances. Second rising rural incomes, government transfer programmes that support household purchasing power and increased penetration of organised retail and e commerce channels that deliver to rural addresses reduce frictions to purchase. Third targeted distribution by brands and low-ticket point of sale finance make basic appliances more affordable in smaller towns and villages. Industry studies and policy analyses highlight rural markets as the largest untapped opportunity for many categories with faster growth expected in value terms as the base grows. According to industry sources growth in demand from rural and semi-urban markets is likely to outpace demand from urban markets.

3.9 Key factors driving the growth of Consumer Durables Industry

Urbanisation and Lifestyle Changes

Urbanisation is transforming India's demographic landscape, with over 35% of the population now residing in urban areas. This migration drives demand for modern housing, which in turn fuels the purchase of consumer durables like washing machines, air conditioners, and kitchen appliances. Evolving lifestyles, especially among younger generations, are also influencing consumption patterns, with a greater preference for smart devices and energy-efficient products. Urban families are opting for time-saving appliances to manage fast-paced city lives. The rising number of nuclear families further increases the demand for individual household durables. Additionally, urban consumers are influenced by global trends and are inclined toward premium, aesthetically appealing, and technologically advanced products. With better connectivity and infrastructure in urban areas, access to e-commerce platforms has enhanced the availability of diverse brands and products. These factors collectively underscore urbanisation and changing lifestyles as pivotal demand drivers for the consumer durables sector in India.

Government Initiatives

The Indian government has introduced multiple initiatives to promote the consumer durables industry. Programs such as “Make in India” have incentivised domestic manufacturing, enhancing product availability and affordability. Rural electrification under schemes like Saubhagya has increased the adoption of electrical appliances in previously underserved regions. Additionally, policies encouraging energy efficiency, such as the UJALA scheme for LED distribution, have spurred demand for eco-friendly products.

GST rationalisation has streamlined logistics and reduced product prices, benefiting consumers. The government’s focus on housing and infrastructure development has indirectly boosted the purchase of household appliances. Subsidies and tax rebates for electric and hybrid vehicles, along with solar-powered products, have also encouraged innovation in durable goods. Furthermore, collaborations with private players to promote skill development in manufacturing ensure a robust supply chain. These initiatives not only enhance consumer accessibility but also create a supportive ecosystem for the sector's growth.

Favourable Financing Options

The availability of diverse financing options has emerged as a crucial driver for the consumer durables market. Banks and non-banking financial companies (NBFCs) offer easy-equated monthly instalment (EMI) schemes, making high-value products accessible to a broader audience. Retailers and e-commerce platforms frequently partner with financial institutions to provide no-cost EMIs and zero-down payment options, catering to price-sensitive consumers.

The advent of digital payment solutions and Buy Now, Pay Later (BNPL) services has further simplified purchases. These options are particularly beneficial for rural and semi-urban populations, who often face liquidity constraints. Consumer finance schemes during festive seasons and exclusive discounts for cardholders also drive short-term spikes in demand. Moreover, the competition among financiers has led to competitive interest rates and faster loan approvals. By reducing the financial burden, these schemes significantly influence purchasing decisions, supporting the growth of the consumer durables sector.

Festive and Seasonal Demand

Seasonality plays a pivotal role in the consumer durables market in India. Demand surges during summer for air conditioners, refrigerators, and coolers, while winter sees higher sales of room heaters and geysers. Festivals like Diwali, Dussehra, and Christmas witness significant purchases across product categories, driven by traditions of home improvement and gifting. Retailers and manufacturers capitalize on these periods with attractive offers, discounts, and cashback schemes. Rural areas experience heightened demand during harvest seasons when disposable incomes are higher.

Additionally, seasonal marketing campaigns, including celebrity endorsements, amplify consumer interest. E-commerce platforms contribute by launching flash sales and exclusive festive discounts, further fueling purchases. Weather patterns also influence demand, with prolonged heatwaves or cold spells prompting increased sales of relevant appliances. This cyclicality creates predictable spikes, enabling manufacturers and retailers to plan inventory and promotional strategies effectively, solidifying seasonal demand as a consistent driver for the industry.

Impact of Reduced Interest Rates and Tax Reforms on the Consumer Durables Industry

The recent reduction in interest rates by the Reserve Bank of India (RBI) is set to have a positive impact on the consumer durables industry. Lower borrowing costs make financing options such as personal loans and consumer durable loans more affordable for buyers, boosting demand for high-value appliances like air conditioners, refrigerators, and washing machines. Additionally, retailers and manufacturers are expected to capitalize on this by offering attractive financing schemes, further driving sales.

Complementing this trend, recent tax reforms, including streamlined GST rates and potential incentives for energy-efficient products, are expected to enhance affordability and stimulate demand across various consumer segments. These reforms not only reduce price disparities but also encourage manufacturers to innovate and expand their product offerings. Together, these factors are likely to create a favourable growth environment for the consumer durables sector, driving greater penetration into untapped markets and sustaining momentum in urban centers.

Huge growth Potential for consumer durables industry in India

The consumer durables sector in India is witnessing strong growth, driven by urbanisation, rising disposable incomes, and evolving lifestyles. Over 35% of the population now lives in urban areas, increasing demand for modern, energy-efficient appliances. Government initiatives like "Make in India" and energy efficiency programs have made products more affordable, while financing options like EMI schemes and Buy Now, Pay Later services enhance accessibility. Seasonal demand surges, especially during festivals and weather changes, also boost growth. Product-wise trends highlight the market's potential. Television penetration increased from 50% in 2018 to 60% in 2024, with rising demand for smart and large-screen models. Air conditioners grew from 6% in 2019 to 10% in 2024, driven by energy-efficient models. Refrigerators and washing machines are seeing increased demand for premium, energy-efficient options. Brown goods like kitchen appliances are projected to grow by 15-18%. With these factors, the sector is well-positioned for continued expansion.

3.10 Market trends in Consumer Durables industry in India

Emergence of the shared economy and appliance rentals

The shared economy is becoming a meaningful sub segment within India’s urban consumer durables market. Rentals of home appliances and furniture are gaining traction, particularly among young professionals, students, migrant workers and nuclear households in large cities. The rental model offers flexibility and cost efficiency by eliminating high upfront purchase costs and providing bundled services such as free relocation, installation, periodic maintenance and servicing, which are typically not available under traditional ownership models. As urban mobility increases and average household tenures shorten, rental solutions are increasingly viewed as a practical alternative to ownership. Start-ups have built scale in this space by offering end to end rental solutions across furniture, appliances and lifestyle products, thereby expanding the addressable market for durable usage even without ownership.

Increasing affordability of consumer durable products

Affordability has improved structurally across multiple consumer durable categories. Advances in manufacturing technology, localisation of components and heightened competition among domestic and multinational players have led to gradual price reductions and better feature to price ratios. Products that were once considered premium are increasingly accessible to middle income households. Rural consumption trends further underline this shift. By September 2025, rural India had overtaken urban centres in the consumption of affordable premium FMCG products, accounting for around 51 percent of total volumes, reflecting rising aspirations and purchasing power beyond cities. Government initiatives such as the Make in India programme have accelerated domestic manufacturing, with several Indian and Chinese manufacturers investing in local production facilities. This has reduced import dependence, lowered logistics and duty costs, and enabled companies to offer more competitively priced consumer durable products tailored to Indian conditions.

Rise of the consumer digital economy

The rapid expansion of India’s consumer digital economy is reshaping how consumer durables are marketed, discovered, financed and purchased. Digital platforms have improved price transparency, widened product choice and enabled nationwide reach for brands. According to Industry sources, India’s consumer digital economy is projected to grow from approximately USD 85–90 billion in FY20 to nearly USd 800 billion by 2030, reflecting strong growth in e commerce, digital payments and online services. For the consumer durables industry, this translates into faster adoption of omnichannel strategies, deeper penetration into tier II and tier III cities, and increased use of digital tools for customer engagement, after sales service and financing.

Expansion into new and adjacent product segments

Indian consumer durable companies are increasingly expanding into new segments, particularly within the broader home solutions and smart home ecosystem. The smart home market in India was valued at around Rs. 8,000 crores in 2023 and is projected to grow to approximately Rs. 36,000 crores by 2028, reflecting rapid adoption of connected and automated home products. The overall home category, including both smart and non-smart products, stood at about Rs. 90,000 crores in 2023 and is expected to grow around 1.5 times to nearly Rs. 1,40,000 crores by 2028. Smart features are no longer confined to niche products. As of 2025, more than half of air conditioners sold by certain leading brands are Wi Fi enabled, and smart functionality is expanding across 18 to 20 categories including washing machines, water heaters, refrigerators, lighting solutions and bulbs. In parallel, niche health and wellness-oriented categories such as air purifiers are gaining relevance, with the India air purifier market projected to grow at a compound annual growth rate of over 5 percent during the 2025 to 2030 period, supported by rising air quality concerns and greater consumer awareness.

These trends indicate that the Indian consumer durables industry is transitioning from a volume led, ownership driven market toward a more diversified ecosystem characterised by affordability, digital enablement, shared consumption models and technology integrated products.

3.11 Government policies, initiatives and regulations

Government policy support has played a central role in shaping the growth trajectory and structural competitiveness of India's consumer durables industry, particularly in electronics hardware and white goods manufacturing. A key enabler has been the liberal foreign direct investment regime. India permits 100 percent FDI under the automatic route in electronics hardware manufacturing, which has encouraged multinational companies to establish and expand manufacturing bases in the country. This policy has facilitated capital inflows, technology transfer, integration into global supply chains and the scaling up of domestic production capacity, thereby strengthening India's position as a manufacturing hub for consumer durables.

A cornerstone of the government's manufacturing push is the Production Linked Incentive Scheme for White Goods, covering air conditioners and LED lights. The scheme, approved for the period from 2021–22 to 2028–29, has a total outlay of Rs. 6,238 crores, equivalent to approximately USD 712 million. As of January 20, 2025, the scheme had attracted strong industry participation, with 84 companies committing investments of around Rs. 10,478 crores, or about USD 1.20 billion. These investments are expected to generate cumulative production worth approximately Rs. 1,72,663 crore, or nearly USD 19.7 billion, over the scheme period. The PLI framework is strategically designed to deepen domestic value addition by incentivising the local manufacture of key components such as compressors, motors, heat exchangers and control assemblies, reducing import dependence and improving cost competitiveness across the value chain.

In parallel, broader national programmes such as Digital India and Skill India provide indirect but significant support to the consumer durables ecosystem. The Digital India initiative is accelerating the penetration of e commerce and digital payments, including in semi urban and remote regions, thereby expanding market access for consumer durable brands and enabling direct to consumer sales models. Improved digital connectivity enhances product discovery, price transparency and access to financing options, all of which support higher appliance adoption. Meanwhile, the Skill India programme contributes to the development of a trained workforce of technicians and service professionals. This is particularly relevant for white goods, where installation, maintenance and repair capabilities are critical to consumer confidence and brand loyalty. As service networks expand and skill availability improves, after sales service is emerging as an important revenue stream and competitive differentiator for manufacturers.

4. Overview of Air Conditioner Industry

4.1 Overview

An air conditioner (AC) is a system that helps to cool down the space in which it is installed. It works by removing the heat and humidity from the indoor air in the enclosed space and has three main components - a compressor, a condenser coil and an evaporator coil. The air conditioner circulates the cool air in the enclosed space, and the heat is released outside through the compressor.

Air conditioners are very useful in keeping the temperature cool especially during the peak summer season. There are different air conditioners that cater to different types of requirements. The size of the enclosed space, the power requirement, the frequency of the use of the system are very different for a residential and for commercial use. The commercial air conditioners are a little complex than the residential air conditioners due to the space, the number of people they cater to and its frequency.

Several trends are expected to shape the future of the air conditioning industry. The combination of smart and connected technologies is expected to become more prevalent, allowing users to control and monitor their cooling systems remotely. The Internet of Things (IoT) will likely play a significant role in enhancing the user experience and optimizing energy consumption.

Environmental concerns are driving a shift towards the use of eco-friendly refrigerants that have a lower impact on the ozone layer and contribute to reducing greenhouse gas emissions. The industry is likely to witness increased emphasis on sustainable practices and green technologies.

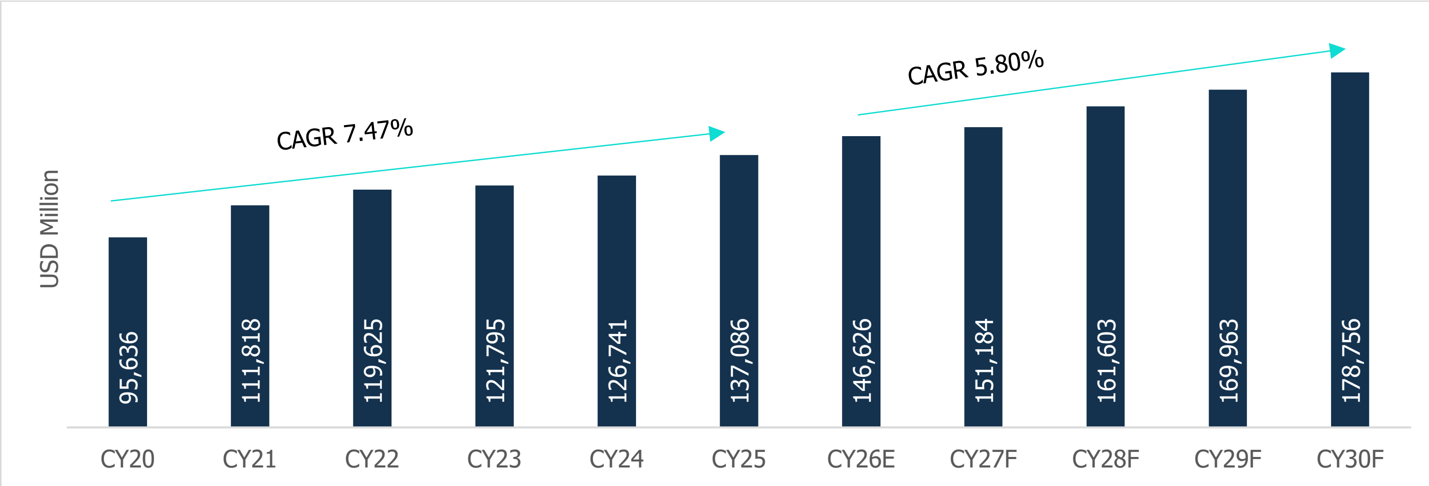
The air conditioning industry is expected to continue to evolve, driven by factors related to lifestyle, urbanization, energy efficiency, and technological advancements.

4.2 Global Market Size of air conditioners

The global air conditioner market has recorded a value of USD 1,37,086 million in the year 2025. It recorded a CAGR of 7.47% between 2020 and 2025. The year 2020 and 2021 saw a decline was mainly on account of outbreak of Covid – 19 pandemics in that year. The pandemic led to lockdowns and restrictions that led to decline in purchases of the air conditioners.

However, the sales started picking up after the pandemic subdued. In the year 2022, the global air conditioner market recorded a growth of 7.0% and reached USD 1,19,625 million from USD 1,11,818 million in 2021. The market is forecasted to grow at a CAGR of 5.80% between 2026 and 2030 to reach a market value of USD 1,78,756 million by the year 2030.

Chart 25: Global air conditioner market by value

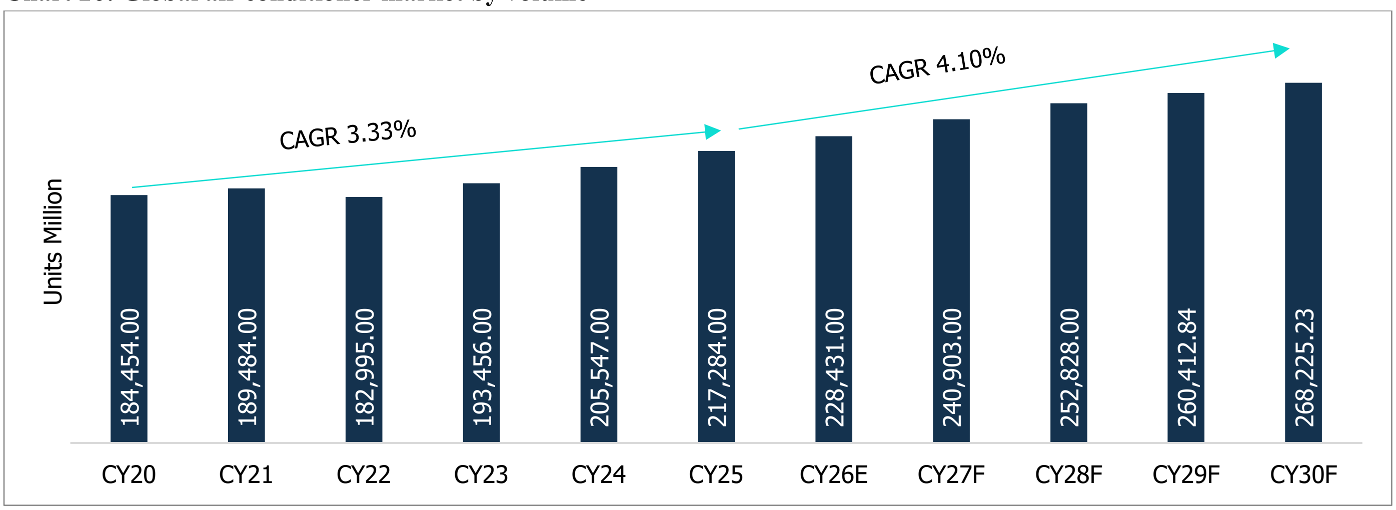


Source: CareEdge Research, Maia Research

Note: The year mentioned in this chart and subsequent sections is calendar year; F-Forecasted

In terms of volume, the global air conditioner market recorded 217 million units in sales in 2025 and is estimated to reach 268 million units by the end of 2030. It is forecasted to grow at a CAGR of 4.10% between 2026 and 2030.

Chart 26: Global air conditioner market by volume



Source: CareEdge Research, Maia Research

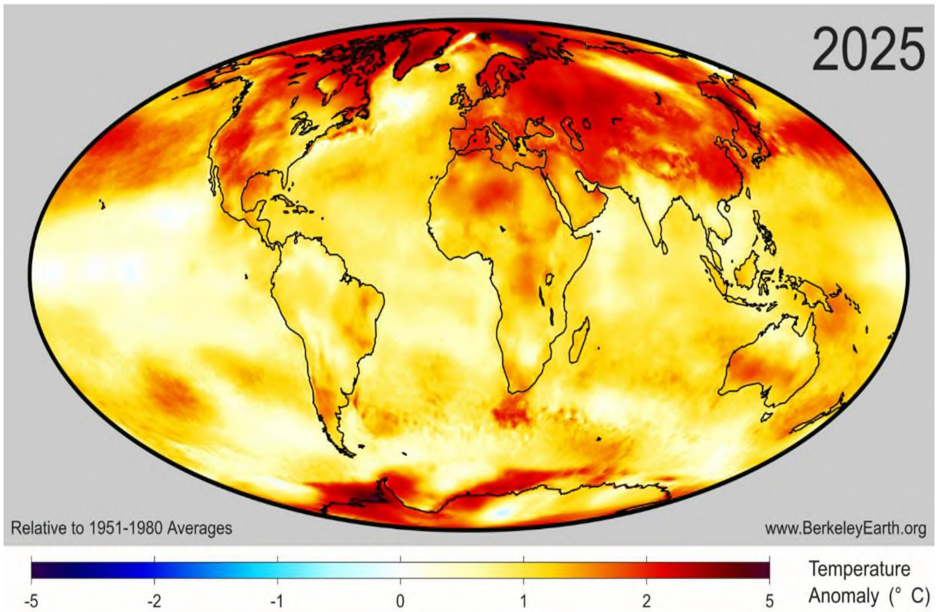
Note: The year mentioned in this chart and subsequent sections is calendar year; F-Forecasted

The following are the major reasons for growth in the air conditioner market:

Rising temperatures: Rising global temperatures have emerged as one of the most significant structural drivers of air conditioner demand worldwide. Increasing frequency, intensity, and duration of heatwaves across regions such as Asia, Europe, North America, and the Middle East have accelerated the need for cooling solutions in both residential and commercial settings. Many countries have recorded their warmest years on record in the past decade, with urban areas experiencing even higher temperatures due to the urban heat island effect. This trend has shifted air conditioning from a discretionary product to a necessity in several regions, particularly in emerging economies with historically low penetration but rapidly increasing exposure to extreme heat conditions. The rise in temperature is making summers unbearable and population at large is moving towards increasing use of air conditioners to reduce the impact of harsh temperatures on their body. With the continuous upgrading of air conditioner products and the development of technology, the market is expected to continuously expand.

This map shows how local temperatures in 2025 have increased relative to the average temperature in 1951-1980. Prominent warmth over Asia, Africa, North America, and South America is visible this year, as is warmth in the Atlantic, North Pacific, and Southern Ocean.

Figure 3: Global heat map depicting increase in temperatures
Year: 2025



Source: Berkeley Earths.org

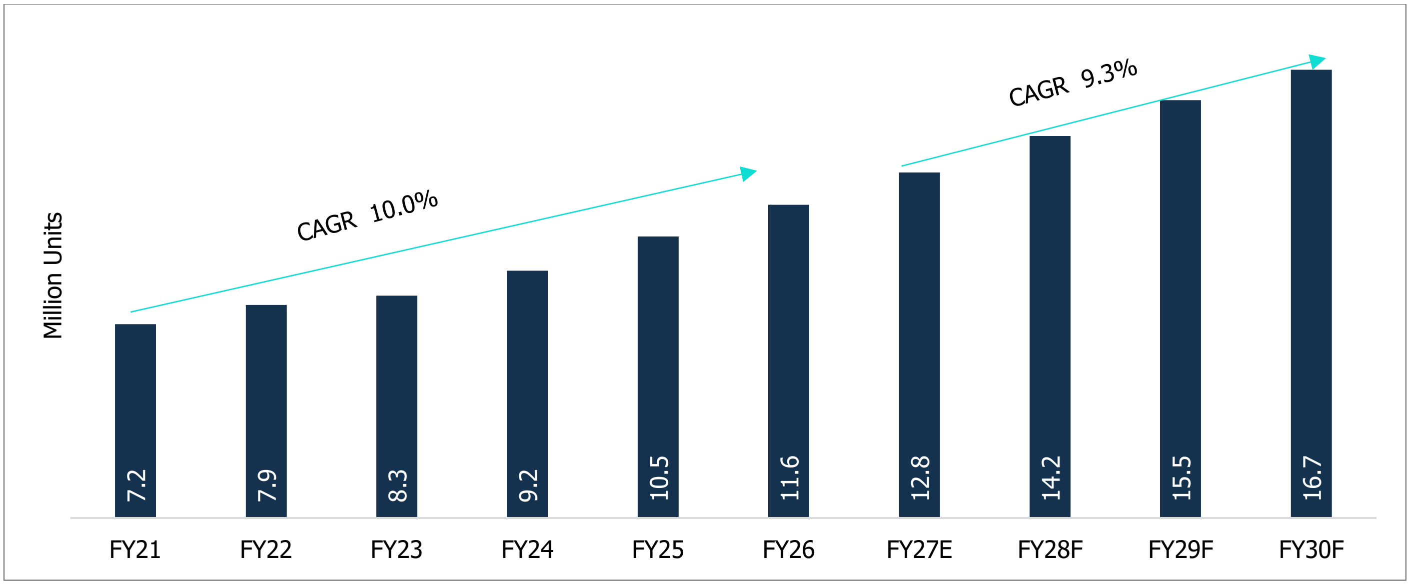
Increase in real estate activities: The residential and commercial sector activities are growing around the world, especially in the developing economies. There has been a surge in construction across residential buildings, commercial stores, malls, hospitals, theatres and hotels and restaurants.

Developments in air conditioner market: A lot of development is also happening in the air conditioner market that will attribute to its growth in the coming years. With the development of intelligent technology, many household appliances can apprehend intelligent control. The air conditioners can now be controlled by voice and remote control. In addition to the two modes of cooling and heating, a smart mode has also been. The smart performance of smart air conditioners is able to perceive changes in people and the indoor environment and judge based on the activities of people in the room and the temperature and humidity. Although the research and development functions of smart air conditioners are still relatively limited at present, with the enhancement of people's desire for a smart and convenient life, meeting people's more and more personalized needs will be an opportunity for the future development of the air conditioner industry.

4.3 Indian Air Conditioner Market Size

The Indian air conditioner market has shown steady and accelerated growth over the past few years, with consumption increasing from approximately 7.2 million units in FY21 to around 10.5 million units in FY26, effectively doubling within five years. This growth has been driven by rising temperatures, increasing urbanisation, improving affordability, and greater adoption across Tier-2 and Tier-3 cities. The sharp increase since 2023 reflects stronger demand supported by rising disposable incomes, expansion of organised retail, and growing consumer preference for energy-efficient and inverter-based air conditioners.

Chart 27 : Air conditioner market in India by volume



Source: CareEdge Research, Maia Research

Looking ahead, the market is projected to maintain strong momentum, with consumption expected to reach approximately 16.7 million units by 2030, representing sustained expansion in both first-time purchases and replacement demand.

The increasing demand from tier 2 cities like Lucknow, Kanpur, Jaipur, Noida are expected to drive the air conditioner market in coming future. In these cities, there is plenty of room for the air conditioner market to grow. The Indian summers have broken the heat records in this decade quite a few times. The heatwaves are forcing people to purchase air conditioners to create a more comfortable atmosphere.

Indian Air Conditioner Market - Key Manufacturers and Brands

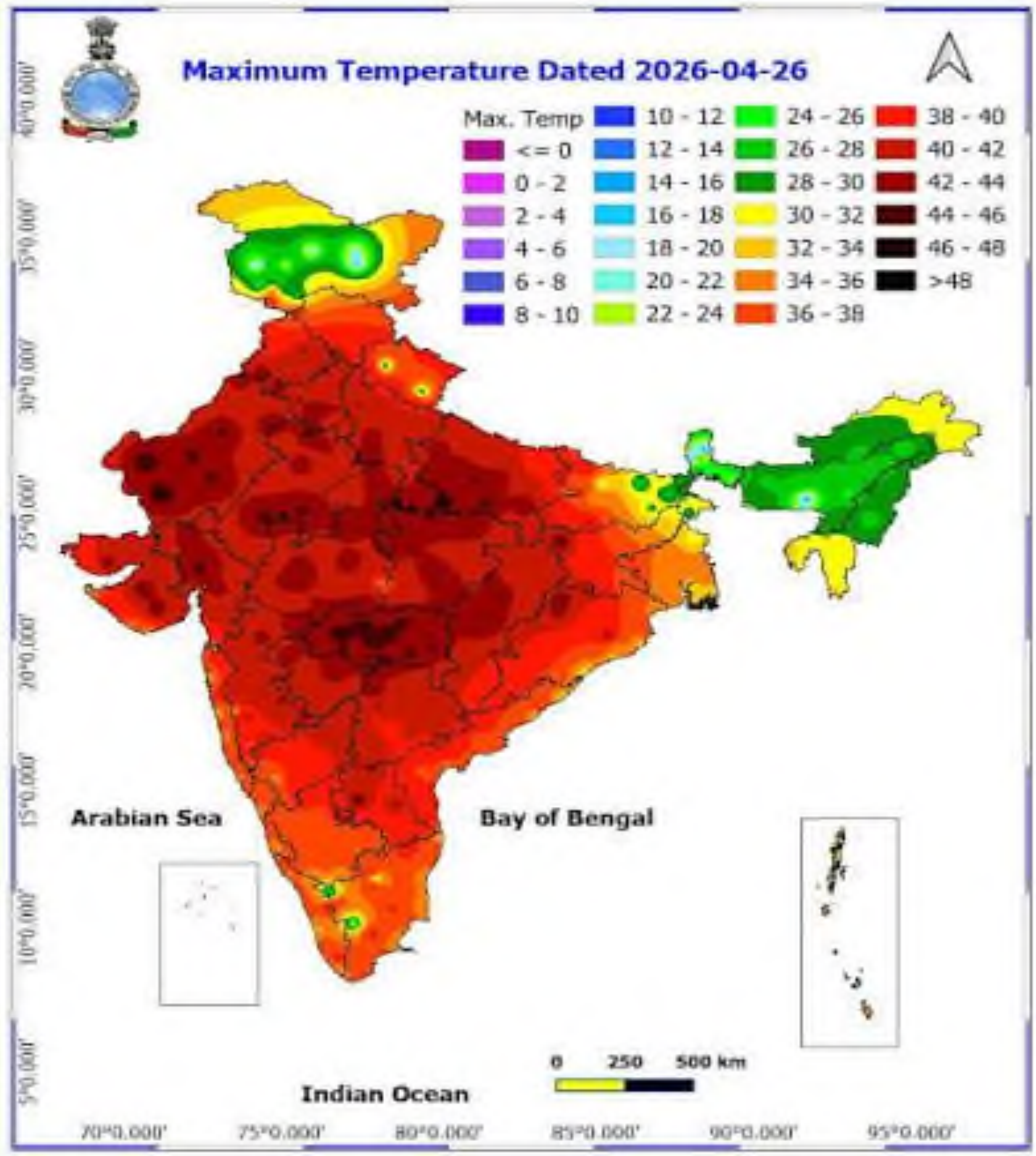
The Indian room air conditioner market is characterised by the presence of a few large organised players that collectively account for a significant share of total industry volumes and value. The market is led by a combination of multinational and domestic brands, with competition driven by product innovation, energy efficiency, pricing, distribution reach, and after-sales service capabilities. Split air conditioners dominate the market, and leading brands have strengthened their position through expansion of manufacturing capacity, localisation initiatives, and increasing focus on inverter-based and smart AC models.

RAC market comprises a mix of multinational and domestic brands competing across premium, mid-range, and value segments. Top players in the industry include Voltas, LG Electronics, Daikin, Blue Star, Samsung Electronics, Haier, Havells, Godrej, Carrier, Panasonic, and other regional and international brands. Competition in the market is driven by factors such as energy efficiency, inverter technology, smart connectivity features, pricing strategies, distribution reach, localisation of manufacturing, and after-sales service capabilities. The market has also witnessed increasing investments in domestic manufacturing and component localisation, supported by rising demand, government incentives, and expansion of the organised retail and e-commerce ecosystem.

Heat Conditions in India

India has continued to experience intense heatwave conditions in recent years, with several regions recording extremely high temperatures during the summer months. Rising ambient temperatures, together with the increasing frequency, intensity and duration of heatwaves, have contributed to a shift in air conditioning from a discretionary purchase towards a necessity, while higher year-round usage and improved building insulation have reduced the historical seasonality of demand and, correspondingly, the volatility of demand for manufacturers. In 2024 and 2025, parts of northwestern and central India, including Rajasthan, Delhi, Uttar Pradesh, and Andhra Pradesh, reported peak temperatures exceeding 45°C, reflecting the increasing severity of heatwaves. Above-normal temperatures ranging from approximately 1°C to 4°C higher than long-term averages were observed across multiple regions, including Coastal Andhra Pradesh, Odisha, Telangana, Tamil Nadu, Karnataka, and northeastern states such as Nagaland, Manipur, Mizoram, and Tripura.

Figure 4: Maximum Temperatures



Source: Indian Meteorological Department

Indian Air Conditioner Industry – In-house vs Outsourced Manufacturing

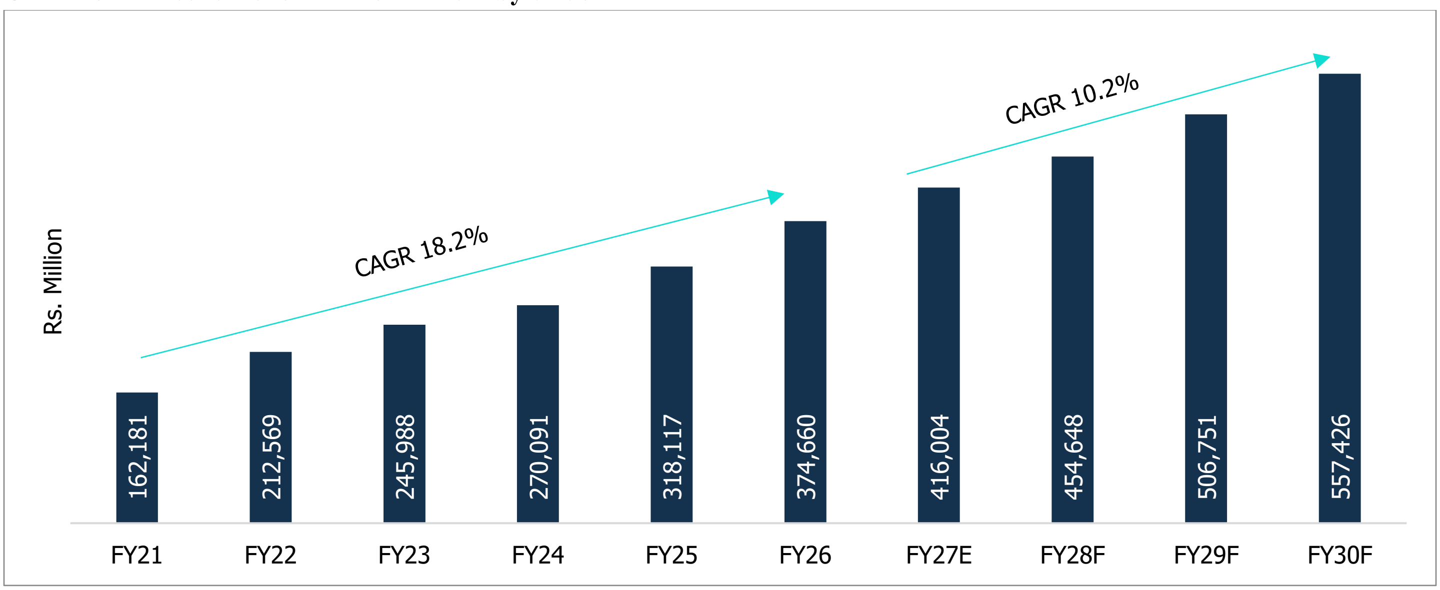
The Indian room air conditioner industry operates through a combination of in-house manufacturing and outsourced manufacturing / ODM-OEM partnerships, with the industry increasingly moving toward a hybrid sourcing model. Historically, leading RAC brands relied predominantly on in-house manufacturing for critical processes such as final assembly, quality control, and product integration to maintain tighter control over quality, technology, and brand positioning. However, over the past decade, rising demand, localisation initiatives, and cost optimisation efforts have accelerated the role of contract manufacturers and specialised component suppliers within the industry.

At present, a significant portion of RAC components including heat exchangers, copper tubing, plastic moulded components, PCBs, and wiring assemblies is outsourced to domestic vendors and OEM/ODM manufacturers. Industry participants such key OEM/ODM partners for RAC brands in India, supplying complete RAC units as well as critical components. The trend toward outsourced manufacturing has been further supported by government initiatives such as PLI, Make in India, and localisation policies, which have encouraged the development of a broader domestic supplier ecosystem.

Leading RAC brands continue to retain a large share of final assembly and high-value manufacturing activities in-house, while progressively increasing local sourcing and outsourcing of components. For instance, approximately 95% of its products are manufactured domestically, with around 56% of raw materials sourced locally, while also expanding in-house compressor manufacturing to reduce import dependence. At the same time, ODM/OEM players are scaling manufacturing capacities to support both domestic brands and global entrants. Recent examples include expansion of RAC manufacturing facilities by contract manufacturers to exclusively produce air conditioners for global brands under localisation partnerships.

Going forward, the outsourced manufacturing ecosystem is expected to expand further as OEMs increasingly adopt asset-light strategies and focus on product development, branding, and distribution, while relying on specialised suppliers for components and sub-assemblies. This transition is expected to create substantial opportunities for domestic component manufacturers involved in copper-based heat exchange products, tubing systems, and precision-engineered cooling components used across the RAC value chain.

Chart 28 : Air conditioner market in India by value



Source: CareEdge Research, Maia Research

Note: For forecasted values, the exchange rate has been assumed to remain the same as the closing rate of 91.52 as on 02/02/2026.

The Indian air conditioner market has recorded strong growth in value terms, increasing from approximately Rs. 162,181 million in FY21 to Rs. 374,660 million in FY26, while household penetration of air conditioners in India increased from 6% in 2019 to 10% in 2024, which remains below the penetration levels in several other developing and developed economies, indicating scope for increased demand for cooling solutions. This growth has been supported by rising temperatures, increasing disposable incomes, urbanisation, and growing consumer preference for energy-efficient and premium air conditioning systems. Additionally, improved affordability through financing options and expanding penetration in Tier-2 and Tier-3 cities have further contributed to the market's value expansion.

4.4 Sectors driving demand for Air conditioners in India

The growth of the air conditioner market in India is supported by the following sectors:

Commercial construction

The growth of the air conditioner market in India is strongly supported by expansion in the commercial construction sector, particularly across office spaces, retail establishments, hospitality, healthcare, and educational infrastructure. While the commercial real estate sector experienced a sharp slowdown during the pandemic due to mobility restrictions, reduced office occupancy, and delayed project completions, it has since witnessed a strong recovery. Improved business confidence, return-to-office trends, and growing demand for high-quality workspaces have contributed to increased leasing and construction activity across major urban centres.

Commercial real estate transactions, including office leasing and new project launches, have seen steady growth in recent years, driven by sectors such as information technology, e-commerce, logistics, financial services, and flexible workspace operators. Key markets such as Bengaluru, National Capital Region (NCR), Hyderabad, Mumbai, and Chennai continue to account for a significant share of commercial real estate activity. Additionally, rising investments in retail malls, data centres, hospitals, and educational institutions are further strengthening demand for commercial cooling solutions. As modern commercial buildings require centralised and energy-efficient air conditioning systems to ensure occupant comfort and operational efficiency, the continued expansion of commercial infrastructure is expected to remain a key driver of air conditioner demand in India.

Office spaces

The demand for office spaces will be driven by expansion of co-working segment, increase in hiring across various sectors like IT, E-commerce etc., increased connectivity due to augmentation of infrastructure and an overall economic growth in India. Government of India has taken multiple steps to improve the infrastructure and amenities in India like National Industrial Corridor Development Programme. Further, initiatives like establishment of Real Estate Regulation Authority, clarification that FDI can be invested in under construction projects etc. are aimed at increasing transparency and domestic/foreign investments in the sector going forward.

Generally leasing of office space is a long-term contract and with major IT companies switching back to office mode, the demand of office space is expected to rise. Also, hybrid mode has been adopted by the many offices which require staff to attend office few days in month. This new mode has also created a separate demand of office space. Co-working spaces are where people from different unrelated backgrounds assemble in a space to work independently on different projects, or even in a group to work on the same project. It is better option because the scalability options are easily accessible which allows expansion of workspace without any significant effort. In addition, by renting these office spaces, the businesses can access the shared space's basic utilities and other services for a monthly fee. These factors are leading to rising demand for co-working space.

Retail

As the pandemic has subsided, people have gone back to daily routines which mean resumption in retail activities including mall and theatre visits, shopping, dining out, travelling and outdoor activities. Many malls are also coming up in Tier II and Tier III cities. Further, there has been an increase in discretionary spending which has led to retail sales growth above the pre-pandemic levels. Major spending is seen across supermarkets, hypermarkets, footwears and departmental stores. Higher youth population and increased disposable income especially in urban cities have also led to increase the footfall in malls. The entertainment category which includes theatres and experience centers, is also one of the key reasons for increase in footfalls in malls.

Factors like increasing disposable income, availability of wide range of brands and food options, multiple entertainment avenues, high brand consciousness, convenience, social media marketing, availability of international brands etc. is expected to drive the retail sector growth in future which in turn will lead to increased absorption of retail space in India.

Real estate companies are also focusing on tier-II and tier-III cities since they are quickly urbanizing due to lower rental cost. The sophistication of commercial real estate is also rising as a result of the incorporation of new age technologies including sensor-activated disinfectants, retina scanners for admission, digitized ventilation systems, and more.

Warehouses

The warehousing sector has emerged as a key growth driver within India’s rapidly expanding logistics ecosystem, supported by strong growth in e-commerce, organised retail, manufacturing, and third-party logistics (3PL) services. Modern warehouses are increasingly required for the storage and distribution of both perishable and non-perishable goods, making them critical to supply chain efficiency across industries such as FMCG, pharmaceuticals, automotive, electronics, and consumer durables. These facilities often require temperature-controlled environments, particularly for sensitive goods, thereby driving demand for air conditioning and cooling systems. The warehousing industry has witnessed steady expansion since being granted infrastructure status by the Government of India, which improved access to long-term, lower-cost financing and encouraged private sector investments. Growing demand from e-commerce, retail, and logistics operators has led to significant capacity additions, with major investments from domestic and multinational institutional investors. Tier-1 cities such as Delhi-NCR, Mumbai, and Bengaluru account for a substantial share of warehousing stock, while rapid growth is also being observed in Tier-2 and Tier-3 cities. Increased development of Grade A warehousing facilities, declining vacancy levels, and rising warehouse registrations reflect the sector's strong momentum. As modern warehouses increasingly incorporate climate control systems to maintain product quality, support automation, and ensure operational efficiency, the continued growth of logistics infrastructure is expected to contribute meaningfully to rising demand for air conditioning systems in India.

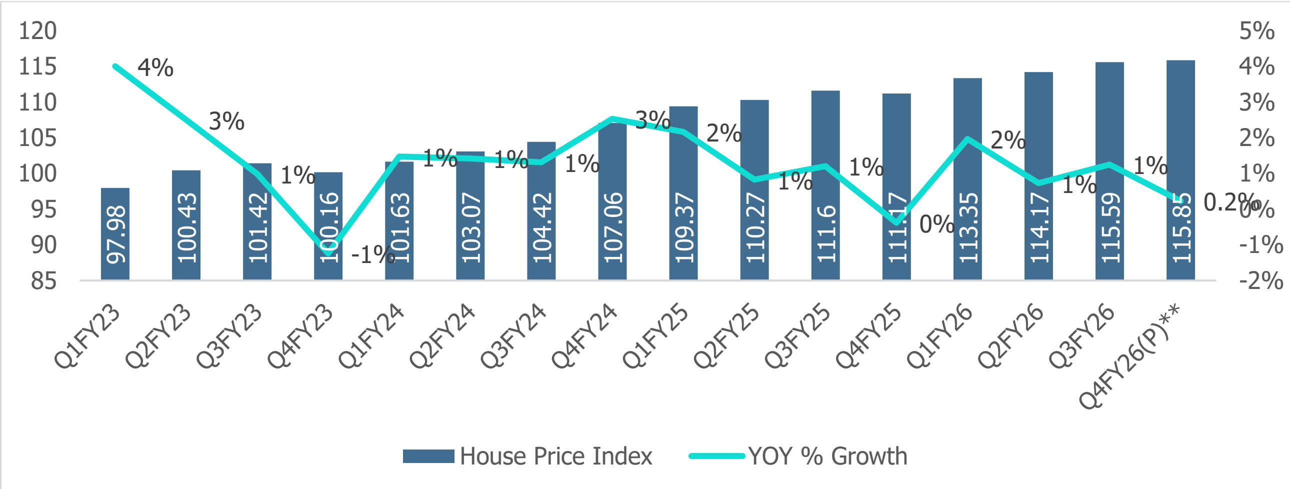
Residential real estate

The residential real estate industry has experienced a substantial increase in new project launches post the Covid -19 pandemic. Additionally, there has been a notable surge in the absorption and availability of high-quality real estate properties in both tier I and tier II cities. Foreign investments continued to flow into the sector, aided by the easing of the pandemic situation, resumption of travel, favorable policies such as tax benefits, and advantageous currency exchange rates, which have further contributed to increased investments from Non-Resident Indians (NRIs), particularly in the residential sector. Furthermore, the shift towards remote and hybrid working arrangements post the pandemic has led to a growing requirement among individuals to own a home, thereby driving demand for larger living spaces, upscale amenities and technologically advanced housing solutions.

The upward trajectory in residential property prices continued during FY26, with the All-India House Price Index (HPI) increasing from 113.35 in Q1FY26 to 114.17 in Q2FY26, before rising further to 115.59 in Q3FY26. The sustained increase was supported by resilient demand in the housing market, particularly in major metropolitan cities, healthy economic activity, improving household incomes and continued demand for premium and mid-income residential properties. According to the Reserve Bank of India (RBI), housing market activity remained resilient despite elevated property prices, while stable financing conditions and continued urbanisation supported residential demand. The year-on-year growth in the HPI remained positive during this period, indicating continued appreciation in residential property prices across the country.

In Q4FY26 (Provisional), the All-India HPI increased marginally to 115.85, while the month-on-month growth moderated to 0.2%, reflecting a high base effect and gradual normalisation in the pace of price appreciation rather than a decline in housing market activity. The RBI noted that house prices continued to register positive growth across most major cities, supported by sustained demand in the residential real estate market. The continued increase in residential property prices and housing construction is expected to support demand for consumer durables, including room air conditioners, refrigerators and other household appliances, as new home purchases and renovation activities typically drive higher expenditure on home-related products.

Chart 29: All India House Price Index



Source – RBI, **P - Provisional

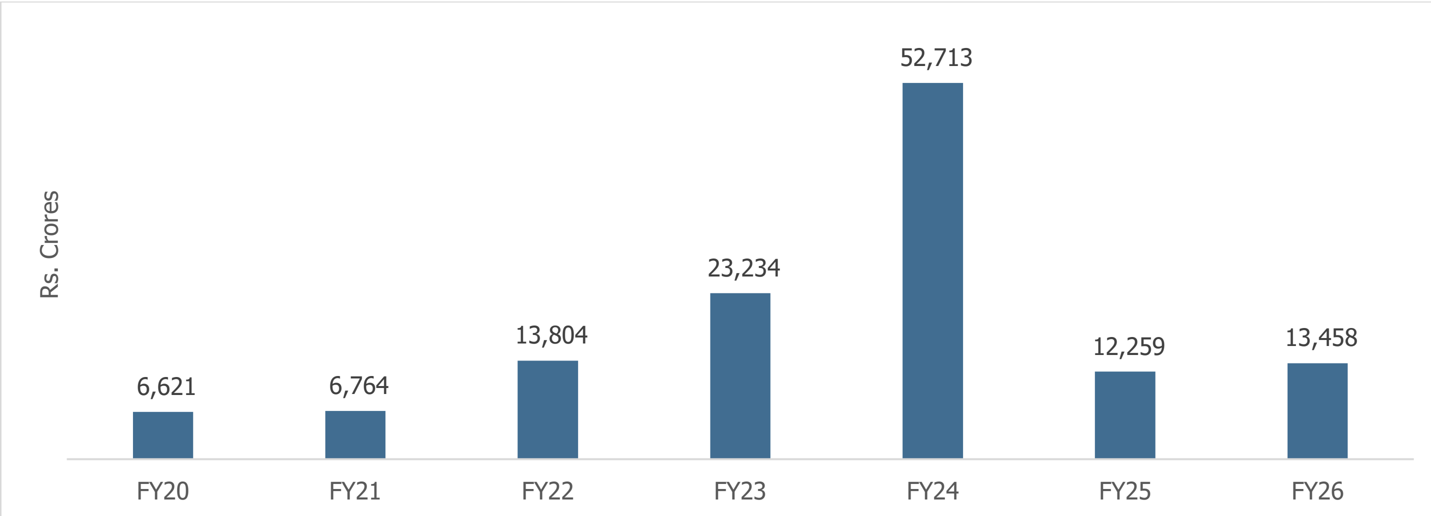
The growing trend of urbanization and the subsequent rise in per capita income have contributed to increased demand for mid-segment housing projects. Government's initiatives, including the Pradhan Mantri Awas Yojna PMAY, Urban Development Plan, and the digitization of land records, have played a pivotal role in stimulating growth within the sector. These measures have provided a conducive environment for the residential real estate market to thrive, catering to the evolving needs and aspirations of homebuyers across various segments

Education institutions

The Indian education sector comprises pre-school, primary, secondary, and higher secondary education, followed by higher education segments including universities, technical institutes, and professional education. In addition, the sector includes vocational training, coaching centres, and rapidly expanding digital education platforms. With rising population, increasing urbanisation, and growing emphasis on skill development, India continues to witness significant expansion in educational infrastructure. The country has made steady progress in improving literacy levels and educational access, supported by government reforms, increasing private sector participation, and investments in modernising educational facilities.

The Government of India has significantly increased budgetary allocation to the education sector in recent years, reflecting its priority on strengthening human capital and infrastructure development. The Union Budget 2027 allocated over Rs. 1.39 lakh crore to education, marking the highest-ever allocation, with increased funding for both school and higher education segments. Government initiatives such as the National Education Policy (NEP) 2020, expansion of IITs, IIMs, and central universities, and the push toward digital learning and vocational training are supporting long-term growth. Additionally, the government's target to increase the Gross Enrolment Ratio (GER) to 50% by 2035 is expected to drive significant expansion in educational infrastructure, including classrooms, hostels, laboratories, and administrative buildings.

Chart 30: Capex towards education sector on projects commissioned



Source: CMIE, CareEdge Research

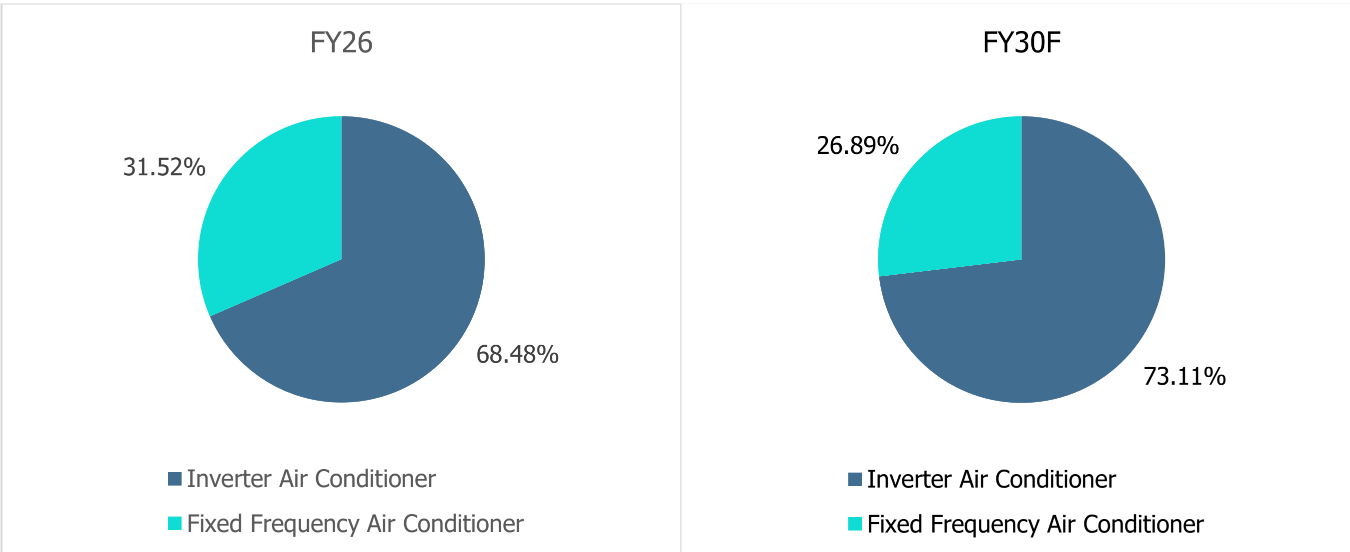
4.5 Market Segmentation

Market Analysis of air conditioners by type - Indian market

The Indian air conditioner market is witnessing a continued shift towards inverter technology, with inverter ACs expected to increase their market share from 68.48% in FY26 to 73.11% by FY30F, while the share of fixed frequency ACs is projected to decline from 31.52% to 26.89% over the same period. This transition is supported by increasing consumer preference for energy efficient products, lower electricity consumption and better temperature control. Government energy efficiency initiatives have also accelerated this shift. Inverter AC penetration increased from less than 1% in 2015 to 77% by FY23, according to BEE data.

The increasing adoption of inverter ACs is also expected to be supported by rising electricity demand from cooling, greater consumer awareness of lifecycle energy costs, and continued improvement in the affordability of inverter models. BEE's standards and labelling programme has encouraged manufacturers to improve AC efficiency, while NITI Aayog notes that the narrowing cost differential between efficient and conventional technologies is supporting greater adoption of efficient appliances. As a result, inverter technology is expected to gain further share through FY30, while fixed frequency ACs are likely to remain relevant primarily in price sensitive segments.

Chart 31: Inverter and Fixed frequency air conditioner market in India

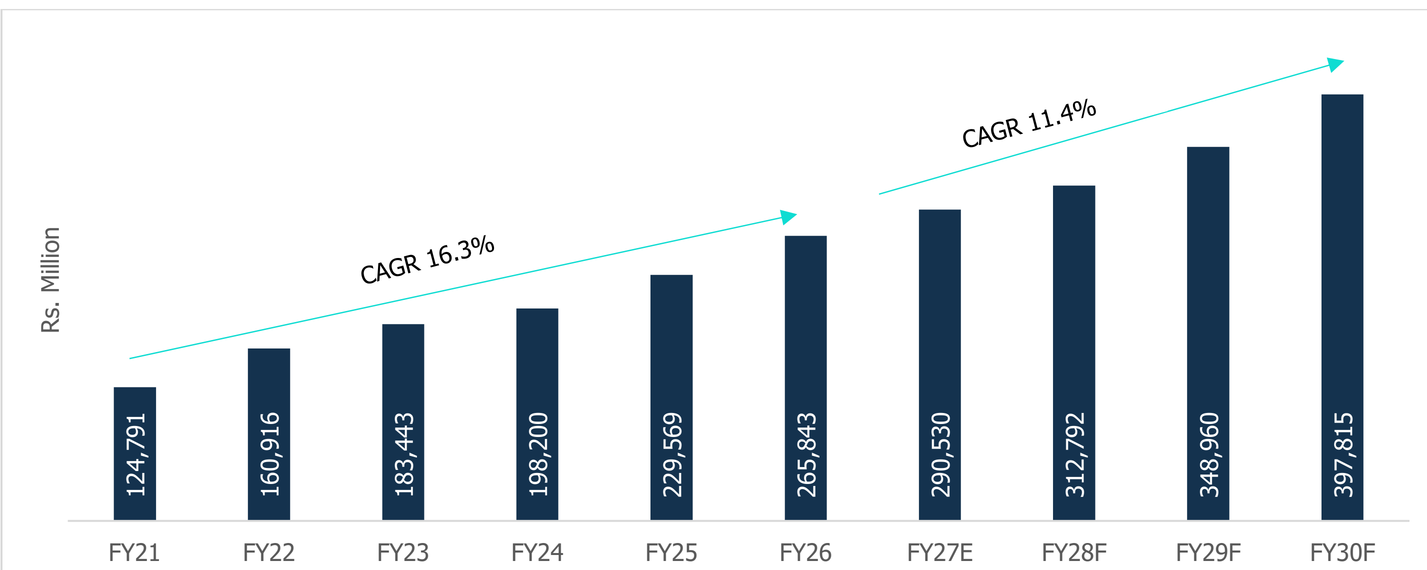


Source: CareEdge Research, Maia Research

- **Room air conditioner**

The room air conditioner market is dominating the Indian air conditioner market space. Overall, the room air conditioners take up the majority share of total air conditioner sales in India. The room air conditioner market grew at a CAGR of 16.3% between FY20 and FY26. It is estimated to grow at a CAGR of 11.4% between 2026 and 2030. The increasing temperatures are compelling consumers to purchase air conditioners for their homes to create a comfortable atmosphere for leisure as well as work.

Chart 32: Room air conditioner market in India



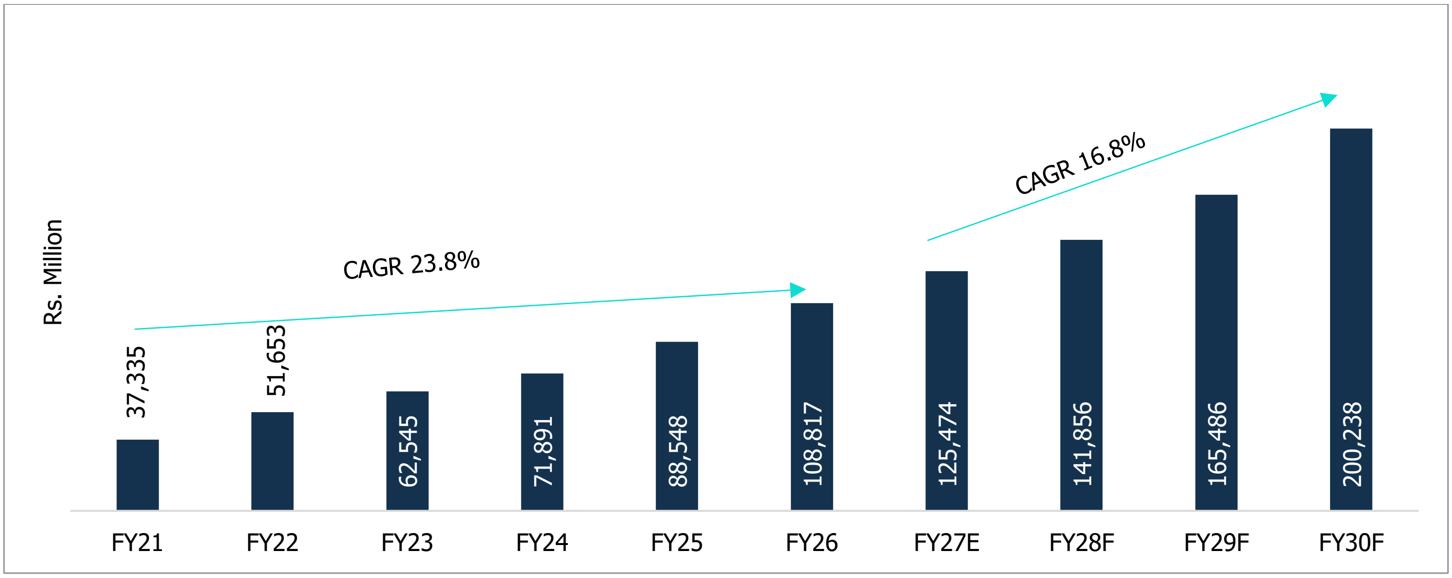
Source: CareEdge Research, Maia Research

- **Commercial air conditioner**

The Commercial air conditioner market grew at 23.8% between FY20 and FY26, it is expected to maintain the growth rate CAGR at 16.8 % between FY27 and FY30 as well.

The development in commercial real estate like retail outlets, malls, restaurants, hospitals in smaller towns and tier 2 cities will lead to growth in sales of commercial air conditioners. The room air conditioner market will still be dominating the air conditioner market at 68.2%.

Chart 33: Commercial air conditioner market in India



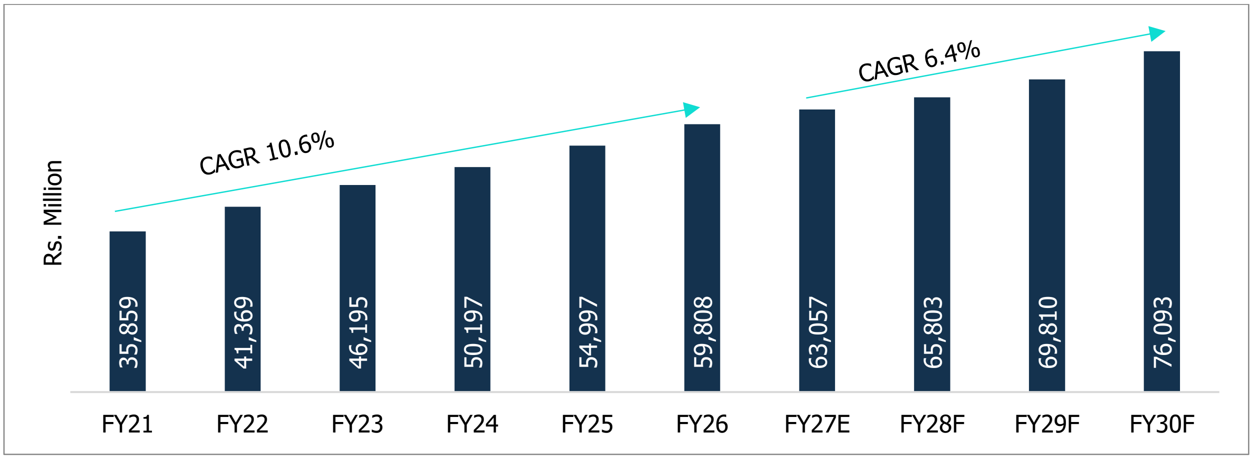
Source: CareEdge Research, Maia Research

- **Chillers**

The chiller market in India was valued at Rs. 59,808 million in FY26. It is expected to grow at a CAGR of 6.4% between FY26 to FY30. The robust growth in chillers market can be attributed to the increasing demand from the healthcare industry, industrial sector and the increased construction activity in the country.

The chiller market is witnessing high demand across commercial sector like hospitals, hotels, shopping malls, airports as well as from the food & beverage industry where it is used in bakery facilities. Chillers help in controlling the machinery temperature and prevent overheating. The pharmaceutical industry is also a major user of chillers. Controlled temperatures are a must where machines like MRI and CT scans are installed. The Indian chiller market is forecasted to reach Rs 76,093 million by 2028.

Chart 34 : Chiller market in India



Source: CareEdge Research, Maia Research

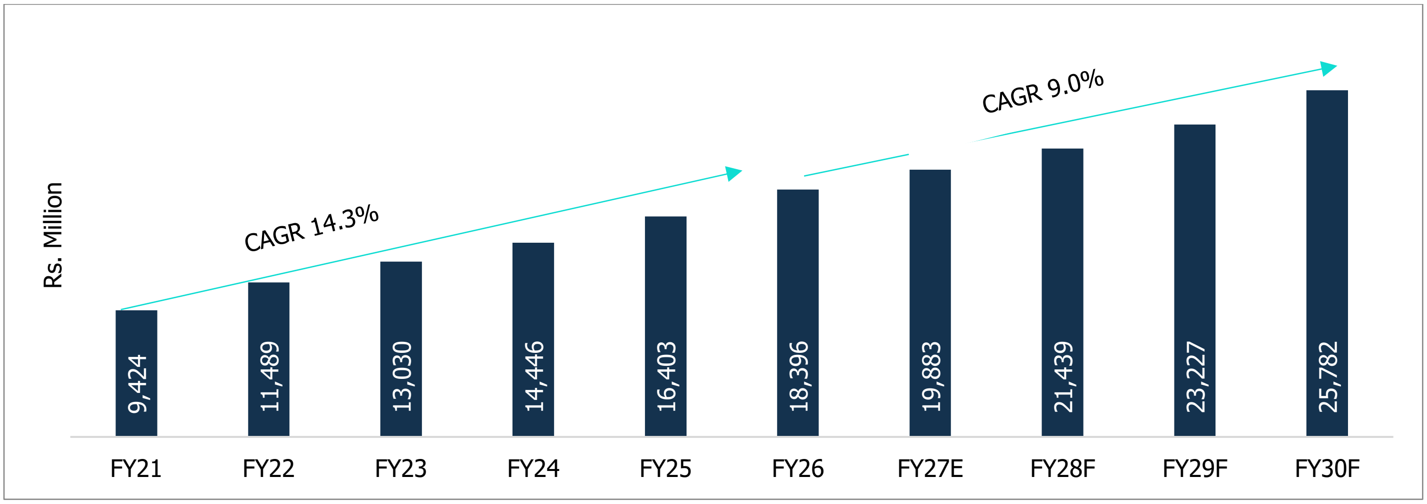
- **Variable Refrigerant Flow (VRF)**

The VRF market in India is valued at Rs 18,396 million in FY26. The market is forecasted to grow at a CAGR of 9.0% between FY27 and FY30. The major factors that are expanding this market are increasing construction activities and commercial activities in the country.

The government is also indirectly pushing the VRF market in India. The Smart cities mission by the government is a program focusing on urbanization and public infrastructure. The need for air conditioners in public spaces like airports, metro stations and even railways will lead to increase in demand for VRF units.

VRF systems are also considered energy efficient devices as compared to air conditioners. They help in keeping the temperature in control in different rooms which can help in energy savings.

Chart 35 : VRF market in India



Source: CareEdge Research, Maia Research,

Note: E indicates Estimated; F indicates Forecasted

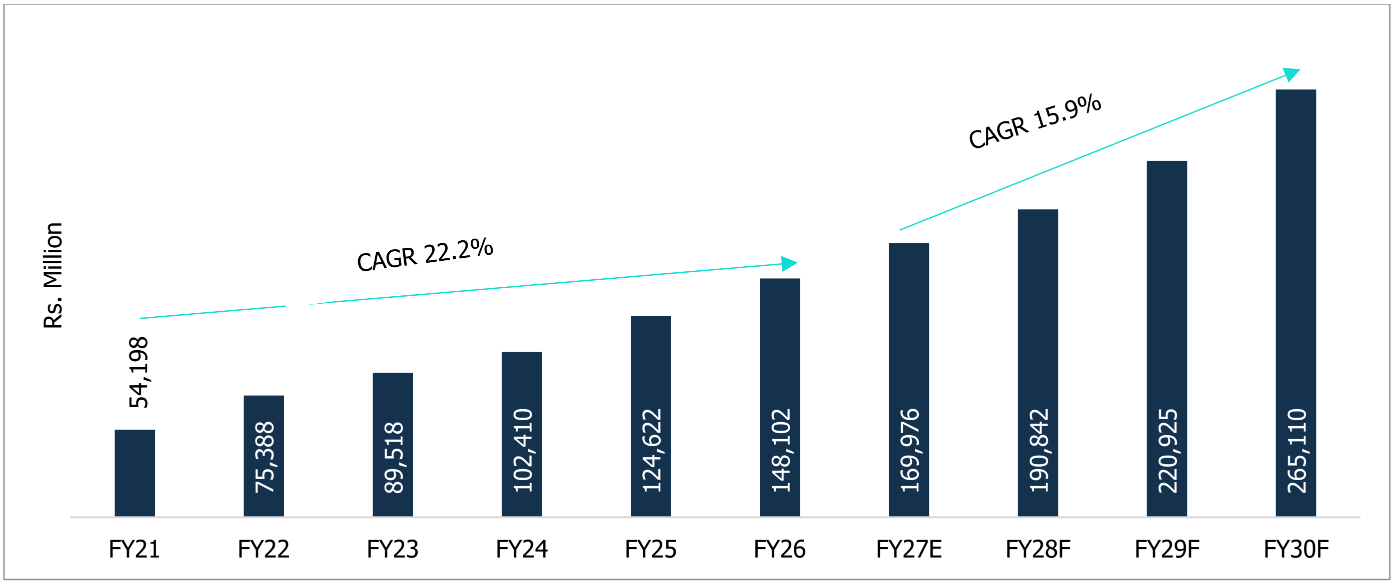
Note: For forecasted values, the exchange rate has been assumed to remain the same as the closing rate on 02/02/2026.

- **Ducted air conditioner**

The Indian ducted air conditioner market is valued at Rs. 148 million in FY26. In the coming years, the market is forecasted to grow at a CAGR of 15.9% and reach Rs. 265 million by the end of FY30.

The increase in commercial construction activities like commercial complexes that are used by offices, restaurants and requirements of temperature-controlled spaces like cold storage, pharmaceutical factories or storage units require ducted ac as these spaces are huge and can cool multiple spaces at a single time.

Chart 36 : Ducted air conditioner market in India



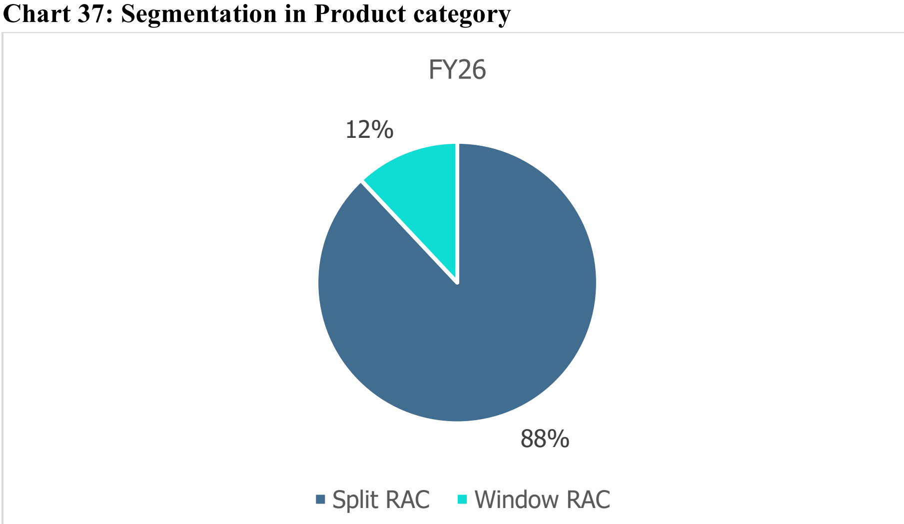
Source: CareEdge Research, Maia Research

By Product Category (Window RAC, Split RAC)

In the Indian air conditioner market, split air conditioners dominate over window air conditioners, reflecting a structural shift in consumer preference toward units that offer higher efficiency, quieter operation, and better aesthetic integration into modern homes. According to market commentary on product mix trends, split ACs account for approximately three-quarters of total RAC units sold, with window air conditioners accounting for around one-fifth of the market, while other smaller categories (such as portable or niche units) make up the remaining share. This trend underscores the strong preference for split systems in both residential and small commercial applications, driven by their superior performance, energy efficiency and wider model availability across brands.

Split air conditioners have gained share as consumers increasingly opt for inverter and energy-efficient models that align with higher cooling expectations and total cost of ownership savings, whereas window units once the dominant format have seen their relative share decline over time due to these evolving preferences and improvements in split AC technologies.

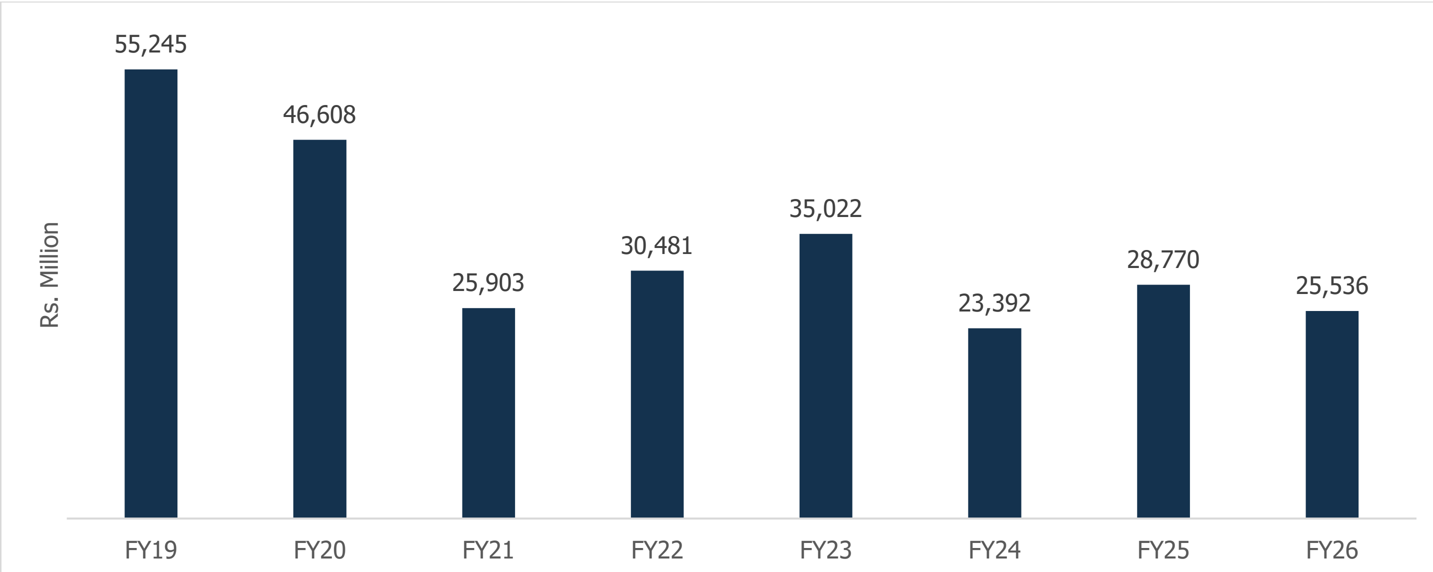
Chart 37: Segmentation in Product category



Source: CareEdge Research

4.6 Trends in Import

Chart 38: Trend in Imports



Source: CMIE, CareEdge Research

India's imports of air conditioners have exhibited a structural decline during FY2019–FY2026, reflecting the industry's gradual transition from import dependence towards domestic manufacturing. While imports remained elevated in FY2019 due to reliance on imported finished products and critical components, they declined significantly in FY2021 following pandemic-related disruptions and government initiatives promoting localisation under the Make in India programme. Although imports recovered during FY2022 and FY2023 with improving economic activity, they remained below pre-pandemic levels, indicating sustained growth in domestic manufacturing capabilities.

Imports moderated further during FY2024–FY2026, declining to 25,536 in FY2026 from 28,770 in FY2025, supported by the Production Linked Incentive (PLI) Scheme for White Goods, the Phased Manufacturing Programme (PMP), customs duty measures and Quality Control Orders (QCOs), which have encouraged local production of air conditioners and key components. These initiatives have strengthened domestic manufacturing capacity, enhanced localization and promoted import substitution, while imports continue to be concentrated in premium air conditioners and specialized components that are not yet manufactured domestically at scale, supporting the industry's transition towards a more self-reliant manufacturing ecosystem.

4.7 Growth drivers

The use of air conditioners is increasing on a day-to-day basis globally. Development of data centres, increasing global temperatures, and the need for purified air are some of the reasons for growth of air conditioners market. The rapid urbanization happening in the developing countries, increasing commercial activities is only supporting the air conditioner market to grow. The growth drivers for this industry are stated below:

- **Improvement in air quality**

Room and commercial air conditioners offer a number of benefits, that include improved indoor air quality, humidity control, sleep promotion, heating in winter, noise reduction, and many more. As a tool to adjust the temperature, the air conditioner can artificially control the temperature through the remote control, which plays a role in warming in winter and cooling in summer. Most air conditioners are beautiful and stylish in appearance, comfortable and durable in performance. Household air conditioners provide a comfortable living environment for family members and are very popular among consumers. Using air conditioner will not only reduce the humidity in the house, but it will also reduce the amount of pollen, mold, and other airborne outdoor allergens that can contribute to asthma symptoms.

Commercial air conditioners can help maintain indoor environments and workplaces at the ideal temperature to create a comfortable setting for clients and staff members that enhances the employee well-being, output, and client satisfaction. For example, the air conditioners in the transportation sector use refrigeration technology to keep goods fresh when transporting goods that are tough to store while also giving the staff members a comfortable working space and air circulation in the cabin. Energy loss is reduced, and the effect of energy savings and emission reduction is achieved with the introduction of energy-saving smart air conditioners. The downstream market has seen a surge in demand for residential and commercial air conditioners due to people's desire for a pleasant lifestyle.

- **Increasing temperatures**

According to the World Meteorological Organization's 2022 annual report, climate change persisted in 2022, affecting everything from mountain tops to ocean depths. Every continent has been impacted by droughts, floods, and heat waves, which have cost billions of dollars in damage. The amount of sea ice in the Antarctic has reached a record low, and certain glaciers in Europe are melting at rates never before seen. The earth's temperature is steadily increasing.

Due to poor infrastructure, many people experience heat stroke or even pass away in the heat in various parts of the world. According to the American Centers for Disease Control and Prevention, air conditioning offers the greatest protection against heat-related illness and death. The development of air conditioners in locations with extreme weather has therefore been strengthened by local government departments, which protects the its people soaring temperatures.

- **Growing data centres**

Organizations utilize data centers, which are facilities with networked computers, storage systems, and computational infrastructure, to gather, analyze, store, and distribute massive amounts of data. IT infrastructure is used by many sectors to produce data. In order to store and offer high-security services for the created data, a sizable data center must be established. The growing internet usage and reliance on and spending on cloud technologies, development in e-commerce, innovation of big data analytics, use of artificial intelligence, and virtualized servers are some current sources of large data generation.

Data centers have become an integral part of almost every business enterprise. The huge increase in the amount of data produced has forced many companies to build their own data centers or rent data centers. Air conditioning systems primarily serve computers, while data centers consist of highly sensitive electronic components that must maintain temperature to prevent equipment failure. In general, with the advancement of technology and the emergence of the era of big data, growing data centers are one of the main drivers of the air conditioner market.

- **Infrastructure construction and increased downstream demand**

Due to climate change, Indian residents are increasingly looking to use for air conditioners. India is one of the fastest-growing markets for home appliance consumption in the world after China. Most of India has a tropical or subtropical climate, meaning it is hot most of the year. India has a large population, a large family system, crowded houses and high indoor temperatures. As a fast-growing economy, India's industrialization and urbanization levels are also constantly improving, and the corresponding level of service industry is also constantly improving. To provide better service, the demand for commercial air conditioners is also increasing. Urbanization trends resulting in more and more people living in compact apartments and houses require smaller, more efficient air conditioning solutions. Demand for home air conditioners has surged as more middle-class households with higher disposable income seek home appliances such as air conditioners.

- **Reduction in seasonality-based purchases**

Traditionally, air conditioner demand was largely seasonal, peaking during summer months. However, this trend has been gradually reducing. Increasing year-round usage driven by higher temperatures, urban heat island effects, improved insulation in buildings, and rising indoor comfort expectations has led to more consistent demand across seasons. Consumers are increasingly purchasing air conditioners throughout the year rather than limiting purchases to peak summer periods, thereby reducing demand volatility for manufacturers.

- **Rising focus on energy efficiency**

Energy-efficient air conditioners are emerging as a major growth driver for the industry. Technological advancements such as inverter-based compressors, smart sensors, and improved refrigerants have significantly reduced electricity consumption. Newer energy-efficient models offer lower operating costs, longer life cycles, and better value for money, making them attractive for both residential and commercial users.

With rising electricity tariffs and increasing awareness of sustainability, consumers are increasingly shifting toward higher star-rated and energy-efficient air conditioners, supporting replacement demand and accelerating market growth.

4.8 Challenges

- **Air conditioner drawbacks**

The use of air conditioners also come with certain drawbacks. First, the air conditioners consume large units of electricity. Since the country still uses coal for its power generation, air conditioners indirectly contribute to the emission of greenhouse gases and other pollutants. Secondly, staying in an air-conditioned space for a long period may lead to health problems such as asthma, chest tightness, and other respiratory diseases. It also causes the dry and sensitive skin.

The air conditioners are needed to be cleaned every few months. If the air conditioner is not cleaned for a longer period it can lead to a buildup of dust, bacteria, and pollen in the air filter. This can significantly increase the risk of asthma attacks and respiratory infections. The maintenance of air conditioners can be expensive to maintain.

- **Environmental pollution**

Air conditioners have a direct impact on the environment. Refrigerants used in air conditioners, especially Freon refrigerants, not only have a greenhouse effect on the atmosphere but also destroy the ozone layer and form a hole in the ozone layer.

During the use of the air conditioner, condensed water gets generated and improper drainage treatment can cause various pollution, water leakage. Air conditioning is a special device that is mainly used to adjust the temperature and humidity of the air, which requires water. The water is air-conditioned and forms aerosols with some particulate matter. When it passes through the air duct for air circulation, the bacteria, and microorganisms carried in it will gradually deposit down and attach to the relevant parts of the air conditioner. In this way, a secondary pollution source is formed, resulting in many bacteria multiplying. In terms of function, the air conditioner is mainly used to adjust the air to achieve the most comfortable state for the human body, but correspondingly, this air environment also creates a good condition for the growth of bacteria, which is conducive to the reproduction of bacteria. Moreover, in a closed space, the air cannot circulate and exchange with the outside world, which will also cause bacteria to breed. When the ventilation equipment is in operation, these bacteria and fungi will spread rapidly along the air duct and spread to the entire building, causing pollution. Therefore, the pollution of the environment by air conditioners may hinder the expansion of the market size.

- **Talent and technical barriers**

The air-conditioning industry has the characteristics of diverse application fields, large differences in use conditions, high safety and reliability and high technical performance indicators. Customers in different downstream industries have increasingly complicated and diversified requirements for the function, quality, and appearance of air-conditioning products. Since the downstream application fields of the industry are comparatively extensive and involve many technical categories, in addition to being skillful in the refrigeration, mechanical, and electrical technologies of the industry, technicians also need to fully understand and be familiar with the product characteristics and refrigeration needs of the customer's industry. Therefore, product development, design, and production in the air-conditioning industry requires a variety of professional inter disciplinary technologies as support. Only through long-term technology, experience accumulation, and a perfect talent training system can leading enterprises in the industry ensure continuous technological innovation and continuous improvement of quality, which constitutes a relatively high talent and technical barrier for new entrants.

4.9 Government regulations

Since April 2021, the Indian government has approved a plan to subsidize white goods such as air conditioners, encouraging the expansion of domestic air conditioner production and export in India, and cultivating the component industry. For companies whose applications are approved, 4 to 6% of the revenue growth will be distributed to the companies as incentives within 5 years. In addition, India also protects its domestic air-conditioning industry. In addition to increasing the tariff on compressors from 7.5% to 15%, it was banning the import of finished compressors equipped with refrigerants from 2020. The Indian government and companies are working hard to increase domestic air-conditioning capacity.

Production Linked Incentive Scheme (PLI) for White goods (Air conditioners and LED lights) manufacturers in India
White goods are referred to heavy consumer durables or large home appliances, which used to be traditionally available only in white. White goods mainly include appliances such as washing machines, air conditioners, stoves, refrigerators, etc. The industry in India is highly concentrated. The Indian appliance and consumer electronics (ACE) market reached INR 76,400 crore (~D10.93 bn) in 2019. It is estimated that the appliances and consumer electronics industry will double to reach INR 1.48 lakh crore (~D21.18 bn) by 2025. In addition, government initiatives, including the production linked incentive scheme for white goods covering air conditioners, which has an outlay of Rs. 62,380 million for the period from FY22 to FY29, the increase in the customs duty on compressors from 7.5% to 15%, and the progressive tightening of energy efficiency norms together with the transition towards refrigerants with lower global warming potential, are encouraging the localisation of component manufacturing in India and increasing the component content per appliance.

The main objective of the PLI scheme is to make manufacturing in India globally competitive by eliminating sectoral disabilities, creating economies of scale and ensuring efficiencies. It is planned to create a comprehensive component ecosystem in India and make India an integral part of the global supply chains. The PLI scheme is expected to attract global investments, generate large-scale employment opportunities and enhance exports substantially.

Scheme Outcome - Under the PLI scheme, 42 applicants with committed investments of INR 4,614 crore have been provisionally selected as beneficiaries. The selected applicants include 26 for Air conditioner manufacturing with committed investments of INR 3,898 crore and 16 for LED Lights manufacturing with committed investments of INR 716 crores.

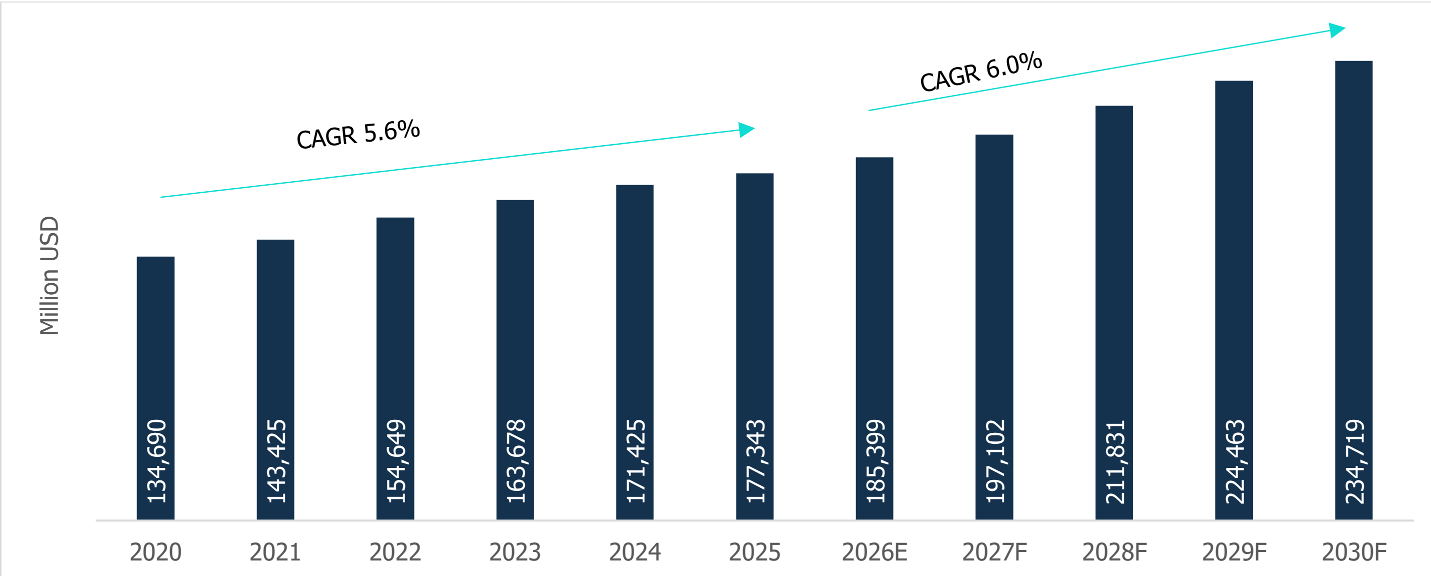
5. Overview Of Refrigeration Systems Industry

5.1 Global Refrigeration Systems Industry

Structural growth in food security, healthcare, and cold-chain logistics is transforming refrigeration systems into a mission-critical global infrastructure

The global refrigeration systems industry continues to expand steadily, supported by its essential role across residential, commercial, and industrial applications. The market spans a broad range of products and solutions, including household refrigerators and freezers, commercial refrigeration equipment for retail and foodservice, large-scale industrial cold storage, and temperature-controlled transportation systems for cold chain logistics. Refrigeration technologies used globally include compression-based systems, absorption refrigeration, cryogenic freezing, and liquid nitrogen or liquid ammonia cooling systems, each suited to specific operating conditions and end-use requirements. These systems are widely deployed across food and beverage processing, pharmaceuticals and biotechnology, chemicals and petrochemicals, and commercial retail infrastructure, making refrigeration a foundational component of modern supply chains.

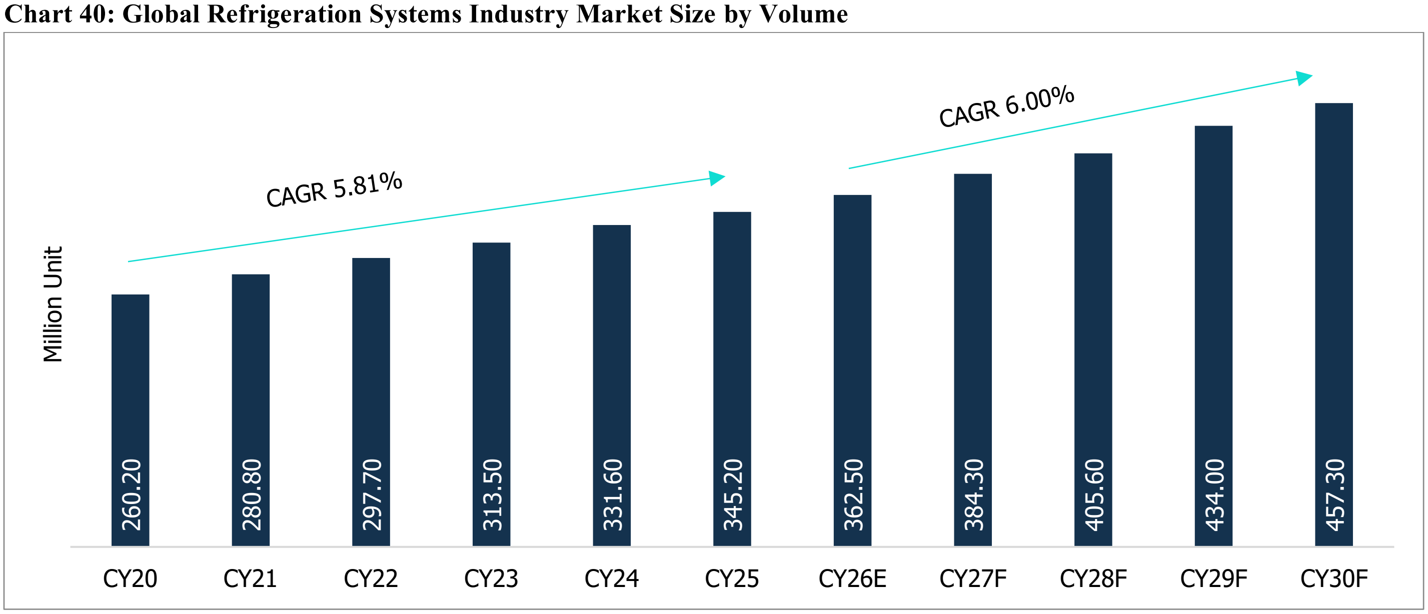
Chart 39: Global Refrigeration Systems Industry Market Size by Value



Source: Maia Research, CareEdge Research
Note: E- Estimate, F- Forecast

Industry growth is being driven by structural factors such as rapid urbanisation, rising consumption of perishable and processed foods, and the global expansion of cold chain logistics networks. Increasing regulatory focus on energy conservation and environmental protection is also reshaping system design, accelerating the transition toward energy-efficient architectures and low global warming potential refrigerants. At the same time, the growing importance of temperature-sensitive pharmaceuticals, biologics, and vaccines is raising performance and reliability standards for refrigeration systems. Collectively, these trends are transforming the global refrigeration systems industry from a traditional equipment market into a technology- and compliance-driven solutions ecosystem with sustained long-term growth potential.

Chart 40: Global Refrigeration Systems Industry Market Size by Volume



Source: Maia Research, CareEdge Research
Note: E- Estimate, F- Forecast

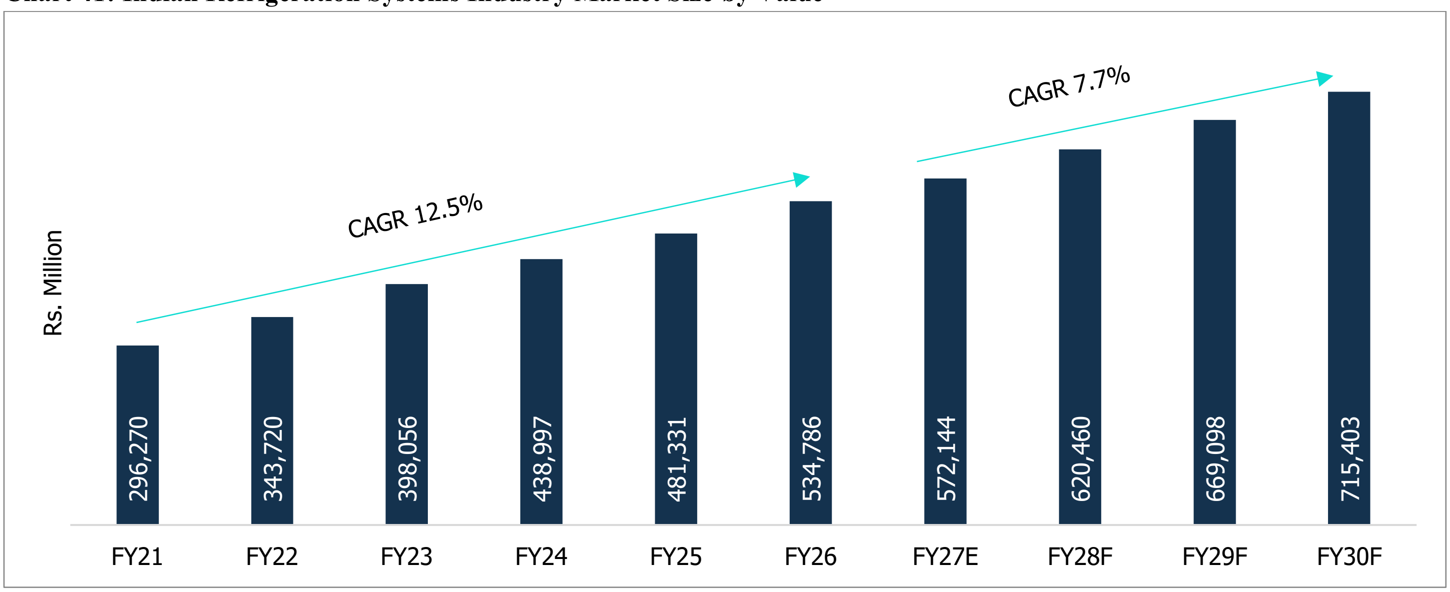
5.2 Indian Refrigeration Systems Industry

Cold-chain expansion and industrial growth are making refrigeration systems a core pillar of India's infrastructure

India's refrigeration systems industry is emerging as a strategically important segment within the broader industrial and infrastructure ecosystem, driven by the country's expanding food supply chains, pharmaceutical manufacturing base, and rapid growth in organised retail and logistics. The industry covers a wide range of applications, including industrial cold storage and process refrigeration, commercial refrigeration for supermarkets and foodservice, transport refrigeration for cold-chain logistics, and specialised systems for pharmaceuticals and chemicals. Demand is structurally supported by rising consumption of perishable and processed foods, increasing exports of food and pharmaceutical products, and the need to reduce post-harvest losses across agricultural value chains.

Growth in the Indian market is being reinforced by government-led cold chain development programs, investments in food processing infrastructure, and stricter quality and compliance requirements in pharmaceuticals and healthcare logistics. At the same time, regulatory focus on energy efficiency and the gradual transition toward environmentally friendly refrigerants are shaping technology adoption and system design. While the market remains fragmented with a mix of domestic players, global suppliers, and system integrators, increasing localisation of manufacturing and rising adoption of advanced, energy-efficient systems are improving cost competitiveness and scalability. Overall, the Indian refrigeration systems industry is transitioning from a capacity-constrained, utility-driven market to a more technology-oriented and compliance-driven sector with strong long-term demand visibility.

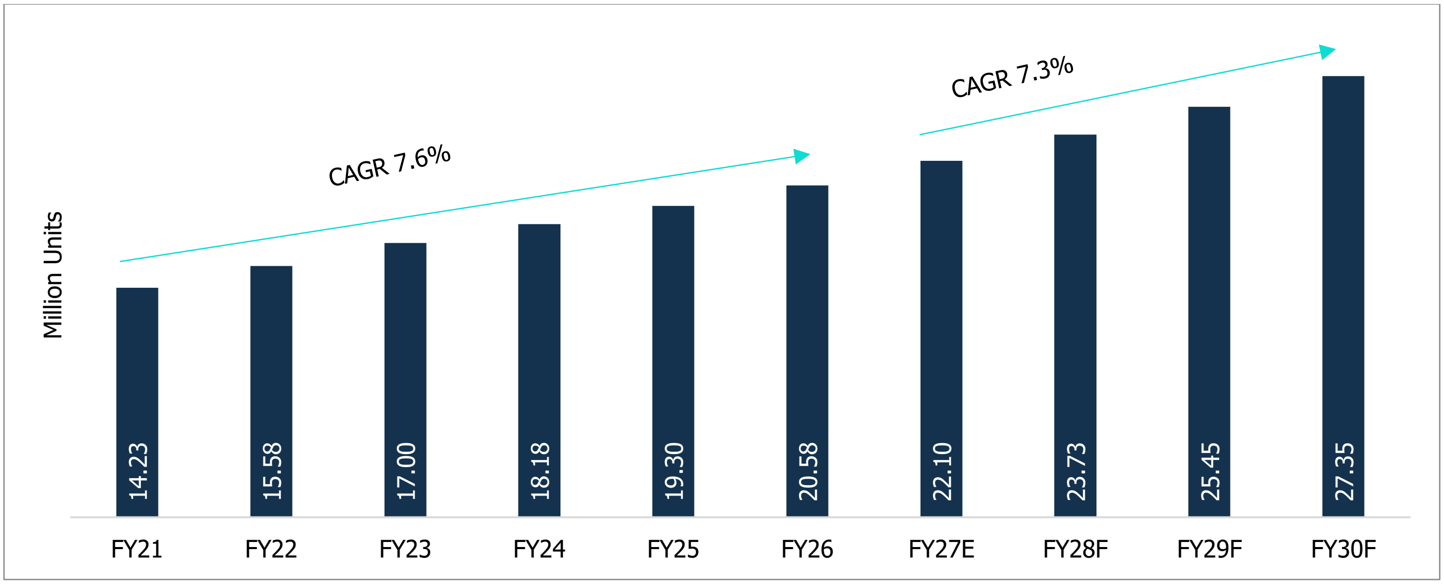
Chart 41: Indian Refrigeration Systems Industry Market Size by Value



Source: Maia Research, CareEdge Research

Note: E- Estimate, F- Forecast

Chart 42: Indian Refrigeration Systems Industry Market Size by Volume



Source: Maia Research, CareEdge Research

Note: E- Estimate, F- Forecast

In-house and Contract Manufacturing in India's Residential Refrigeration Segment

Large, branded manufacturers of residential refrigeration systems in India continue to maintain substantial in-house manufacturing capabilities to retain control over product quality, process consistency, and after-sales performance. Core activities such as final assembly, quality assurance, and critical system integration are typically retained within company-owned facilities. At the same time, there is a structural shift toward partial outsourcing of manufacturing activities, particularly for electronics, fabricated metal parts, plastic components, heat-exchange assemblies, and other sub-systems. This hybrid manufacturing approach allows OEMs to balance operational control with flexibility, cost optimisation, and scalability, while enabling greater focus on product development, branding, and market expansion.

As localisation efforts deepen, outsourcing of components and sub-assemblies is gaining importance across the residential refrigeration value chain. OEMs are increasingly engaging domestic contract manufacturers and specialised component suppliers for labour-intensive and process-driven manufacturing activities, while keeping high-value or design-critical processes in-house. This trend is being reinforced by the need for faster time-to-market, proximity to manufacturing hubs, and improved supply-chain resilience. As refrigeration products become more technology-intensive and localisation increases, demand for domestically manufactured components and assemblies is expected to rise, creating sustained opportunities for local suppliers that are integrated into OEM outsourcing strategies.

5.2.1 Sectors driving demand for Refrigeration

Structural Growth Across Food, Healthcare, Industry, Digital Infrastructure, and Retail Is Powering Multi-Sector Demand for Refrigeration Systems

Food & Beverage

Rising consumption of frozen, processed, and ready-to-eat food across Asia, the Middle East, and Africa is structurally increasing demand for industrial and commercial refrigeration infrastructure. Urbanisation, higher working-age populations, and changing dietary habits are pushing food processors, quick-service restaurants, and modern retail chains to invest in cold storage, blast freezing, and controlled-temperature warehousing. At the same time, growth in organised food retail and e-commerce grocery platforms is expanding the need for temperature-controlled last-mile and long-haul logistics, including refrigerated trucks and cold distribution hubs.

In parallel, governments in emerging markets are prioritising post-harvest loss reduction to improve food security and farmer incomes. Programs in countries such as India, Brazil, and Saudi Arabia focus on building integrated cold chains linking farms to mandis, processing units, and retail outlets. These initiatives directly translate into higher orders for cold rooms, pre-cooling units, ripening chambers, and large-scale refrigerated warehouses. As penetration of cold storage remains low in many agrarian economies, the food and beverage segment continues to be the largest and most structurally resilient demand driver for the refrigeration industry.

Pharmaceuticals & Biotechnology

The pharmaceutical and biotechnology sector has become one of the most technically demanding end-markets for refrigeration systems. The rise of biologics, mRNA vaccines, cell and gene therapies, and temperature-sensitive clinical trial materials requires highly precise and uninterrupted temperature control, typically ranging from ultra-low temperatures near minus seventy degrees Celsius to controlled cold conditions of two to eight degrees Celsius. Any deviation can result in product degradation, making refrigeration a mission-critical component rather than a supporting utility.

Regulatory frameworks such as US FDA guidelines and EU Good Distribution Practices mandate continuous temperature monitoring, data logging, traceability, and alarm-based redundancy. This has driven demand for advanced ultra-low temperature freezers, CO_2 and ammonia cascade refrigeration systems, and cloud-connected monitoring solutions with backup power and fail-safe mechanisms. Compared to traditional industrial refrigeration, pharmaceutical applications require higher capital intensity, greater system redundancy, and stringent validation, resulting in superior margins and sustained replacement demand as compliance standards tighten globally.

Chemicals & Petrochemicals

In the chemicals and petrochemicals sector, refrigeration is integral to process stability, safety, and efficiency. Applications include reaction temperature control, solvent condensation and recovery, gas liquefaction, and storage of temperature-sensitive intermediates. These processes typically rely on industrial-scale refrigeration systems using ammonia, brine, or hydrocarbon refrigerants such as propane, designed to operate continuously under high load conditions.

Capacity expansions across China, India, and the US Gulf Coast are driving incremental demand for large-tonnage refrigeration systems linked to new chemical plants and downstream petrochemical units. In addition, stricter environmental and safety regulations are encouraging upgrades from legacy systems to more energy-efficient and low-leakage designs. Given the long operating life of chemical plants, refrigeration systems in this segment are characterised by high upfront value, long replacement cycles, and strong aftermarket service opportunities.

Data Centers and Precision Cooling

The rapid expansion of data centers, particularly those supporting cloud computing, artificial intelligence, and high-performance computing workloads, has created a new and fast-growing refrigeration application. High-density servers generate significant heat loads and require continuous, precise cooling to maintain uptime and performance. Traditional air-based cooling is increasingly insufficient, leading to the adoption of liquid cooling, refrigerant chillers, and advanced heat-exchange technologies.

Refrigeration systems are now central to data center design, with chillers, backplane heat exchangers, and liquid immersion cooling solutions becoming standard in small and mid-sized facilities. The requirement for round-the-clock operation, redundancy, and energy efficiency has elevated cooling from a utility function to a strategic infrastructure investment. As AI workloads scale and server densities rise, precision cooling is expected to become one of the highest growth sub-segments within the broader refrigeration market.

Commercial and Retail Infrastructure

Commercial refrigeration in supermarkets, hypermarkets, convenience stores, and foodservice outlets remains one of the largest end-use segments globally. Rapid urbanisation, rising disposable incomes, and the expansion of organised retail are driving new store additions, particularly in Southeast Asia, the Middle East, Africa, and Latin America. Tourism growth in these regions further supports demand for hotels, restaurants, and catering infrastructure, all of which rely heavily on refrigeration equipment.

In mature markets such as Europe and the United States, regulatory change is a major demand driver. Policies such as the EU's F-gas regulations and the US AIM Act are accelerating the replacement of legacy HFC-based systems with environmentally friendly alternatives such as CO_2 transcritical and low-ammonia-charge systems. This regulatory-led retrofit cycle is generating sustained demand for system upgrades, component replacements, and servicing, making commercial refrigeration a stable, regulation-backed growth segment despite slower store addition rates in developed economies.

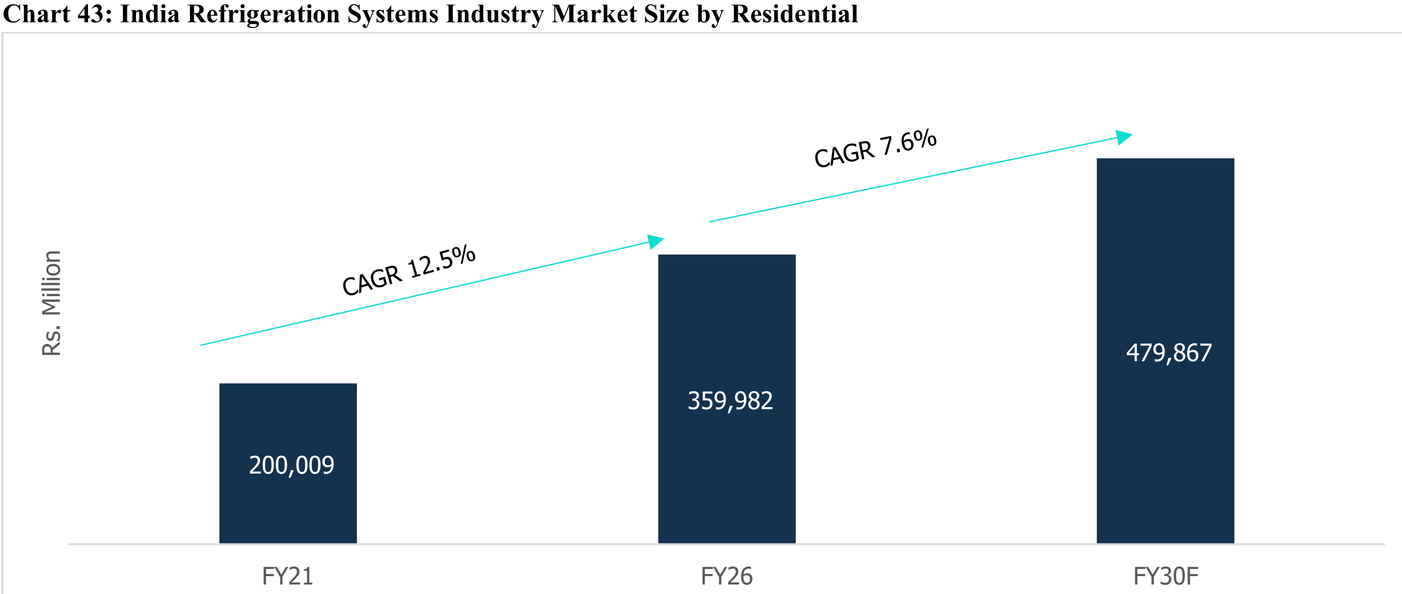
5.3 Market Segmentation

5.3.1 India Refrigeration Systems Industry Market Size by Application

Diversified end-use demand is driving balanced growth across India's refrigeration ecosystem

The Indian refrigeration systems market is segmented across residential, commercial, transportation, and industrial applications, each contributing meaningfully to overall market expansion. Residential refrigeration constitutes the largest share, supported by rising household penetration, replacement demand, and premiumisation toward energy-efficient and higher-capacity refrigerators. Commercial refrigeration follows as a key segment, driven by the rapid growth of organised retail, foodservice outlets, hospitality infrastructure, and stricter food safety norms. Transportation refrigeration, though smaller in absolute size, is among the fastest-growing applications, reflecting the expansion of cold-chain logistics for perishable foods, pharmaceuticals, and vaccines. Industrial refrigeration accounts for a significant value share due to its high system costs and customised nature, supported by investments in food processing, pharmaceuticals, chemicals, and cold storage infrastructure. Collectively, this application-wise diversification provides the Indian refrigeration systems industry with a resilient and multi-pillar growth structure.

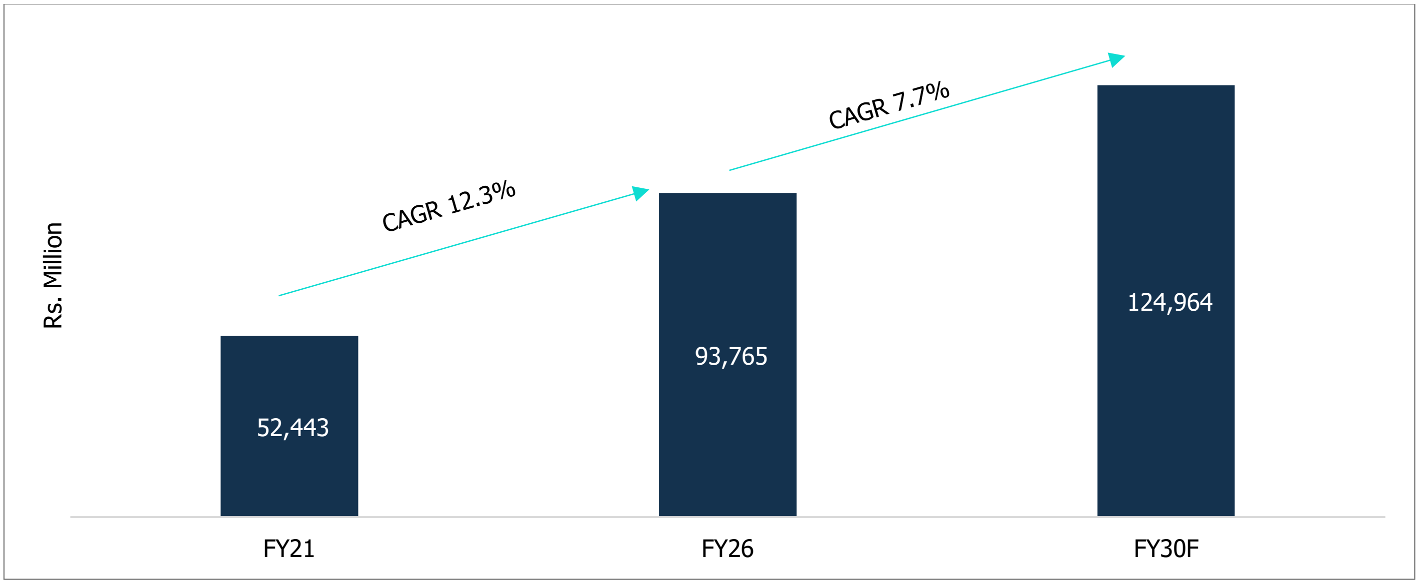
Chart 43: India Refrigeration Systems Industry Market Size by Residential



Source: Maia Research, CareEdge Research
Note: F- Forecast

Residential refrigeration represents the largest application segment and continues to drive the bulk of market value. Growth is supported by rising household incomes, urbanisation, nuclear family formation, and increasing penetration of refrigerators and freezers across both urban and semi-urban regions. Replacement demand, energy-efficiency upgrades, and premiumisation toward larger-capacity and smart refrigerators are further supporting market expansion. As electrification deepens and first-time buyers enter the market, residential refrigeration remains the foundational demand pillar for the industry.

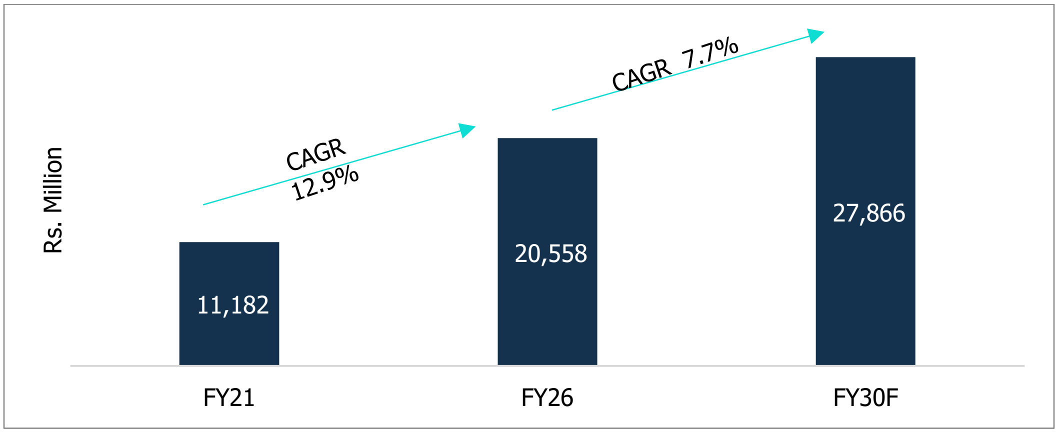
Chart 44: India Refrigeration Systems Industry Market Size by Commercial



Source: Maia Research, CareEdge Research
Note: F- Forecast

Commercial refrigeration forms the second-largest segment, driven by supermarkets, hypermarkets, convenience stores, hotels, restaurants, and foodservice chains. Expansion of organised retail, growth in food delivery platforms, and rising tourism and hospitality activity are generating sustained demand for display cabinets, walk-in coolers, freezers, and back-of-store refrigeration systems. Regulatory pressure related to food safety, hygiene, and low-emission refrigerants is also driving replacement and retrofit demand, particularly in modern retail formats. Commercial refrigeration is primarily led by hypermarkets and super stores, where large-format organised retail requires extensive use of display freezers, walk-in coolers, and back-end cold rooms to support high product throughput and food safety standards. Transportation refrigeration, while smaller in size, is expanding rapidly with the growth of temperature-controlled logistics for food and pharmaceuticals.

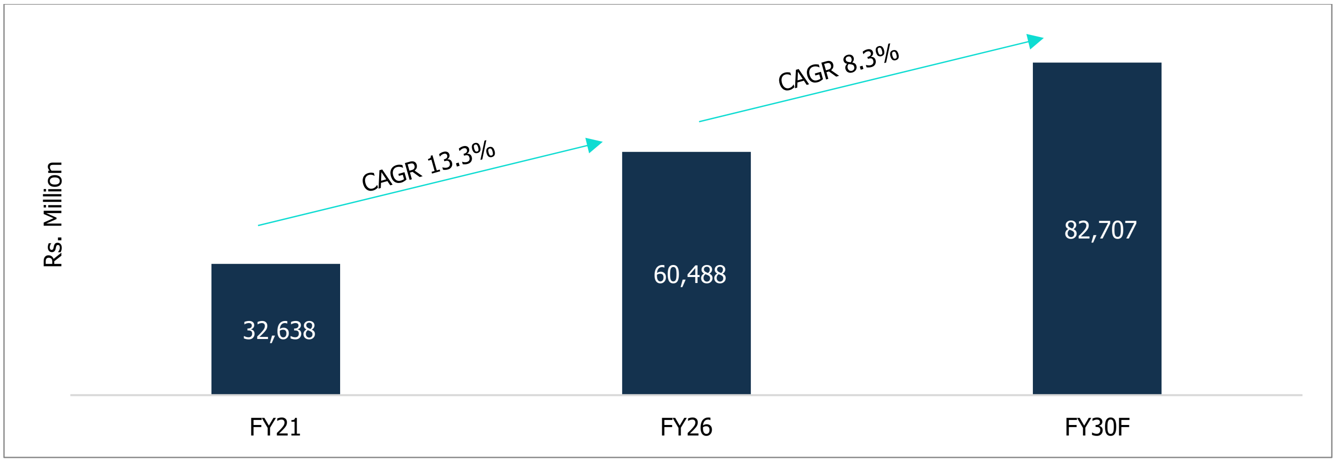
Chart 45: India Refrigeration Systems Industry Market Size by Transportation



Source: Maia Research, CareEdge Research
Note: E- Estimate, F- Forecast

Transportation refrigeration is a rapidly growing segment, albeit from a smaller base, supported by the expansion of cold-chain logistics for food, pharmaceuticals, and vaccines. Increased movement of temperature-sensitive goods, growth in organised food distribution, and government focus on reducing post-harvest losses are driving adoption of refrigerated trucks, containers, and mobile cold storage units. This segment is becoming increasingly critical as cold chains extend beyond storage into end-to-end, temperature-controlled distribution.

Chart 46: India Refrigeration Systems Industry Market Size by Industrial



Source: Maia Research, CareEdge Research
Note: E- Estimate, F- Forecast

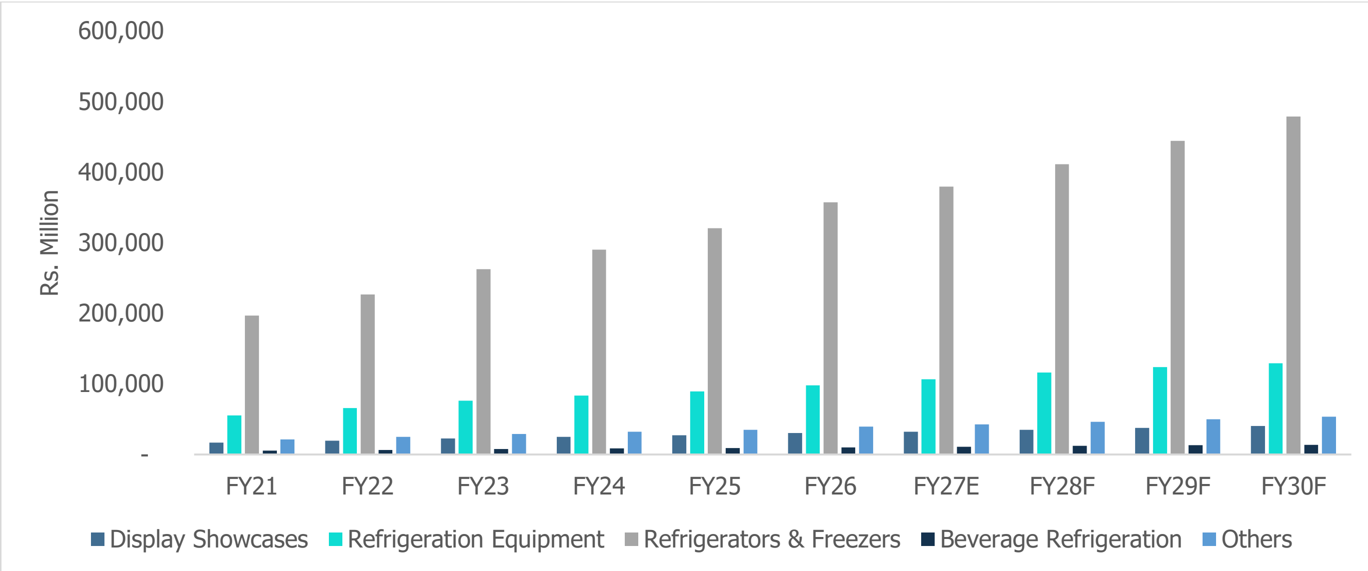
Industrial refrigeration serves process cooling, cold storage, and specialised applications across food processing, pharmaceuticals, chemicals, petrochemicals, and data centers. Demand in this segment is linked to capacity additions, export-oriented manufacturing, and stricter quality and compliance standards. Industrial systems are typically high-capacity, customised, and capital-intensive, using refrigerants such as ammonia, carbon dioxide, or hydrocarbons. Growth in industrial refrigeration reflects India's broader shift toward value-added manufacturing, healthcare expansion, and integrated cold-chain infrastructure. Industrial refrigeration is largely driven by cold storage warehouses, which form the backbone of India's agri-food and pharmaceutical cold chains and require high-capacity, continuous-operation refrigeration systems. Together, these segments create a diversified and structurally resilient market for refrigeration systems in India.

5.4 India Refrigeration Systems Industry Market Size by Type

Refrigerators and Freezers Anchor the Market as Industrial and Specialised Segments Gain Momentum

The Indian refrigeration systems market is segmented by type into display showcases, refrigeration equipment, refrigerators and freezers, beverage refrigeration, and other specialised systems, each catering to distinct end-use requirements and growth drivers. Refrigerators and freezers constitute the largest segment by market value throughout the period, reflecting their widespread adoption across residential households as well as commercial and institutional users. Growth in this segment is supported by rising household penetration, replacement demand, premiumisation, and expanding cold storage needs in food processing and pharmaceuticals, driving the market steadily toward 2030.

Chart 47: India Refrigeration Systems Market Size By Type



Source: Maia Research, CareEdge Research

Note: E- Estimate, F- Forecast

Note: Others include Transport Refrigeration Systems, Specialized Medical Refrigeration, etc.

Table 5: Type-wise Segmentation of Refrigeration Equipment Market

Type	Products Included	Application	Remarks
Industrial & Commercial Refrigeration	Chillers, condensing units, industrial cooling systems	Cold storage warehouses, food processing plants, pharmaceutical manufacturing units, industrial facilities	Represents the second-largest segment of the market and demonstrates consistent growth, supported by rising investments in cold-chain infrastructure, food processing, pharmaceuticals, and industrial process cooling.
Display Refrigeration	Refrigerated display cases, display freezers, beverage coolers	Hypermarkets, supermarkets, convenience stores, organised retail outlets	Driven by expansion of organised retail formats and increased demand for refrigerated food and beverage merchandising, making it a key commercial refrigeration segment.
Beverage Refrigeration	Bottle coolers, visi-coolers, beer chillers	Retail outlets, hotels, restaurants, bars, hospitality channels	Remains a smaller segment but shows steady growth, supported by increasing consumption of packaged beverages, soft drinks, and alcoholic beverages.
Other Refrigeration Systems	Transport refrigeration units, medical refrigeration, specialised cooling systems	Cold-chain logistics vehicles, hospitals, laboratories, healthcare facilities	Gaining importance due to expansion of temperature-controlled logistics and rising demand for specialised refrigeration in healthcare and pharmaceutical sectors.

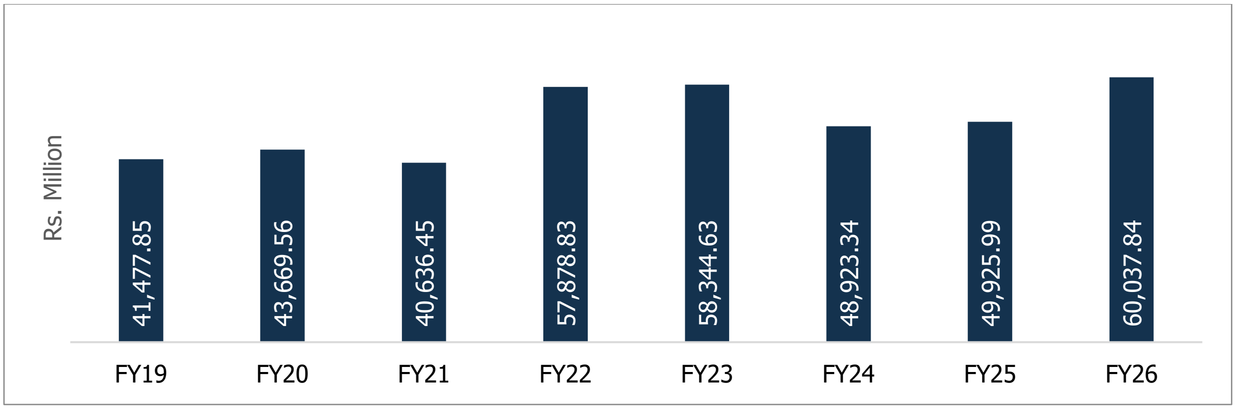
5.5 Trends in Import

Cooling Import Trends Reflect Localisation Push and Cyclical Demand Normalisation

India's imports of refrigeration systems exhibited a fluctuating trend during FY2019–FY2026, reflecting changing demand conditions, supply chain dynamics and ongoing localisation efforts. Imports declined during FY2021 due to pandemic-related disruptions before recovering in FY2022 and FY2023, supported by improving industrial activity and increased demand from the food processing, pharmaceutical, commercial refrigeration and cold-chain sectors.

Although imports moderated during FY2024 and FY2025 as domestic manufacturing capabilities strengthened under the Government of India's Production Linked Incentive (PLI) Scheme for White Goods, Make in India and Atmanirbhar Bharat initiatives, they increased to INR 60,037.84 million in FY2026 from INR 49,925.99 million in FY2025. The increase was primarily driven by higher imports of specialised refrigeration equipment, advanced components and industrial cooling systems required for sectors such as cold storage, pharmaceuticals, food processing and data centres, where domestic manufacturing capacity continues to expand. Overall, government initiatives promoting localisation, domestic value addition and manufacturing capacity expansion are expected to reduce dependence on imported refrigeration systems over the medium to long term, while imports are likely to remain concentrated in technologically advanced and specialised products.

Chart 48: Import trend of Refrigeration Systems



Source: Ministry of Commerce and Industry, CareEdge Research

5.6 Key factors driving growth of Refrigeration Systems Industry

Cold-Chain Expansion, Healthcare Growth, and Sustainability Mandates Are Driving Long-Term Growth in Refrigeration Systems

The refrigeration systems industry is being driven by a combination of structural, regulatory, and technological factors that are expanding its relevance across multiple end-use sectors. One of the primary growth drivers is the rapid expansion of cold-chain infrastructure, supported by rising consumption of perishable and processed food, growth in organised retail, and increasing reliance on temperature-controlled logistics. As food supply chains become longer and more complex, demand for cold storage warehouses, refrigerated transportation, and commercial refrigeration systems continues to rise, particularly in emerging economies.

Another major driver is the growth of the pharmaceutical and healthcare sectors, where refrigeration systems are critical for maintaining product efficacy and regulatory compliance. The increasing production and distribution of vaccines, biologics, and temperature-sensitive drugs have elevated the need for high-precision, reliable, and continuously monitored refrigeration solutions. Stricter global regulations around drug storage and transportation are further accelerating adoption of advanced refrigeration systems with redundancy, digital monitoring, and energy-efficient designs.

Urbanisation and rising disposable incomes are also supporting growth, especially in residential and commercial refrigeration. Expansion of supermarkets, hypermarkets, quick-service restaurants, hotels, and foodservice chains is increasing demand for display cases, walk-in coolers, and back-end refrigeration equipment. In parallel, growing household appliance penetration and replacement demand are sustaining residential refrigerator and freezer sales. Technological advancements, including energy-efficient compressors, natural refrigerants, and IoT-enabled systems, are improving lifecycle economics and driving replacement of older installations.

Finally, environmental regulations and sustainability initiatives are reshaping the industry. Policies aimed at reducing greenhouse gas emissions and phasing down high global warming potential refrigerants are encouraging upgrades to natural refrigerant-based and energy-efficient systems. Government support for food security, cold-chain development, and domestic manufacturing further reinforces long-term demand. Together, these factors position the refrigeration systems industry as a structurally resilient sector with multi-decade growth visibility.

5.7 Challenges faced by the industry

High Capital Costs, Energy Intensity, and Regulatory Complexity Remain Key Challenges for the Refrigeration Systems Industry

Despite strong structural demand, the refrigeration systems industry faces several challenges that can impact growth, profitability, and pace of adoption. One of the key challenges is high capital intensity, particularly for industrial and large-scale commercial refrigeration systems. Cold storage warehouses, pharmaceutical-grade refrigeration, and transport refrigeration require significant upfront investment, which can delay project execution or limit adoption among small and mid-sized enterprises. In price-sensitive markets, this often necessitates reliance on subsidies or financing support to sustain demand.

Another major challenge is energy consumption and operating cost sensitivity. Refrigeration systems are inherently energy-intensive, and rising electricity tariffs directly affect operating economics for end users. While energy-efficient technologies help mitigate this issue, the higher upfront cost of efficient or natural-refrigerant-based systems can slow adoption. This trade-off between capital expenditure and long-term energy savings remains a key decision constraint for many customers, particularly in emerging markets.

Regulatory complexity and compliance requirements also pose challenges. The global transition away from high global warming potential refrigerants toward natural or low-impact alternatives requires system redesign, workforce retraining, and compliance with evolving safety standards. For manufacturers and service providers, navigating varying regulations across geographies increases costs and lengthens product development and certification cycles. Smaller players, in particular, face barriers in upgrading technology and meeting compliance norms.

The industry also faces supply chain and skill availability constraints. Dependence on specialised components such as compressors, electronic controls, and heat exchangers exposes manufacturers to input price volatility and supply disruptions. At the same time, a shortage of trained technicians for installation, maintenance, and servicing can affect system reliability and customer satisfaction. Finally, fragmentation and intense competition in certain segments exert pricing pressure, limiting margin expansion even as demand grows. Addressing these challenges will be critical for sustaining long-term growth and improving the overall efficiency and resilience of the refrigeration systems industry.

5.8 Government policies, initiatives and regulations

Policy-Driven Energy Efficiency, Cold-Chain Expansion, and Compliance Mandates Are Transforming the Refrigeration Systems Industry

Government policies and regulatory frameworks play a decisive role in shaping the growth, structure, and technology direction of the refrigeration systems industry. A key policy thrust across major economies is the promotion of energy efficiency and climate-friendly cooling solutions. Regulations aimed at phasing down high global warming potential refrigerants under international climate commitments have accelerated the adoption of natural refrigerants such as ammonia, carbon dioxide, and hydrocarbons. These policies are pushing manufacturers and end users to upgrade legacy systems, invest in new technologies, and redesign refrigeration architectures to comply with evolving environmental standards.

The Indian government's focus on strengthening cold-chain infrastructure has provided a strong structural demand stimulus for refrigeration systems. Initiatives such as the **Integrated Cold Chain and Value Addition Infrastructure Scheme** under the Ministry of Food Processing Industries and various programs under the **Pradhan Mantri Kisan Sampada Yojana (PMKSY)** aim to reduce post-harvest losses and improve agricultural logistics. These schemes directly encourage investments in cold storage warehouses, pack houses, ripening chambers, and refrigerated transport, thereby driving demand for industrial and commercial refrigeration equipment. Additionally, policies permitting **100% foreign direct investment (FDI)** in electronics and equipment manufacturing, along with

Production-Linked Incentive (PLI) schemes for related manufacturing segments, are strengthening domestic production capabilities and improving supply-chain resilience for refrigeration equipment and components.

Regulatory requirements in food safety, pharmaceuticals, and healthcare logistics further reinforce demand for advanced refrigeration solutions. Standards such as the **Food Safety and Standards Authority of India (FSSAI)** regulations and **Good Distribution Practices (GDP)** for pharmaceuticals mandate strict temperature control, real-time monitoring, and traceability across storage and transportation. These compliance requirements are accelerating adoption of technologically advanced refrigeration systems equipped with sensors, monitoring software, and automation. Moreover, government initiatives focused on skill development and digitalisation, including training programs for refrigeration technicians and promotion of smart manufacturing, support the availability of skilled manpower and encourage deployment of connected and energy-efficient systems. Collectively, these policies and regulations are driving near-term demand while shaping the long-term transition of the refrigeration industry toward higher efficiency, sustainability, and compliance-driven growth.

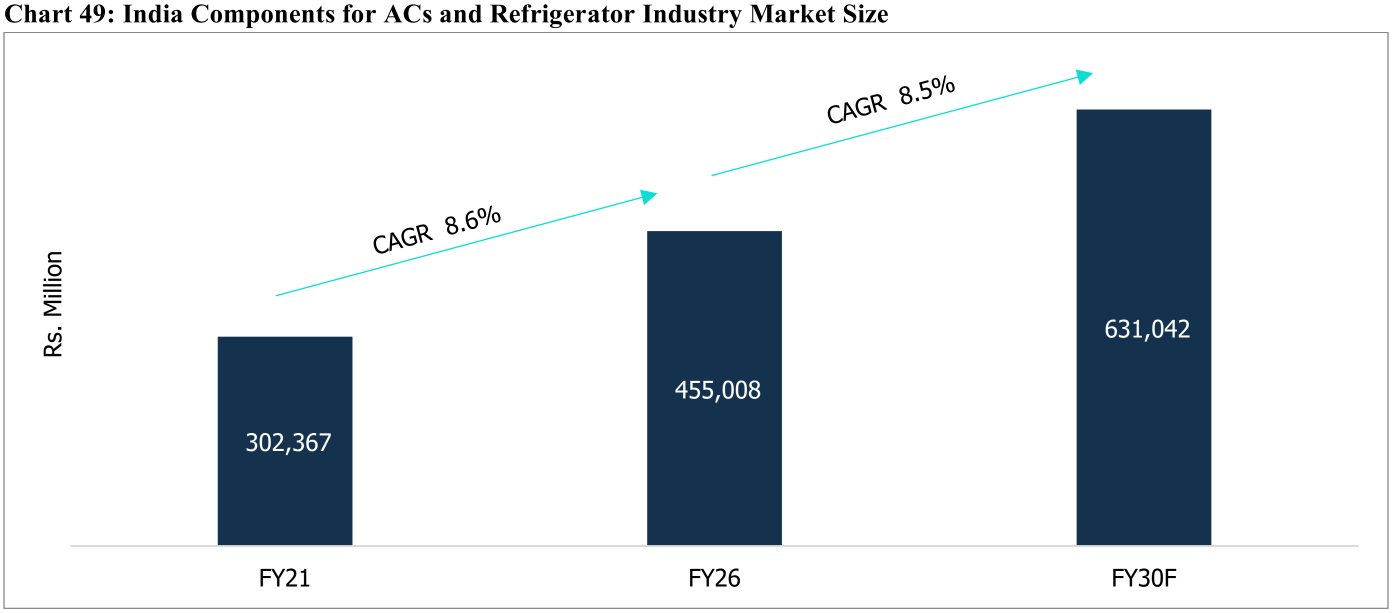
6. Overview Of Components Industry for ACs And Refrigerators

6.1 Industry Overview

India's AC & Refrigerator Components Industry: A Rapidly Scaling Backbone of the Cooling Ecosystem

The Indian components industry for air conditioners and refrigerators has emerged as a fast-growing and strategically important segment within the country's cooling ecosystem. The industry supplies critical components such as compressors, heat exchangers, condensers, evaporators, motors, fans, copper tubing, PCBs, and electronic control units that directly influence product cost, energy efficiency, and performance. The Indian components industry for air conditioners and refrigerators is expected to grow from Rs. 4,55,008 million in FY26 to Rs. 6,31,042 million by FY30, driven by, among other factors, rising domestic demand for air conditioners and refrigerators, improving household penetration and increasing replacement demand of cooling appliances, the shift towards inverter-based and energy-efficient appliances which increases the component content per unit, government policies promoting localisation and import substitution, and the increasing preference of appliance manufacturers for component suppliers located in proximity to their production facilities.

Chart 49: India Components for ACs and Refrigerator Industry Market Size



Source: Maia Research, CareEdge Research
Note: E- Estimate, F- Forecast

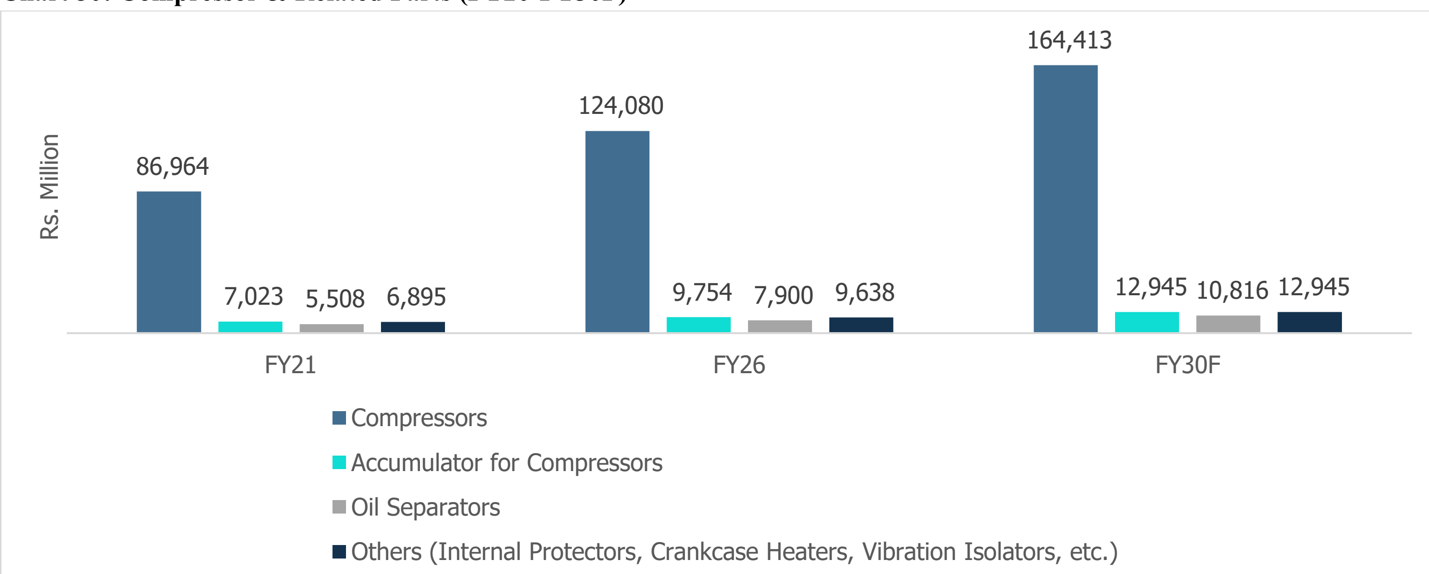
6.2 Market Segmentation

The HVAC components industry is structurally characterised by an active vendor rationalisation strategy, wherein original equipment manufacturers (OEMs) and original design manufacturers (ODMs) systematically reduce their supplier base to improve procurement efficiency, maintain consistency in material quality, enhance thermal performance, and ensure product reliability and system safety. Consequently, procurement is increasingly concentrated among organised component manufacturers that possess strong engineering capabilities, robust quality management systems, and the ability to consistently meet stringent customer specifications.

The components industry for air conditioners and refrigerators can be broadly segmented into compressor and related parts, heat exchange components, refrigerant circuit components, and other ancillary components. Each segment differs in technology intensity, value contribution, growth drivers, and level of localisation, together forming a comprehensive cooling components ecosystem.

Compressors form the single largest and most technology-intensive segment of the components market. This category includes scroll, rotary, reciprocating, screw, and centrifugal compressors, along with supporting components such as accumulators and oil separators. The market has expanded steadily from 2020 and is projected to grow strongly through 2030, driven by rising penetration of air conditioners and refrigerators, increasing shift toward inverter-based systems, and demand from commercial and industrial refrigeration. Within compressors, rotary and reciprocating compressors account for the largest share due to their widespread use in room air conditioners and domestic refrigeration, while scroll and screw compressors are gaining traction in commercial and industrial applications. Accumulators and oil separators grow in tandem with compressor volumes, reflecting higher system complexity and reliability requirements in modern cooling systems.

Chart 50: Compressor & Related Parts (FY20-FY30F)



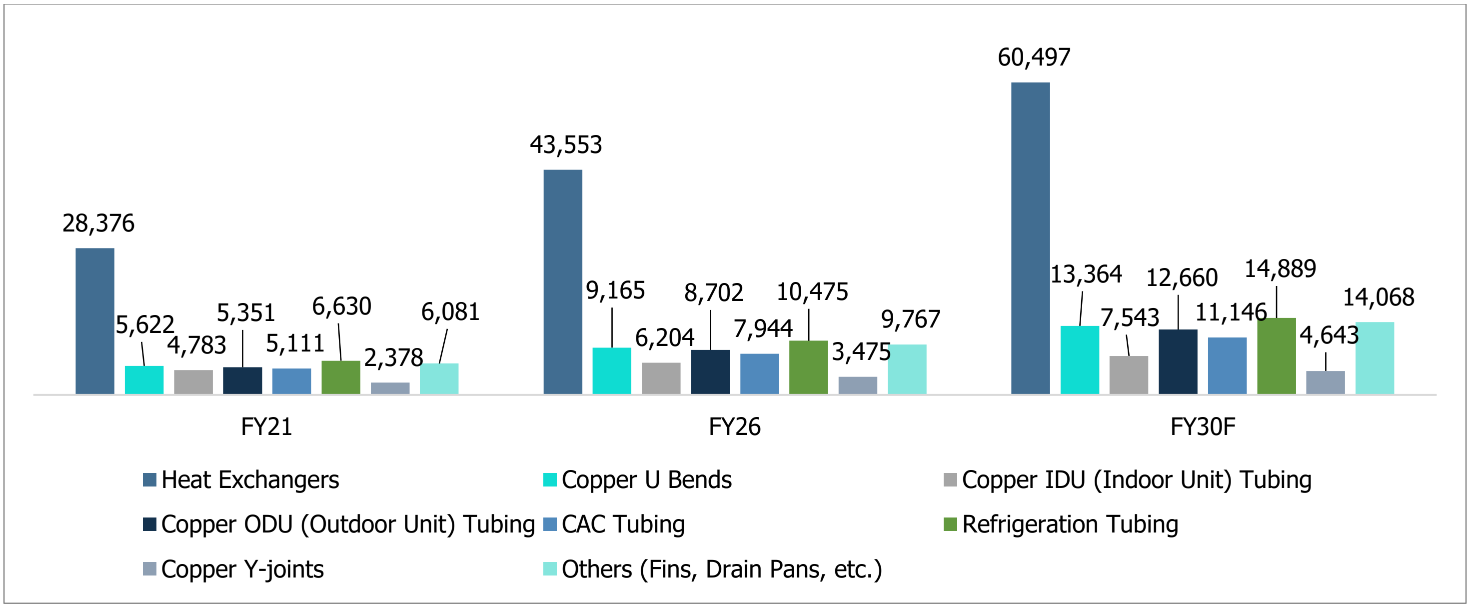
Source: Maia Research, CareEdge Research

Note: F- Forecast

Heat exchange components represent a major segment within the cooling components value chain and play a critical role in the performance and efficiency of air conditioners and refrigeration systems. This segment primarily includes evaporator and condenser coils, copper U-bends, indoor and outdoor unit copper tubing, condenser and cooling tubes, refrigeration-grade tubing, and copper Y-joints. Evaporator coils are responsible for absorbing heat from indoor air, enabling effective cooling, while condenser coils facilitate heat rejection to the external environment, making them central to the refrigeration cycle. Copper tubing, U-bends, and Y-joints serve as essential interconnecting elements that ensure smooth refrigerant flow between system components, directly influencing cooling efficiency, energy consumption, and overall system reliability.

Going forward the demand for heat exchange components is projected to increase with a CAGR of 8.05% in this segment between FY27 and FY30, driven by rising appliance production volumes, stricter energy-efficiency norms that necessitate larger and more efficient heat-exchange surfaces, and increasing copper content per unit, particularly in inverter-based appliances. Refrigeration and condenser tubing continue to see steady demand from both residential and commercial refrigeration applications, while advances in appliance design are increasing the importance of precision-engineered coils and joints. The segment has witnessed strong localisation in India, supported by well-established domestic copper processing capabilities and relatively lower technological entry barriers compared to compressors, positioning heat exchange components as a key enabler in the transition toward energy-efficient and high-performance cooling appliances.

Chart 51: Heat Exchange Components

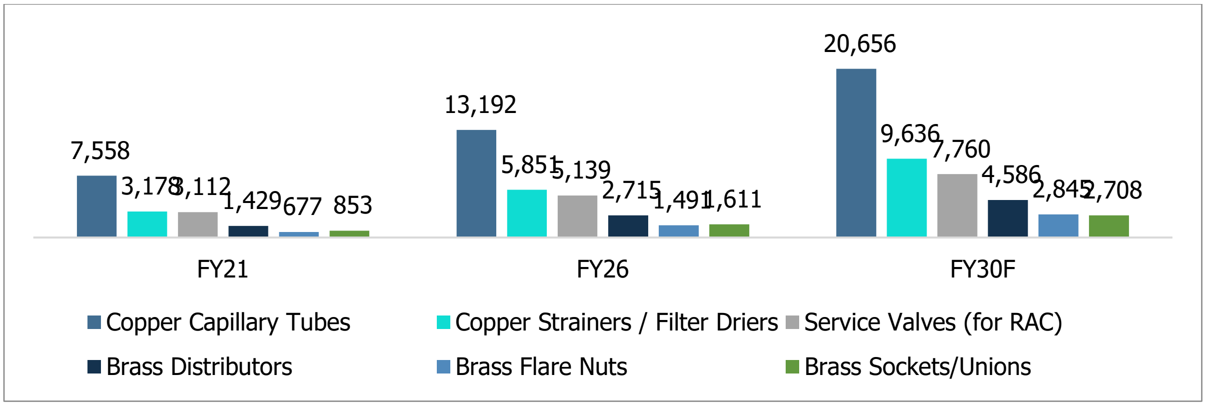


Source: Maia Research, CareEdge Research

Note: F- Forecast

Refrigerant circuit components include copper capillary tubes, strainers and filter driers, service valves for room air conditioners, brass distributors, brass flare nuts, and brass sockets or unions. Although smaller in absolute value compared to compressors and heat exchangers, this segment is critical for system performance, safety, and refrigerant flow control. Demand growth is supported by rising appliance production, increased complexity of refrigerant circuits due to inverter technology, and tighter leakage and quality standards. Filter driers and service valves benefit from both OEM demand and aftermarket replacement, while brass fittings and distributors grow steadily with higher installation volumes. The demand for Brass Distributors, Brass Flare Nuts and Brass Sockets is projected to grow by 15.2%, 18.2% and 15.10%, respectively between the period of FY27 and FY30.

Chart 52: Refrigerant Circuit Components



Source: Maia Research, CareEdge Research

Note: F- Forecast

Market Structure and Entry Barriers

The HVAC components industry is fragmented, with the presence of both organised and unorganised manufacturers. However, increasing localisation, stricter quality standards, and higher customer expectations are driving demand towards organised, quality-driven and compliant component suppliers.

The HVAC component industry presents significant barriers to entry, primarily due to stringent pre-qualification requirements imposed by OEMs and ODMs during their vendor selection and procurement processes. These qualification standards are designed to ensure product quality, manufacturing capability, accountability, efficiency, and long-term supply reliability. Suppliers are typically required to demonstrate technical expertise, advanced manufacturing infrastructure, comprehensive testing and quality control systems, customised product development capabilities, and compliance with customer-specific requirements before commercial approval is granted.

6.3 Key applications for Components Industry

Broad-Based End-Use Applications Provide Structural Demand Stability for Cooling Components

The components industry for air conditioners and refrigerators serves a wide range of end applications across residential, commercial, industrial, and transportation segments. Demand for components is directly linked to appliance production volumes, technology upgrades, and expansion of cold-chain and cooling infrastructure, making applications diverse and structurally resilient.

The **residential air conditioning and refrigeration segment** represents the largest application base for components. Rising household penetration of room air conditioners and refrigerators, coupled with replacement demand driven by energy-efficiency upgrades and inverter technology adoption, is driving sustained demand for compressors, heat exchangers, motors, electronic control units, and refrigerant circuit components. Premiumisation and the growing adoption of smart appliances further increase component value per unit in this segment.

Commercial refrigeration and air conditioning is another major application area, led by supermarkets, hypermarkets, convenience stores, hotels, restaurants, and foodservice chains. These applications require a high volume of display cases, walk-in coolers, freezers, and packaged cooling systems, driving demand for robust compressors, large heat exchangers, copper tubing, valves, and filter driers. Regulatory requirements around food safety and energy efficiency also increase the need for high-quality, reliable components with longer operating life.

In the **industrial segment**, components are used in cold storage warehouses, food processing plants, pharmaceutical manufacturing units, chemical and petrochemical facilities, and data centers. These applications demand heavy-duty, high-capacity components such as screw and scroll compressors, industrial-grade heat exchangers, and advanced control systems designed for continuous operation.

Growth in cold-chain infrastructure, pharmaceutical exports, and industrial cooling requirements is making this one of the fastest-growing application areas for component suppliers.

Transportation refrigeration and specialised applications form a smaller but rapidly expanding segment. Components are used in refrigerated trucks, containers, vaccine carriers, and specialised medical refrigeration systems. Rising movement of perishable goods, temperature-sensitive pharmaceuticals, and vaccines is increasing demand for compact, energy-efficient compressors, reliable refrigerant circuit components, and intelligent monitoring systems. Together, these application segments ensure diversified demand for the components industry, reducing dependence on any single end market and supporting long-term growth.

Name of the product	Use case for the product	Industry where it finds application
Heat exchangers	Used as a key component that facilitates efficient heat transfer between the refrigerant and surrounding air, enabling effective cooling or heating. It is designed for high thermal efficiency, durability, and reliable performance in air-conditioning systems	Air conditioning (RACs)
Sheet metal components	Used as precision-formed parts in air conditioning systems for structural support, protection, and airflow management. They are manufactured using high-quality metal sheets with processes such as cutting, bending, punching, and forming to ensure accurate dimensions and durability	Air conditioning
Service valves for RACs	Used as a precision component in refrigeration and air-conditioning systems for refrigerant charging, pressure measurement, evacuation, and system isolation. It ensures reliable refrigerant flow control and leak-free operation during installation, servicing, and maintenance	Air conditioning (RACs)
Sintered bushes	Used as a precision-engineered bearing component manufactured through powder metallurgy and sintering processes. It provides smooth, low-friction movement, excellent wear resistance, and reliable performance in rotating and moving applications	Juicer mixer
Brass Rods	Used as precision-engineered components used in air conditioning and refrigeration applications for manufacturing fittings, connectors, valves, and other critical parts. They offer excellent machinability, corrosion resistance, strength, and dimensional stability for reliable performance	Air conditioning (RACs)
Copper Tubes	Used for efficient circulation of refrigerant between the compressor, condenser, evaporator, and other air conditioning components. They offer excellent thermal conductivity, corrosion resistance, and durability, ensuring reliable and efficient AC performance	Refrigeration and Air conditioning

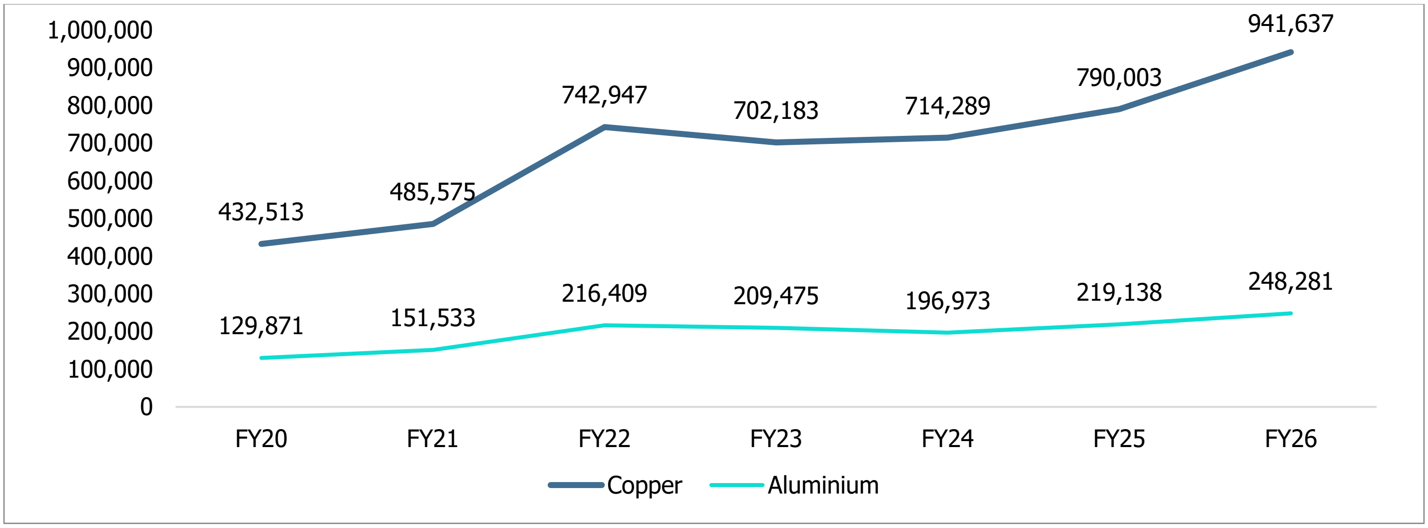
6.4 Raw materials price trend

Raw Material Price Volatility Continues to Influence Cost Structures Across the Cooling Value Chain

The raw materials used in the manufacture of air conditioners and refrigerators such as copper, aluminium, steel, polymers/plastics, and electronic components have exhibited significant price volatility in India over the past few years, influenced by global commodity cycles, supply chain disruptions, currency movements, and domestic demand dynamics.

Copper and Aluminium: Copper is among the most critical inputs, used extensively in heat exchangers, tubing, and electrical interconnections. Between 2020 and 2022, copper prices surged sharply in India due to pandemic-related supply constraints, global demand recovery, and logistical bottlenecks. Although prices softened in 2023 amid moderating global demand and increased mine output, periodic spikes continued due to supply uncertainties. Aluminium, widely used for condenser and evaporator fins, tubing, and panels, mirrored similar volatility rising sharply in 2021 and 2022 before easing modestly in 2023–2024. The overall trend remains elevated compared with pre-pandemic levels, putting cost pressure on component manufacturers and OEMs alike.

Chart 53: Prices of Copper and Aluminium in Domestic Market



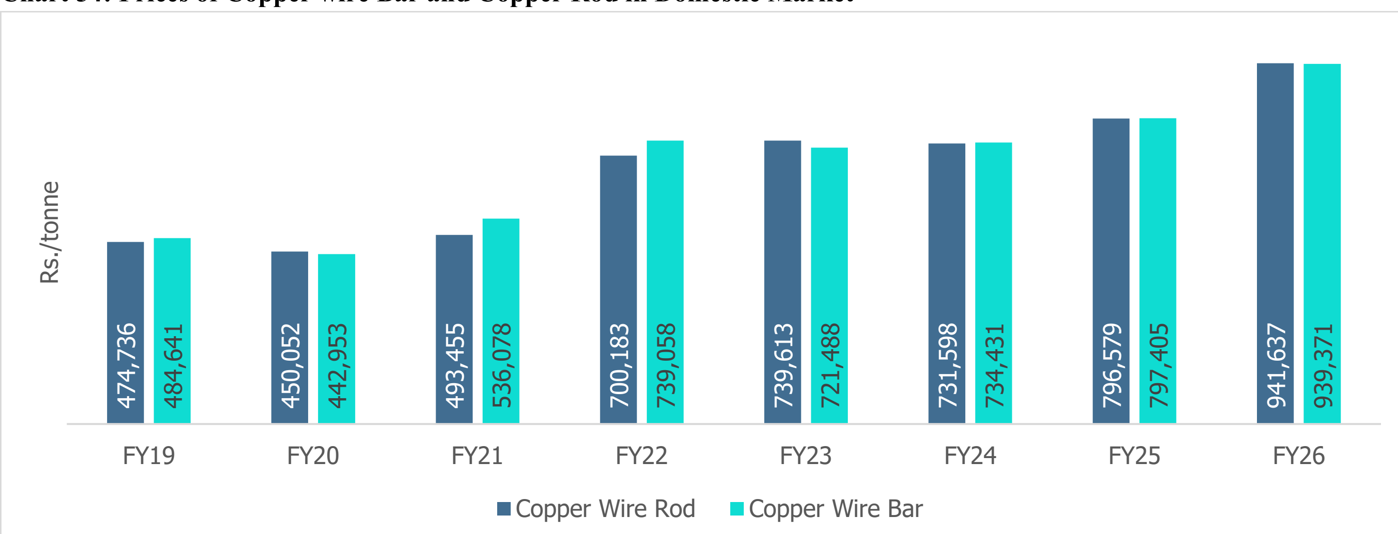
Source: CMIE, CareEdge Research

Within the components value chain, Copper tubes, copper wire rods and copper wire bars are key upstream inputs, serving as the base material for manufacturing refrigeration-grade copper tubes and coils. Prices of copper wire rods broadly mirrored refined copper price trends, with a pronounced increase in FY2022 and sustained elevation thereafter due to higher input, power, and logistics costs. Copper wire bar prices followed a similar trajectory, additionally reflecting conversion costs and domestic supply-demand dynamics. The persistence of elevated copper wire rod and wire bar prices has increased input cost pressure and working capital intensity for component manufacturers, as copper accounts for a significant share of bill-of-material costs. As a result, margin stability in the AC and refrigerator components industry increasingly depends on efficient inventory management, timely price pass-through to OEMs, and optimisation of material yield and scrap recovery in copper-intensive processes.

During FY2026, domestic prices of key raw materials continued to increase, with copper prices rising from Rs. 7,90,003 per tonne in FY2025 to Rs. 9,41,637 per tonne, while aluminium prices increased from Rs. 2,19,138 per tonne to Rs. 2,48,281 per tonne. According to the Ministry of Mines and the Indian Bureau of Mines, domestic metal prices broadly reflect international commodity price movements and are influenced by global demand-supply conditions, raw material availability, energy costs and geopolitical developments. The increase in copper and aluminium prices has resulted in higher raw material procurement costs for manufacturers of refrigeration and air-conditioning components, including copper tubes, coils and heat exchangers. Consequently, manufacturers have continued to focus on inventory optimisation, material efficiency and timely price pass-through mechanisms to mitigate the impact of raw material cost volatility on operating margins.

Copper tubes are critical inputs used in the production of heat exchangers, condenser coils, evaporator coils, and interconnecting piping, owing to copper's superior thermal conductivity, corrosion resistance, and durability. These tubes are typically manufactured from upstream copper wire rods and wire bars through extrusion and drawing processes and are supplied in various diameters and wall thicknesses depending on OEM specifications.

Chart 54: Prices of Copper wire Bar and Copper Rod in Domestic Market

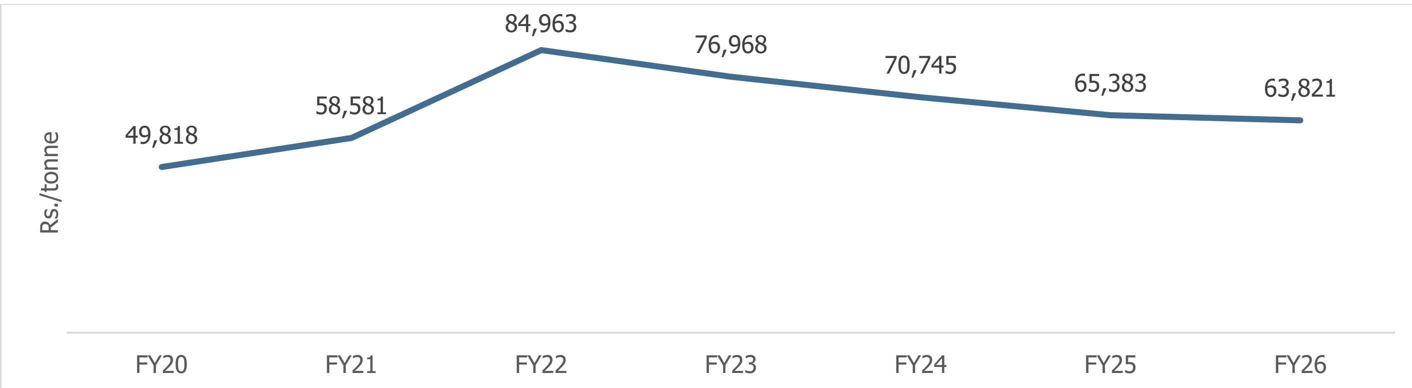


Source: CMIE, CareEdge Research

Brass: Brass is another important raw material within the cooling components value chain, particularly used in the manufacture of valves, fittings, connectors, and precision-machined components in air-conditioning and refrigeration systems. Brass prices are largely influenced by underlying copper prices, as copper constitutes a significant proportion of its composition, along with zinc. As a result, brass has exhibited similar price volatility trends over recent years, with elevated levels observed during periods of strong copper price movements and fluctuations in zinc supply. In addition, domestic factors such as conversion costs, availability of scrap, and energy prices also impact brass pricing dynamics. Given its widespread use in fluid control and connection components, fluctuations in brass prices directly affect input costs for component manufacturers. Consequently, maintaining margin stability requires effective procurement strategies, efficient material utilisation, and timely price adjustments with OEMs. As localisation of component manufacturing increases, the demand for brass-based precision components is expected to remain strong, making it a critical cost driver within the broader raw material basket.

Steel: Steel, used in structural frames, mounting brackets, and sheet metal enclosures, witnessed price fluctuations driven by domestic raw material (iron ore, coking coal) availability and global market shifts. Indian steel prices peaked in 2021–2022 before entering a correction phase in 2023 as supply improved and demand softened in key segments. However, intermittent price rebounds have persisted due to export demand and logistic cost pressures. The cyclic nature of steel pricing remains a key cost consideration for refrigeration system and appliance makers. Finished steel prices continued to moderate during FY2025 and FY2026, declining from Rs. 65,383 per tonne in FY2025 to Rs. 63,821 per tonne in FY2026. According to the Ministry of Steel, the decline was driven by improved domestic steel availability, capacity additions and easing raw material costs. Lower steel prices are expected to support manufacturers of refrigeration and air-conditioning equipment by reducing input costs for structural and fabricated steel components.

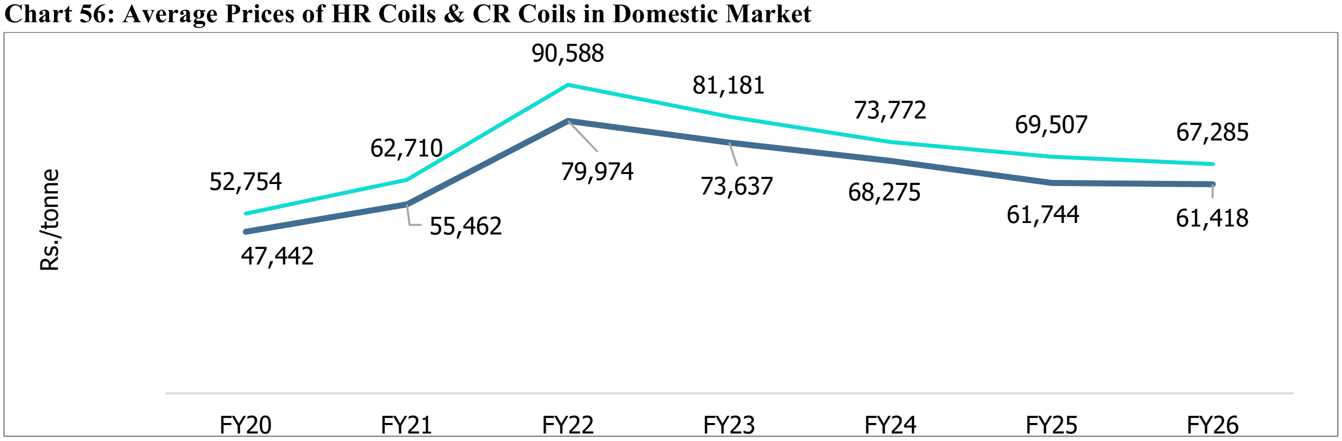
Chart 55: Average Finished Steel Prices in Domestic Market



Source: CMIE, CareEdge Research

Note: Average finished steel prices are based on prices of hot rolled coils (3.15 mm) and cold rolled coils (0.63 mm) in the Delhi, Chennai, Mumbai and Kolkata markets

Chart 56: Average Prices of HR Coils & CR Coils in Domestic Market



Source: CMIE, CareEdge Research

Note: Average finished Hot Rolled coils (2 mm) and Cold Rolled coils (1 mm) are in the Delhi, Chennai, Mumbai and Kolkata markets

The average domestic prices of hot rolled (HR) coils (2 mm) and cold rolled (CR) coils (1 mm) witnessed significant volatility during FY20 to FY26, driven by fluctuations in raw material prices, post-pandemic demand recovery, supply chain disruptions, and global geopolitical developments. Both HR and CR coil prices increased sharply, peaking in FY22 at Rs. 79,974 per tonne and Rs. 90,588 per tonne, respectively, before moderating over the subsequent years as supply conditions improved and input cost pressures eased. By FY26, average HR and CR coil prices had declined to Rs. 61,418 per tonne and Rs. 67,285 per tonne, respectively; however, they continued to remain above pre-pandemic levels. As steel is a key raw material used in the manufacture of cabinets, structural frames, mounting brackets, for air conditioners and refrigeration systems, fluctuations in HR and CR coil prices continue to have a direct impact on manufacturing costs and profitability across the cooling appliances value chain.

Plastics and Polymers: Plastics and engineering polymers used in housings, insulation parts, control panels, fans, and ducts experienced mixed trends. Petrochemical feedstock volatility, driven by crude price movements and refinery utilisation rates, contributed to inconsistent pricing. Periods of feedstock tightness pushed polymer costs up in 2021–2022, followed by partial correction in 2023–2024. Nonetheless, sustained inflationary pressures in chemicals and freight costs have kept polymer pricing elevated relative to earlier cycles.

Electronic Components: Semiconductors, sensors, and printed circuit boards (PCBs) are key to inverter technologies, controls, and smart functionalities. The global semiconductor supply crunch of 2020–2022 elevated prices and extended lead times, though conditions began easing in 2023 as capacity additions caught up with demand. Still, pricing remains sensitive to global chip cycle dynamics and forex movements, making electronic components one of the more unpredictable cost drivers.

Supply Chain Localisation and BIS Compliance in Raw Materials

The increasing local availability of key raw materials has led to a noticeable realignment of supply chains within the cooling components ecosystem. Component manufacturers are gradually shifting procurement from imports to domestic suppliers, driven by shorter lead times, lower logistics costs, reduced working capital requirements, and improved supply reliability. Local sourcing also enables closer coordination between suppliers and manufacturers, allowing faster response to design modifications, demand fluctuations, and production schedules. This shift has strengthened supply-chain resilience and supports the broader objective of reducing import dependence across the electronics and consumer durables manufacturing landscape.

In parallel, the growing prevalence of domestic suppliers complying with Bureau of Indian Standards (BIS) norms has further accelerated localisation. BIS norms establish mandatory quality, safety, and performance benchmarks for raw materials and components used in air-conditioning and refrigeration systems, covering aspects such as material purity, pressure resistance, dimensional accuracy, and thermal efficiency. As more Indian suppliers upgrade manufacturing processes and testing capabilities to meet these standards, OEMs have gained greater confidence in domestic sourcing. This improvement in quality compliance has enabled wider acceptance of locally manufactured raw materials, supporting sustainable localisation and long-term stability across the cooling components value chain.

Overall, the combination of improved domestic raw material availability and rising BIS compliance has facilitated a structural shift in procurement practices within the industry. This transition not only supports cost competitiveness and supply security for component manufacturers but also aligns with government objectives of strengthening domestic manufacturing, improving quality standards, and building a self-reliant cooling components ecosystem in India.

6.5 Key factors driving growth of Components Industry

Demand Expansion, Technology Upgrades, and Policy Support Are Powering Sustained Growth in Cooling Components

The components industry for air conditioners and refrigerators is being driven by a combination of demand expansion, technology evolution, and policy support. Demand for HVAC and refrigeration components in India is supported by a combination of structural tailwinds. Urbanisation, the increase in the number of nuclear households and rising disposable incomes are driving household adoption of air conditioners and refrigerators. One of the primary growth drivers is the sustained increase in domestic and global demand for cooling appliances, supported by rising household penetration, urbanisation, and higher usage of air conditioning and refrigeration across residential, commercial, and industrial segments. As unit sales of air conditioners and refrigerators increase, demand for core components such as compressors, heat exchangers, motors, and electronic controls rises proportionally, creating a strong volume-led growth base for component manufacturers.

Technology upgrades are another critical growth catalyst. The rapid shift toward inverter-based appliances, energy-efficient designs, and environmentally friendly refrigerants is increasing the value and complexity of components used per unit. Advanced compressors, variable-speed drives, electronic expansion valves, and intelligent control boards are replacing conventional components, driving higher content value for suppliers. In addition, increasing adoption of smart and connected appliances is boosting demand for sensors, communication modules, and advanced control systems, further expanding the addressable market for component manufacturers.

Government policies promoting localisation and domestic manufacturing are also playing a decisive role. Incentives aimed at reducing import dependence and strengthening local supply chains have encouraged both global and domestic players to set up manufacturing facilities in India. This is accelerating backward integration, improving economies of scale, and supporting long-term capacity creation in critical components such as compressors, copper tubing, and electronic assemblies. At the same time, the expansion of organised retail, cold-chain infrastructure, and commercial refrigeration is broadening the end-use base for components beyond residential appliances.

In addition, proximity of component manufacturers to OEM production facilities has emerged as a key structural driver for the industry. Locating component plants near OEM manufacturing hubs enables faster turnaround times, lower logistics costs, reduced inventory requirements, and improved supply-chain coordination. This geographic clustering supports just-in-time delivery models, enhances quality control through closer collaboration, and allows suppliers to respond quickly to design changes or demand fluctuations. As OEMs increasingly prioritise operational efficiency and localisation, component manufacturers with manufacturing facilities near OEM plants gain a competitive advantage, further strengthening long-term supplier relationships.

Finally, replacement demand and aftermarket growth are providing additional support to the industry. As the installed base of appliances expands and energy-efficiency standards tighten, replacement of older components and systems is increasing. Combined with raw material substitution, product standardisation, and closer collaboration between OEMs and component suppliers, these factors are positioning the components industry as a structurally growing and increasingly technology-driven segment within the broader cooling ecosystem.

6.6 Entry barriers

High Capital Requirements, Technological Barriers, and Deep OEM Integration Limit New Entrants

- **Technical knowledge and capabilities:** HVAC component manufacturing requires technical expertise and engineering capabilities to meet product performance, thermal efficiency and system safety requirements.
- **Testing and quality control requirements:** Stringent testing, quality control, certification and validation requirements increase the time, investment and capabilities required for new suppliers to qualify.
- **Customized solutions:** HVAC OEMs and ODMs often require components customised to their specific product specifications and performance requirements, requiring suppliers to possess design, engineering and manufacturing capabilities.
- **OEM/ODM pre-qualification requirements:** Vendors typically impose stringent pre-qualification standards on external suppliers to ensure accountability, efficiency and quality control throughout the procurement process.
- **Vendor rationalisation and established relationships:** The HVAC sector is characterised by vendor-rationalisation strategies, with ODMs seeking to maintain a focused supplier base and greater control over material quality, thermal efficiency and system safety. This creates higher switching costs and limits opportunities for new entrants.
- **Partnerships with leading brands and manufacturers:** Established suppliers benefit from long-standing relationships and partnerships with leading OEMs and ODMs, making it challenging for new entrants to secure customer approvals and contracts.
- **Manufacturer size and infrastructure:** Competitive participation requires adequate manufacturing capacity, specialised machinery, testing facilities, quality control systems and infrastructure, creating barriers for smaller or undercapitalised entrants.
- **Economies of scale:** High production volumes and efficient operations are required to achieve competitive pricing, which provides an advantage to established manufacturers and increases the entry barrier for smaller players.

• **High capital intensity**: Manufacturing components such as compressors, motors, heat exchangers, and electronic control units requires large upfront investments in specialised machinery, tooling, testing facilities, and quality control infrastructure, making entry difficult for small or undercapitalised players.

• **Technological complexity and R&D requirements**: The shift toward inverter technology, high energy efficiency, and low-GWP refrigerants demands strong engineering capabilities, continuous R&D spending, and long product development and validation cycles.

• **Stringent OEM qualification processes**: Appliance manufacturers rely on long-term suppliers and impose rigorous testing, certification, and approval procedures, resulting in high switching costs and limited opportunities for new entrants.

• **Economies of scale and cost competitiveness**: Achieving competitive pricing requires high production volumes and efficient operations, which act as a barrier for new players attempting to enter at small scale.

• **Supply chain integration and raw material exposure:** Dependence on volatile inputs such as copper, aluminium, steel, and electronic components requires strong procurement capabilities and working capital strength.

• **Regulatory and compliance requirements**: Environmental norms, safety standards, and localisation mandates increase operational complexity and compliance costs for component manufacturers.

• **Established supplier relationships and backward integration**: Incumbent players benefit from long-standing OEM relationships and, in some cases, backward-integrated manufacturing, making market penetration challenging for new entrants.

6.7 Government policies, initiatives and regulations

Policy-Led Localisation and Sustainability Mandates Are Reshaping India's Cooling Components Ecosystem

Government policies and regulatory frameworks play a pivotal role in shaping the growth, structure, and competitiveness of the components industry for air conditioners and refrigerators. A key policy focus has been on localisation and import substitution, aimed at reducing dependence on imported components and strengthening domestic manufacturing capabilities. Production-linked incentive programs and sector-specific manufacturing incentives have encouraged both global and domestic component manufacturers to establish and expand production facilities in India, particularly for critical parts such as compressors, motors, heat exchangers, and electronic control units.

Regulations related to energy efficiency and environmental protection are also significantly influencing component design and demand. Progressive tightening of energy-efficiency norms and the phased transition toward low global warming potential refrigerants are compelling appliance manufacturers to adopt advanced components that enable higher efficiency and lower emissions. This, in turn, is driving demand for inverter-compatible compressors, high-efficiency heat exchangers, advanced motors, and intelligent electronic controls. Compliance with safety and environmental standards requires component suppliers to invest in R&D, testing, and certification, raising entry thresholds but also improving overall industry quality.

In addition, broader national initiatives supporting electronics manufacturing, skill development, and digitalisation are strengthening the components ecosystem. Policies allowing full foreign direct investment in manufacturing have facilitated technology transfer and integration into global supply chains. Skill development programs are improving the availability of trained engineers and technicians essential for precision manufacturing and quality assurance. Together, these policies are fostering a more resilient, technology-driven, and globally competitive components industry, while aligning it with long-term sustainability and energy transition objectives.

7. Threats and challenges for the issuer and its products

Competitive Intensity, Cost Volatility, and Regulatory Shifts Pose Key Risk Factors for the Issuer

The issuer operates in a competitive and rapidly evolving environment, and its performance is exposed to a range of operational, market, regulatory, and financial risks. One of the key challenges is **intense competition** from both domestic and global players. Large multinational manufacturers benefit from scale, advanced technology, and strong brand equity, while smaller domestic players often compete aggressively on price. This competitive intensity can exert pressure on margins, limit pricing power, and necessitate continuous investment in product development and marketing.

Raw material price volatility represents a significant risk, particularly for inputs such as copper, aluminium, steel, plastics, and electronic components. Fluctuations in global commodity prices, supply chain disruptions, and currency movements can increase input costs and compress margins if cost increases cannot be passed on to customers in a timely manner. Dependence on imported components or critical raw materials further heightens exposure to geopolitical risks, logistics disruptions, and foreign exchange volatility.

The issuer also faces **technology and product obsolescence risk**. Rapid advancements in energy efficiency standards, inverter technology, smart and connected systems, and environmentally friendly refrigerants require continuous R&D investment. Failure to keep pace with evolving technology or regulatory norms could result in products becoming non-compliant or less competitive, impacting market share. Additionally, the transition toward low-global-warming-potential refrigerants may require redesign of products and manufacturing processes, increasing capital expenditure and execution risk.

Regulatory and compliance risks are another important consideration. Changes in environmental regulations, energy-efficiency standards, safety norms, or taxation policies can affect product design, cost structures, and demand patterns. Compliance with multiple regulations across geographies can increase operational complexity and costs, particularly for issuers with diversified product portfolios or export exposure.

Demand-side risks also persist. The issuer's products are partly discretionary in nature and sensitive to macroeconomic conditions, interest rates, and consumer sentiment. Slowdowns in housing activity, infrastructure development, or consumer spending can lead to demand volatility. In segments dependent on financing, tighter credit conditions or higher borrowing costs can negatively impact sales volumes.

Operational risks such as **manufacturing disruptions, capacity utilisation challenges, and skilled manpower availability** can affect delivery timelines and product quality. Furthermore, reliance on a limited number of large customers or OEMs may create customer concentration risk, while weaknesses in after-sales service or product reliability can harm brand reputation and long-term competitiveness.

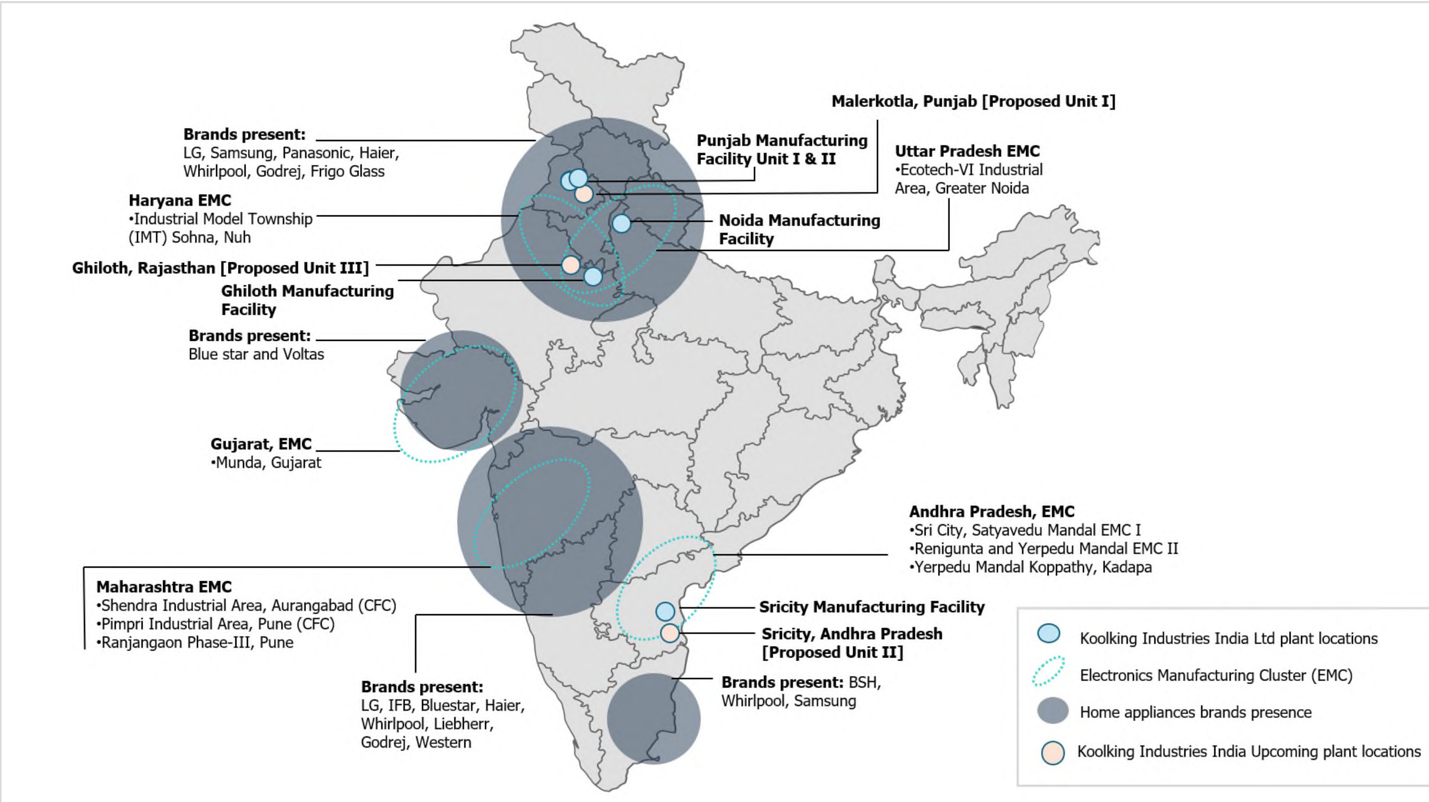
8. Competitive Landscape and Benchmarking

i. Koolking Industries India Ltd

Koolking Industries India Limited was incorporated in 2008 and has its registered office in Punjab, India. Company focuses on a B2B business model, manufactures and supplies, a comprehensive range of brass and copper HVAC components across four business verticals, namely, IDU components, such as U-bends, evaporator inlet and outlet tubes, and sockets; ODU components, such as suction tubes, condenser inlet and outlet tubes, C-bends and discharge tubes; other HVAC components, such as brass flare nuts and dead nuts; and refrigeration components, such as refrigeration lines. The Company's evolution journey is backed by established operational and executional capabilities**,** promoter's vision, strong and long-term relationship with customers and consistent financial performance, which has helped company to establish several leadership positions in the HVAC components industry. The Company's presence across multiple product verticals and price points has enabled the Company to be one of the fastest-growing manufacturers and suppliers of HVAC components in India. It has achieved an EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26, which is one of the highest among the peers considered. The Company's product portfolio finds application in commercial and domestic air conditioners, including window air conditioners (WACs); indoor units (IDUs); and outdoor units (ODUs, which, combined with IDUs form split air conditioners (SACs)), as well as in the refrigeration industry. The company possess a robust market presence, serving eight of the top ten HVAC manufacturers in the country. This high penetration among industry leaders reflects the strength of company's product offerings and operational reliability.

Based on Indian air-conditioner market volume of 11.6 million units in FY26 and the Company's average product realization of approximately Rs. 3,000 per air conditioner, the addressable market for the Company's products is estimated at approximately Rs. 34,800 million (Rs.3,480 crore) in FY26. The company is one of the leading manufacturers and supplier of heating, ventilation, and air conditioning (HVAC) components in India based on the 15% share on the company's TAM as of FY26. The Indian air-conditioner market volume is estimated at approximately 16.7 million units in FY30, based on 12.8 million units in FY27 growing at a CAGR of 9.3%. The average realisation per air conditioner is currently estimated at Rs. 3,000 and is expected to increase to approximately Rs. 5,000 over the forecast period. At an average product realisation of Rs. 3,000 per air conditioner, the addressable market is estimated at approximately Rs. 50,100 million (Rs. 5,010 crore) in FY30, while at an average realisation of Rs. 5,000 per air conditioner, it is estimated at approximately Rs. 83,500 million (Rs. 8,350 crore) in FY30. The Total Addressable Market for the Company's current and proposed product mix is expected to increase at a CAGR of 24.46% between FY26 and FY30.

Figure 5: Mapping Koolking Industries India Ltd Manufacturing Footprint and EMC Clusters in India



Source: Company website, CareEdge Research

Manufacturing Facility	Nearby manufacturing facilities
Noida Manufacturing Facility	Amber Enterprises India Limited
Ghiloth Manufacturing Facility	Amber Enterprises India Limited, Daikin Airconditioning India Private Limited, EPack Durable Limited, KRN Heat Exchanger and Refrigeration Limited
Sricity Manufacturing Facility	Daikin Airconditioning India Private Limited, Amber Enterprises India Limited and Panasonic Life Solutions India Private Limited

The Company's manufacturing facilities are strategically located in close proximity to major HVAC manufacturing clusters. This geographical advantage enables company to optimize logistics costs, minimize lead times, and ensure accelerated turnaround times. Consequently, the company maintains high service levels and fosters deep relationships with company's marquee clients through enhanced responsiveness and supply chain efficiency.

ii. PG Electroplast Ltd

PG Electroplast Ltd (PGEL), incorporated in 2003, is engaged in the manufacture of printed circuit board assemblies, plastic injection moulded components for consumer durables, air-conditioner components, home electrical products, and kitchen appliances. The company supplies products to sectors including automotive components, consumer electronics, mobile handsets, and sanitaryware. It operates manufacturing facilities located in Roorkee, Uttarakhand; Greater Noida, Uttar Pradesh; and Pune, Maharashtra.

iii. Amber Enterprises India Ltd

Amber Enterprises India Ltd (AEIL), incorporated in 1990, commenced operations in 1992 and is headquartered in Rajpura, Punjab. The company is engaged in the manufacture and assembly of room air conditioners and related components, including heat exchangers (coils), multi-flow condensers, injection-moulded components, system tubing, inner case liners, washing machine tub assemblies, and other consumer durable components. AEIL operates manufacturing facilities in Dehradun, Uttarakhand; Rajpura, Punjab; Jhajjar, Haryana; Greater Noida, Uttar Pradesh; and Pune, Maharashtra.

iv. KRN Heat Exchanger & Refrigeration Ltd

KRN Heat Exchanger and Refrigeration Limited (KRN), formerly known as KRN Heat Exchanger and Refrigeration Private Limited, was incorporated in 2017. The company, along with its subsidiaries, is engaged in the manufacture and sale of heating, ventilation, and air-conditioning (HVAC) parts and accessories, including aluminium and copper fin heat exchangers, water coils, condensers, and evaporator coils. The company operates two manufacturing facilities located in Neemrana, Rajasthan.

v. J Pan Tubular Components Ltd

J Pan Tubular Components Ltd, incorporated in 2007, is engaged in the manufacture of copper tubular components and assemblies, including copper bends (U and C shaped), copper couplings, copper tube headers, copper tube components, copper connecting pipes, and evaporator assemblies. These products are used in applications such as air conditioners, refrigerators, and heat exchangers. The company operates five manufacturing facilities, with two located in Greater Noida and one each in Pune, Neemrana, and Bengaluru.

vi. ESS Kay Components Pvt Ltd

ESS Kay Components Private Limited (EKCPL), incorporated in 2019, is engaged in the manufacture of tubing assemblies, components, and fittings used in air-conditioning, heating, and refrigeration systems for applications in home appliances, automobiles, and plumbing. The company has its registered office in Gurugram, Haryana.

vii. EMM ESS Aircon Pvt Ltd

EMM ESS Aircon Pvt Ltd (EEAPL) was incorporated in 1992 and has a registered office located in Haryana. The company is engaged in the business of manufacturing air-conditioning parts. It is also engaged in manufacturing various components of copper.

viii. Elin Electronics Ltd

Elin Electronics Ltd (EEL) was incorporated in 1982 and has its registered office located in Delhi. It is engaged in the business of manufacturing electronic devices. The company’s products include electric motors, tools/molds/dies, domestic kitchen appliances, personal care products, lighting products & automotive components. It is the largest Fractional Horsepower (FHP) motors manufacturer for mixer grinders, juicer mixer grinders, hand blenders, ventilation fans, table pedestal wall fans, kitchen chimneys, wet grinders, air conditioners & air coolers (synchronous motors), personal fans, room heaters, and many more.

ix. Centum Electronics Ltd

Centum Electronics Limited (CEL) is engaged in electronic system design and manufacturing electronics modules, subsystems, and systems used in the aerospace, defense, and industrial electronics sectors. Its manufacturing facility is in Bangalore.

x. Epack Durables Ltd

Epack Durable Limited (EDL) is a contract manufacturer of consumer durables such as RACs, induction cooktops, juicer mixer grinders, water dispensers, room coolers, and washing machines. The company’s first manufacturing facility is in Dehradun, Uttarakhand. It has recently set up an integrated manufacturing facility at Sricity (Andhra Pradesh). The company established its second manufacturing facility in Bhiwadi (Rajasthan). It operates in Rajasthan, Andhra Pradesh, Uttarakhand, Uttar Pradesh, and more.

8.1 Peer Benchmarking:

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
Koolking Industries India Ltd	**Air Conditioner, Refrigerator and Automotive components:** The company manufactures the Air Conditioner Brass Fittings, Forged components, Air Conditioner Copper Fittings, Copper Products, Brass Distributors	Consumer Durables	5	**Other HVAC components (Installed capacity)** – 2,37,000 Kgs **IDU, ODU components and Ref Tubing (Installed Capacity)** – 41,92,60,100 per pieces	**Other HVAC components –** 79.41% **IDU Components –** 64.92% **ODU Components –** 56.89% **Ref Tubing –** 48.63%	ISO 90001 ISO 14001 ISO 45001
PG Electroplast Ltd	**Consumer Industries:** Room Air Conditioners - Indoor Units, Outdoor Units, Window Units. **Washing Machines -** Sem Auto Top Load, Fully Automatic Top Load. **Air Coolers -** Window, Desert, Personal. **LED Televisions-** LED TV and Interactive Flat Panel Display.	AC Washing Machine LED Television Air Coolers Automotive components Bathroom Fittings Consumer Electronics	11	AC Manufacturing Capacity - 4.5 million	NA	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 IATF 16949:2016 UL E520496
Amber Enterprises India Ltd	**Consumers Durables -**Split AC, Window AC, Inverter AC, Cassette AC and Ductables. **Electronics -** PCBA;s & PCB for Automobile, IT & Telecom, Defence & Aerospace, Mobility - Railway Subsystem.	Consumer Durables (Refrigerators, Microwave, Washing Machine, Water Purifiers, Automobile,	35	NA	NA	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 IATF-16949

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
	Room Air Conditioners (RACs) - Split AC, Outdoor Unit,Window AC, Top-Throw Window AC **Railway Subsystem-** Doors, Gangways, Pantry Systems Couplers, Driving Gears,Pantographs, Brakes **Consumer Durable Components**- Copper Tube , Injection Moulding, Motor, Tools, Heat Exchanger	Energy Meters, Set Top Boxes) Automobile Smart Watches IT & Telecom Industrials (Including Energy) Industrials (Power-One) Industrial Automation (Unitronics) Railways & Metro HVAC (Railway, Metro) Micro-Processor Controller Defence (HVAC) Data Centre (HVAC) Bus HVAC				(IATF-LOC) IS 1391 (Part 1):2017 IS 1391 (Part 2) IS 11329 IS 8148:2018 BIS certifications (IS codes) EN 15085
KRN Heat Exchanger & Refrigeration Ltd	**Fin & Tube**: Condenser Coil | Chilled Water Coil | Evaporator Coil | Floating Type Coil |Fluid & Steam Coil | Heating Coil | Sea Water Coil | SS Coil **Bar & Plate**: Charge Air Cooler | Combi Oil Cooler | Converter	HVAC & Refrigeration Data Centers Railways & Transport Automotive / OEM Power	2	Evaporator & Condenser Coils Installed Capacity: 5,66,551 Units Headers / Copper Parts Installed Capacity: 6,18,667 Units	Evaporator & Condenser Coils: 84% Headers / Copper Parts: 84.53% Sheet Metal Parts:85.77%	ISO 45001 ISO 14001 ISO 9001 CE Certified BIS Certified UL-207

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
	Cooler | Offline Oil Cooler | Oil Cooler | Radiator | Transformer Oil Cooler | Water Cooler **Micro Channel:** Automobile Micro Channel | Domestic Micro Channel HE| Commercial Micro Channel HE| Custom OEM Configurations **Complete HVAC System**:Adiabatic Coolers | LT-HT Remote Radiators | Dry Coolers **Refridgerator Components:** Frost-Free Evaporators | Roll Bond Evaporators | Skin Condensers | Wire-on-Tube Condensers | Aluminium Tubes **Bus AC Systems**:Electric Bus Air Conditions | Ice Bus Air Conditions **Refridgeration**:Air Cooling Units | Outdoor Units | Ammonia Evaporator | Blast Freezer **Sheet Metal**:Fabrication Parts | SS Components | Sheet Metal	Generation Marine & Offshore Industrial Process Commercial Buildings Cold Chain / Food Defence & Aerospace		Sheet Metal Parts Installed Capacity: 5,56,800 Units		AHRI Reach & ROHS Compliance BS EN ISO 13134 BS EN ISO 13535 IS 11329:2018 UL-CA-2133828-0 UL-CA-2135187-0 UL-US-2135178-0 UL-US-2140353-0 UL-US-2141923-0 UL-US-2140355-0 UL-US-2141932-0

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
	Components | Powder Coated Parts **Technical tubes**:Finned Tubes | Inner Grooved Tubes | Outer Grooved Tubes | Inner & Outer Grooved Tubes | Low & Medium Grooved Tubes **Tubings & Piping:**Tubings / Piping | U-Bend | I-Kit | C-Bend | Headers					
J Pan Tubular Components Ltd	**Air Conditioner, Refrigerator, Heat Exchanges components:** The company manufactured the VRV, HVAC, Refrigerator, Brass (Maching/Forghing), Solar Inverter Parts, Bus Bar (Round/Flat)	Consumer Durables Renewable	5	NA	NA	ISO 14001 ISO 9001 ISO 45001 MSE Zed Gold
ESS Kay Components Pvt Ltd	**Air Conditioner, Refrigerator, Heat Exchanges components:** The company manufactured the Tubing assemblies, Copper capillary, Machined parts, Return Blends, Refrigerator filter drier, Sheet Metal and Fittings	Consumer Durables Automotive / EV	NA	NA	NA	NA
EMM ESS Aircon Pvt Ltd	The company manufacture the air conditioning parts and components of copper	Consumer Durables Automotive / EV	NA	NA	NA	NA
Elin Electronics Limited	Lighting - Consumer LED, Luminaries, Homer Décor, LED Lamps, Solar Street Lights,	Automotive / EV Motors	3	NA	NA	ISO 14001 ISO 9001

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
	Consumer Luminaries, Door Bell, Switches, Torches Motors - Universal Motor, BLDC Motors, Hand Blender, Hand Mixer Motor, Synchronous Motor, Fan Blower Motor, Shaded Pole Motor, Hand Blender Motor (DC), Fan Motor - Maxx Air, Fan Motors, Induction Motor, BLDC Chimney Motor, Air Conditioner Motor, Wet Grinder Motor Home Comfort - OFR, Fans, Air Cooler Kitchen Appliances - OTG, Hand Blenders, MG, Hand Mixer, Kettle, Chimney, Air Fryer, Pop Up-Toaster GC - Iron, Steam Iron Press Personal Gromming - Trimmer, Hair Dryer, Hair Straightener Home Entertainment - Sound Box, Radio Medical Diagonistic - Cartridge	Lighting Tooling Electronics Medical Diagnostic Cartridges Molded and Sheet Metal Parts and Components Personal Care Appliances				IATF 16949

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
Centum Electronics Limited	Electonics Management System Mechanical Electronic Equipment Design Embedded Software FPGA design Power Rf & Microwave CAD Mechanical Engineering	Aerospace Space Defence Communications Industry & Energy Medical Transportation Automotive / EV	2	NA	NA	ISO / IEC 27001 ISO 9001 ISO 13485 IRIS Railway ISO 16949 Environmental Management System ISO 14001 IPC 610 Class III & II J STD 001 RoHS Complaint ESD 20:20 Occupational Health and Safety Management System ISO 45001: 2018
Epack Durables Limited	Room Air Conditioners (RACs) Small Domestic Appliances (SDAs) Large Domestic Appliances (LDAs) Components - Heat Exchanger, PCBA, Universal Motor, Copper	Consumer Durable	3	NA	NA	ISO 9001 ISO 45001 ISO 14001

Company	Product Portfolio and offering	End use Industries/ application segment serviced	No. of plants	Production Capacities	Capacity Utilization (%)	Product Certification
	Tubbing, Plastics Molding, Cross Flpw Fan, Induction Coil, Copper Fabricated, Axial Fans					

Source: Company Reports

Note:

- For Koolking Industries India Ltd, production capacity and capacity utilisation are considered as of FY26
- Peers' production capacity and capacity utilisation are considered based on the companies' financial information as of FY26.
- NA – Not Available

8.2 Operations Parameters:

Particulars	Koolking Industries India Ltd			PG Electroplast Ltd			Amber Enterprises India Ltd		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
Repeat Customer	2,343.34	4,806.05	5,104.75	NA	NA	NA	NA	NA	NA
Revenue from operations (in INR Mn)	2,399.38	4,831.42	5,267.45	27,464.95	48,695.32	52,880.22	67,292.69	99,730.16	1,21,864.77
Revenue from Repeat Customers (%)	**97.66%**	**99.47%**	**96.91%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Imported Purchases (% of Total Purchases)	**49.84%**	**48.26%**	**53.07%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Installed Capacity (Million units)	279.86	331.72	419.26	NA	NA	NA	NA	NA	NA

Source: Company Reports

Note: NA – Not Available

Particulars	KRN Heat Exchanger & Refrigeration Ltd			J Pan Tubular Components Ltd*			Elin Electronics Limited		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
Repeat Customer	NA	NA	NA	NA	NA	NA	NA	NA	NA
Revenue from operations (in INR Mn)	3,082.83	4,298.49	6,000.58	3,017.28	3,890.78	4,680.86	10,417.17	11,802.06	12,877.27
Revenue from Repeat Customers (%)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Imported Purchases (% of Total Purchases)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Installed Capacity (Million units)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Source: Company Reports

Note:

- * - Standalone data
- NA – Not Available

Particulars	Centum Electronics Limited			Epack Durables Limited		
	FY24	FY25	FY26	FY24	FY25	FY26
Repeat Customer	NA	NA	NA	NA	NA	NA
Revenue from operations (in INR Mn)	10,908.20	7,402.59	9,527.49	14,195.58	21,708.71	18,944.55
Revenue from Repeat Customers (%)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Imported Purchases (% of Total Purchases)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Installed Capacity (Million units)	NA	NA	NA	NA	NA	NA

Source: Company Reports

Note: NA – Not Available

Particulars	ESS Kay Components Pvt Ltd			EMM ESS Aircon Pvt Ltd		
	FY24	FY25	FY26	FY24	FY25	FY26
Repeat Customer	NA	NA	NA	NA	NA	NA
Revenue from operations (in INR Mn)	533.56	1,837.13	NA	3,439.92	5,570.00	NA
Revenue from Repeat Customers (%)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Imported Purchases (% of Total Purchases)	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Installed Capacity (Million units)	NA	NA	NA	NA	NA	NA

Source: Company Reports

Note:

- * - Standalone data
- NA – Not Available

8.3 Financial Parameters:

Peer Benchmarking (Rs. Million)

Particulars	Koolking Industries India Ltd			PG Electroplast Ltd			Amber Enterprises India Ltd		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
Revenue from operations	2,399.38	4,831.42	5,267.45	27,464.95	48,695.32	52,880.22	67,292.69	99,730.16	121,864.77
Gross Profit	620.20	1,224.18	1,522.77	5,402.27	9,164.33	9,327.37	12,293.36	17,874.59	22,386.73
Gross Profit Margin	25.85%	25.34%	28.91%	19.67%	18.82%	17.64%	18.27%	17.92%	18.37%
EBITDA	156.35	458.91	573.88	2,596.78	4,809.30	3,899.33	4,895.37	7,334.32	8,232.06
EBITDA Margin	6.52%	9.50%	10.89%	9.45%	9.88%	7.37%	7.27%	7.35%	6.76%
EBIT	135.94	429.41	533.77	2,130.66	4,153.15	3,017.60	3,030.08	5,051.25	5,006.50
EBIT Margin	5.67%	8.89%	10.13%	7.76%	8.53%	5.71%	4.50%	5.06%	4.11%
PAT	76.70	271.37	332.06	1,349.00	2,877.96	1,965.67	1,394.67	2,511.51	2,264.53
PAT Margin	3.20%	5.62%	6.30%	4.91%	5.91%	3.72%	2.07%	2.52%	1.86%
ROE	26.44%	57.55%	42.86%	18.81%	14.89%	6.69%	6.85%	11.35%	5.58%

ROCE	23.59%	43.40%	28.39%	17.42%	17.73%	8.80%	8.58%	12.59%	7.77%
Adjusted EBITDA	156.35	460.15	648.84	2,514.68	4,629.44	4,287.03	4,895.37	7,334.32	8,232.06
Adjusted EBITDA Margin	6.52%	9.52%	12.32%	9.16%	9.51%	8.11%	7.27%	7.35%	6.76%
Adjusted EBIT	135.94	430.65	608.73	2,048.56	3,973.29	3,405.30	3,030.08	5,051.25	5,006.50
Adjusted EBIT Margin	5.67%	8.91%	11.56%	7.46%	8.16%	6.44%	4.50%	5.06%	4.11%
Adjusted PAT	68.18	275.34	416.11	1,266.90	2,698.10	2,353.37	1,225.75	2,344.42	2,201.52
Adjusted PAT Margin	2.84%	5.70%	7.90%	4.61%	5.54%	4.45%	1.82%	2.35%	1.81%
Adjusted ROE	23.50%	58.39%	53.71%	17.67%	13.96%	8.01%	6.02%	10.59%	5.43%
Adjusted ROCE	23.59%	43.53%	32.38%	16.75%	16.96%	9.93%	8.58%	12.59%	7.77%
Fixed Turnover Ratio	6.43	10.01	8.25	4.05	5.08	3.96	3.47	4.57	4.47
Imported Purchases (in INR Mn)	940.01	1,921.77	2,518.60	-	-	-	-	-	-

Source: Company Financials

(Rs. Million)

Particulars	KRN Heat Exchanger & Refrigeration Ltd			J Pan Tubular Components Ltd			Elin Electronics Limited		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
Revenue from operations	3,082.83	4,298.49	6,000.58	3,017.28	3,890.78	4,680.86	10,417.17	11,802.06	12,877.27
Gross Profit	860.27	1,109.08	1,882.67	651.38	968.92	992.71	2,711.02	3,048.56	3,191.37
Gross Profit Margin	27.91%	25.80%	31.37%	21.59%	24.90%	21.21%	26.02%	25.83%	24.78%
EBITDA	584.52	705.09	1,128.73	233.67	406.13	409.24	405.41	523.66	546.48
EBITDA Margin	18.96%	16.40%	18.81%	7.74%	10.44%	8.74%	3.89%	4.44%	4.24%
EBIT	544.62	658.77	941.08	166.58	322.32	304.25	186.92	277.54	302.81
EBIT Margin	17.67%	15.33%	15.68%	5.52%	8.28%	6.50%	1.79%	2.35%	2.35%
PAT	393.90	528.75	764.67	105.39	197.28	175.56	138.74	293.22	225.91
PAT Margin	12.78%	12.30%	12.74%	3.49%	5.07%	3.75%	1.33%	2.48%	1.75%
ROE	41.49%	16.81%	14.26%	20.91%	29.69%	20.43%	2.79%	5.65%	4.14%
ROCE	34.75%	17.58%	14.55%	18.13%	25.45%	17.38%	3.44%	5.17%	5.35%
Adjusted EBITDA	584.52	705.90	1,128.73	233.67	406.13	409.24	405.41	523.66	548.63
Adjusted EBITDA Margin	18.96%	16.42%	18.81%	7.74%	10.44%	8.74%	3.89%	4.44%	4.26%
Adjusted EBIT	544.62	659.58	941.08	166.58	322.32	304.25	186.92	277.54	304.96
Adjusted EBIT Margin	17.67%	15.34%	15.68%	5.52%	8.28%	6.50%	1.79%	2.35%	2.37%
Adjusted PAT	370.21	509.14	757.84	98.12	186.48	164.55	138.15	291.38	228.06
Adjusted PAT Margin	12.01%	11.84%	12.63%	3.25%	4.79%	3.52%	1.33%	2.47%	1.77%
Adjusted ROE	39.00%	16.19%	14.13%	19.47%	28.06%	19.15%	2.77%	5.62%	4.18%
Adjusted ROCE	34.75%	17.60%	14.55%	18.13%	25.45%	17.38%	3.44%	5.17%	5.39%
Fixed Turnover Ratio	5.42	5.15	3.02	6.87	7.38	7.50	4.59	5.03	5.17

Imported Purchases (in INR Mn)	-	-	-	-	-	-	-	-	-

Source: Company Financials

Note:

- * - Standalone Data

(Rs. Million)

Particulars	Centum Electronics Limited			Epack Durables Limited		
	FY24	FY25	FY26	FY24	FY25	FY26
Revenue from operations	10,908.20	7,402.59	9,527.49	14,195.58	21,708.71	18,944.55
Gross Profit	5,653.29	2,812.61	3,310.67	2,296.25	3,531.39	2,869.59
Gross Profit Margin	51.83%	37.99%	34.75%	16.18%	16.27%	15.15%
EBITDA	809.69	465.63	-170.74	1,146.80	1,546.72	1,074.71
EBITDA Margin	7.42%	6.29%	-1.79%	8.08%	7.12%	5.67%
EBIT	356.95	270.52	-365.79	792.01	1,072.79	534.90
EBIT Margin	3.27%	3.65%	-3.84%	5.58%	4.94%	2.82%
PAT	-27.55	-19.27	-518.06	353.73	551.40	32.59
PAT Margin	-0.25%	-0.26%	-5.44%	2.49%	2.54%	0.17%
ROE	-1.37%	-0.65%	-14.40%	5.87%	5.98%	0.34%
ROCE	7.51%	5.30%	-7.10%	7.48%	8.11%	3.49%
Adjusted EBITDA	853.20	473.88	-102.42	1146.80	1546.72	1146.11
Adjusted EBITDA Margin	7.82%	6.40%	-1.07%	8.08%	7.12%	6.05%
Adjusted EBIT	400.46	278.77	-297.47	792.01	1072.79	606.30
Adjusted EBIT Margin	3.67%	3.77%	-3.12%	5.58%	4.94%	3.20%
Adjusted PAT	15.96	-11.02	-449.74	305.05	528.97	103.99
Adjusted PAT Margin	0.15%	-0.15%	-4.72%	2.15%	2.44%	0.55%
Adjusted ROE	0.80%	-0.37%	-12.50%	5.06%	5.74%	1.09%
Adjusted ROCE	8.42%	5.47%	-5.78%	7.48%	8.11%	3.95%
Fixed Turnover Ratio	6.84	4.66	6.61	2.59	3.18	2.37
Imported Purchases (in INR Mn)	-	-	-	-	-	-

Source: Company Financials

(Rs. Million)

Particulars	ESS Kay Components Pvt Ltd			EMM ESS Aircon Pvt Ltd		
	FY24	FY25	FY26	FY24	FY25	FY26
Revenue from operations	533.56	1,837.13	NA	3,439.92	5,570.00	NA
Gross Profit	122.95	330.25	NA	717.84	1,110.31	NA
Gross Profit Margin	23.04%	17.98%	NA	20.87%	19.93%	NA
EBITDA	34.28	143.03	NA	169.99	263.97	NA
EBITDA Margin	6.42%	7.79%	NA	4.94%	4.74%	NA
EBIT	13.63	109.41	NA	97.68	149.68	NA
EBIT Margin	2.55%	5.96%	NA	2.84%	2.69%	NA
PAT	3.18	71.87	NA	20.63	40.88	NA
PAT Margin	0.60%	3.91%	NA	0.60%	0.73%	NA
ROE	8.38%	94.99%	NA	13.79%	22.67%	NA
ROCE	9.62%	34.77%	NA	18.15%	22.39%	NA
Adjusted EBITDA	34.28	143.03	NA	169.99	263.97	NA
Adjusted EBITDA Margin	6.42%	7.79%	NA	4.94%	4.74%	NA
Adjusted EBIT	13.63	109.41	NA	97.68	149.68	NA
Adjusted EBIT Margin	2.55%	5.96%	NA	2.84%	2.69%	NA
Adjusted PAT	3.18	71.87	NA	20.63	40.88	NA
Adjusted PAT Margin	0.60%	3.91%	NA	0.60%	0.73%	NA
Adjusted ROE	8.38%	94.99%	NA	13.79%	22.67%	NA
Adjusted ROCE	9.62%	34.77%	NA	18.15%	22.39%	NA
Fixed Turnover Ratio	5.43	7.92	NA	8.11	9.17	NA
Imported Purchases (in INR Mn)	-	-	-	-	-	-

Source: Company Financials

Note:

- * - Standalone data
- NA – Not Available

OUR BUSINESS

*Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "**Forward Looking Statements**" beginning on page 21 for a discussion of the risks and uncertainties related to those statements and also the sections "**Risk Factors**" beginning on page 23. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. To obtain a complete understanding of us and our businesses, prospective investors should read this section in conjunction with "**Risk Factors**", "**Industry Overview**", "**Management's Discussions and Analysis of Financial Condition and Results of Operations**" and "**Restated Financial Information**" beginning on pages 23, 198, 428 and 368, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, please refer to "**Definitions and Abbreviations**" beginning on page 2 for certain terms used in this section.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is derived from our Restated Financial Information as of and for the Fiscals 2026, 2025 and 2024, as included in this Draft Red Herring Prospectus. For further information, see "**Financial Information – Restated Financial Information**" beginning on page 368. Our fiscal year ends on March 31 of each year, and references to a particular Fiscal are to the 12 months ending on March 31 of that year.*

*We have included various key operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. For further details, see "**Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable**" on page 73.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the industry report titled "Industry Research Report on Electronics System Design and Manufacturing" dated September, 2026 (the "**CARE Report**"), prepared and released by CARE, which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated October 29, 2025, for the purpose of understanding the industry in connection with this Offer. A copy of the CARE Report is available on the website of our Company at https://kpmgroupindia.com/industry-reports. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant financial year. See "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**" and "**Risk Factors – Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing**" on pages 20 and 69, respectively.*

Unless otherwise stated, references in this section to "we", "our", "us", "the Company" or "our Company" refers to Koolking Industries India Limited on a standalone basis.

OVERVIEW

We are one of the leading manufacturers and supplier of heating, ventilation, and air conditioning (HVAC) components in India based on the 15% share on our TAM as of FY26 (*Source: CARE Report*). We possess a robust market presence, serving 8 of the top 10 HVAC manufacturers in the country. (*Source: CARE Report*) Our presence across multiple product verticals and price points has enabled us to be one of the fastest-growing manufacturers and suppliers of HVAC components in India among the peers considered, based on EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26 (*Source: CARE Report*).

We undertake operations across 5 Manufacturing Facilities located in Punjab, Uttar Pradesh, Rajasthan and Andhra Pradesh, of which 3 Manufacturing Facilities are strategically located in proximity to the manufacturing clusters of our customers and other HVAC manufacturers. Our product portfolio finds application in commercial and residential air conditioners, including in (i) window air conditioners ("**WACs**") and (ii) spilt air conditioners ("**SACs**") (comprising of indoor units ("**IDUs**") and outdoor units ("**ODUs**")) as well as in the refrigeration industry. (*Source: CARE Report*) We manufacture and supply a comprehensive range of brass and copper HVAC components across four business verticals, namely, (i) IDU components, such as U-bends, evaporator inlet and outlet tubes, and sockets; (ii) ODU components, such as suction tubes, condenser inlet and outlet tubes, C-bends and discharge tubes; (iii) other HVAC components, such as brass flare nuts and dead nuts; and (iv) refrigeration components, such as refrigeration lines. (*Source: CARE Report*)

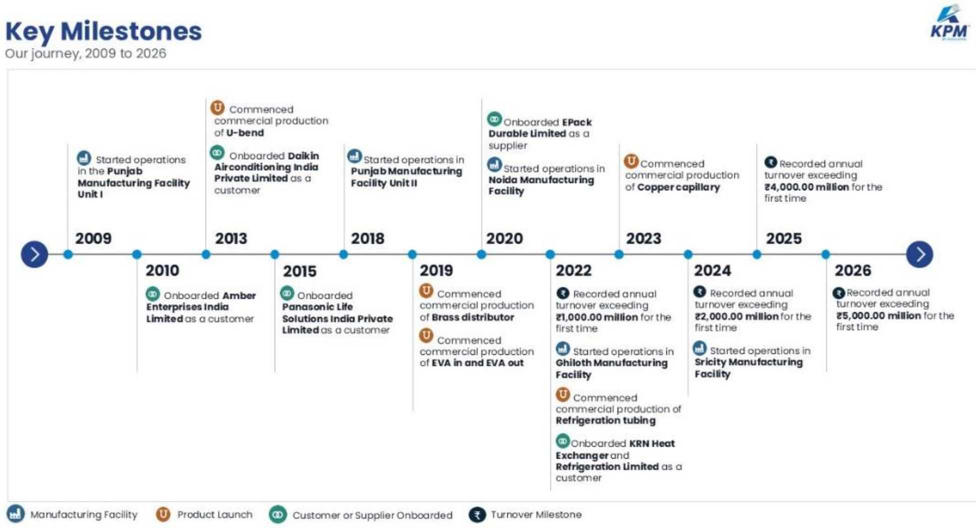
Our Company was incorporated in 2008 and commenced operations in the copper and brass HVAC components vertical in 2009. As on the date of this Draft Red Herring Prospectus, we are a second-generation, family-managed business that has evolved from a single-unit copper HVAC components manufacturer into a diversified player in the organised HVAC manufacturing and supply chain with a wide geographical manufacturing presence.

We believe, we are well placed and our position is differentiated by, among other factors, (i) the high entry barriers of our industry, where OEMs and ODMs impose stringent pre-qualification, testing and quality control requirements that are difficult and time-consuming for a new entrant to replicate; (ii) the strategic location of majority of our Manufacturing Facilities in proximity to our customers, which enables shorter turnaround times, lower logistics costs and higher service levels; and (iii) our established, long-standing relationships with marquee customers such as Daikin Airconditioning India Private Limited, Amber Enterprises India Limited, KRN Heat Exchanger and Refrigeration Limited, EPack Durable Limited and Panasonic Life Solutions India Private Limited with resulted in over 95.00% Revenue from Repeat Customers as a percentage of Revenue from Operations in the last three Fiscal Years. Our long-term relationship with our top 6 customers spans across 5 to 10 years as of July 31, 2026. Our commitment to quality is reflected in the certifications we hold, including ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities.

The addressable market for the Company's current products is estimated at approximately Rs. 34,800 million in FY26 and addressable market for Company's current and proposed products is expected to grow to Rs. 83,500 million in FY30, implying a CAGR of 24.46% (*Source: CARE Report*). The Indian components industry for air conditioners and refrigerators is expected to grow from Rs. 4,55,008 million in FY26 to Rs. 6,31,042 million by FY30, implying a CAGR of 8.5% (*Source: CARE Report*). This growth is underpinned by rising domestic demand for air conditioners and refrigerators, improving household penetration and increasing replacement demand of cooling appliances, the shift towards inverter-based and energy-efficient appliances which increases the component content per unit, government policies promoting localisation and import substitution, and the increasing preference of appliance manufacturers for component suppliers located in proximity to their production facilities (*Source: CARE Report*).

Our diversified portfolio of brass and copper components for HVAC and refrigeration systems, 3 of our 5 Manufacturing Facilities located in close proximity to the manufacturing clusters of our customers, and our established relationships with large domestic and global original design manufacturers ("**ODMs**") enable us to take advantage of these growth drivers.

Our journey since incorporation is demonstrated below:



Our evolution journey is backed by our diversified product portfolio, established operational and executional capabilities, promoter's vision, strong and long-term relationship with customers and consistent financial performance, which has helped us to establish several leadership positions in the HVAC components industry (*Source: CARE Report*).

As on July 31, 2026, we offered 1,697 SKUs across our four business verticals: (i) IDU components; (ii) ODU components; (iii) other HVAC components; and (iv) refrigeration components.

The table below sets forth a break-up of our revenue from operations for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
IDU components	2,208.20	41.92	1,959.83	40.56	1,169.65	48.75
ODU components	2,111.67	40.09	1843.93	38.17	867.89	36.17
Other components*	276.83	5.26	583.72	12.08	156.24	6.51
Other operating revenue^	670.75	12.73	443.94	9.19	205.60	8.57
Total revenue from operations	**5,267.45**	**100.00**	**4,831.42**	**100.00**	**2,399.38**	**100.00**

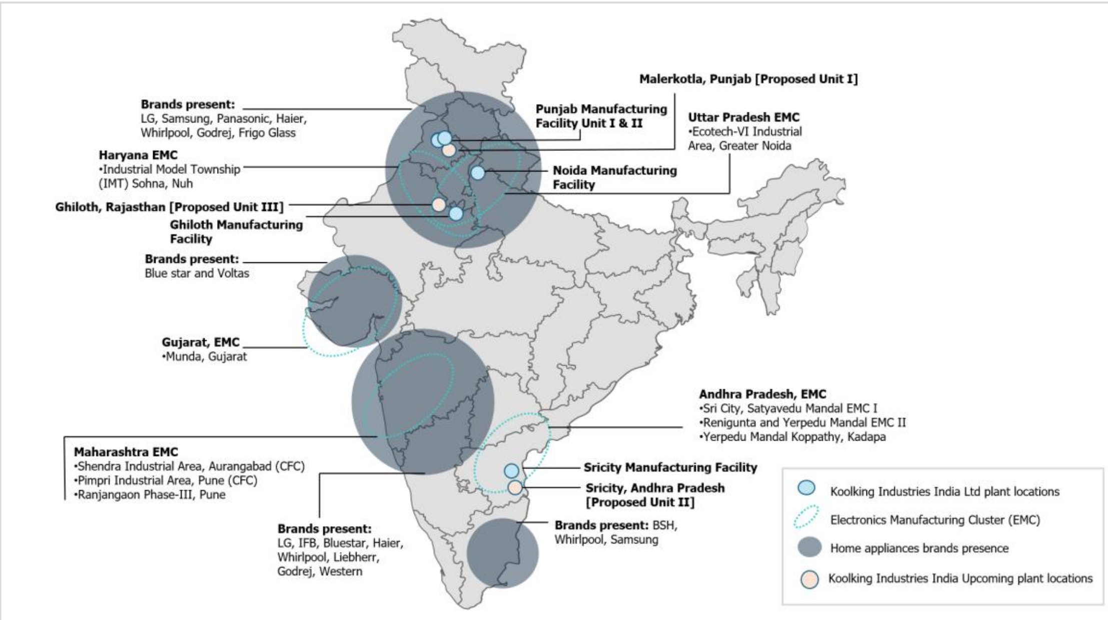
* *Including other HVAC components, refrigeration components*
^ *Including scrap sales*

We supply our products to a diversified client base which includes large ODMs manufacturing air conditioners with various specifications, across a range of energy ratings and types of refrigerants. Backed by our in-house new product development ("**NPD**") function, we are able to ensure seamless transition from design to commercial production for customized solutions based on the customer-provided designs and technical specifications.

In the past we have been recognized by customers for the high-quality of the products supplied by us, which is one of the factors that has helped us establish long term relationships with several large domestic and global ODMs, which resulted in us having over 95.00% Revenue from Repeat Customers as a percentage of Revenue from Operations as a in the last three Fiscal Years.

Our in-house manufacturing has contributed towards maintaining consistent product quality. As on the date of this Draft Red Herring Prospectus, we undertake our manufacturing operations in five Manufacturing Facilities strategically located across India.

The map below indicates the location of our 5 Manufacturing Facilities, as on date of this Draft Red Herring Prospectus:



(*Source: CARE Report*)

For further details on our Manufacturing Facilities, see "**– *Manufacturing Facilities and warehouse***" on page 312.

Our Promoters have been an integral part in the establishment and growth of our Company and with over 54 years of collective experience in the HVAC components industry. We benefit from experienced Promoters and Senior Management Personnel, who bring domain expertise to our operations and have contributed to the growth of our Company. We believe that our dedicated management team enables us to identify market opportunities, formulate and execute our business strategies, manage customer expectations and respond proactively to changes in market conditions.

The table below sets out our financial performance measures as at the dates and for the periods indicated below:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs				
Revenue from Operations(1)	₹ in million	5,267.45	4,831.42	2,399.38
Gross Profit(2)	₹ in million	1,522.77	1,224.18	620.20
Gross Profit Margin(3)	%	28.91	25.34	25.85
Reported EBITDA(4)	₹ in million	573.88	458.91	156.35
Reported EBITDA Margin(5)	%	10.89	9.50	6.52
Reported EBIT(6)	₹ in million	533.77	429.41	135.94
Reported EBIT Margin(7)	%	10.13	8.89	5.67
Reported PAT(8)	₹ in million	332.06	271.37	76.70
Reported PAT Margin(9)	%	6.30	5.62	3.20
Reported ROE(10)	%	42.86	57.55	26.44
Reported ROCE(11)	%	28.39	43.40	23.59
Adjusted EBITDA(12)	₹ in million	648.84	460.15	156.35
Adjusted EBITDA Margin(13)	%	12.32	9.52	6.52
Adjusted EBIT(14)	₹ in million	608.73	430.65	135.94
Adjusted EBIT Margin(15)	%	11.56	8.91	5.67
Adjusted PAT(16)	₹ in million	416.11	275.34	68.18
Adjusted PAT Margin(17)	%	7.90	5.70	2.84
Adjusted ROE(18)	%	53.71	58.39	23.50
Adjusted ROCE(19)	%	32.38	43.53	23.59
Fixed Asset Turnover Ratio(20)	Times	8.25	10.01	6.43
Imported Purchases of raw material(21)	₹ in million	2,518.60	1,921.77	940.01
Operational KPIs				
Revenue from Repeat Customers as a percentage of Revenue from Operations (22)	%	96.91	99.47	97.66
Imported Purchases of raw material as a percentage of total raw material Purchases(23)	%	53.07	48.26	49.84
Installed Capacity(24)	Million units	419.26	331.72	279.86

Notes:

(1) Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.

(2) Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.

(3) Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.

(4) Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.

(5) Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.

(6) Reported EBIT is calculated as Reported EBITDA less depreciation and amortisation expense.

(7) Reported EBIT Margin (%) is calculated as Reported EBIT as a percentage of Revenue from Operations.

(8) Reported PAT represents the profit after tax for the Fiscal, as per the Restated Financial Information.

(9) Reported PAT Margin (%) is calculated as Reported PAT as a percentage of Revenue from Operations.

(10) Reported Return on Equity (%) is calculated as Reported PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.

(11) Reported Return on Capital Employed (%) is calculated as Reported EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.

(12) Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.

(13) Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations

(14) Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortisation expense.

(15) *Adjusted EBIT Margin (%) is calculated as Adjusted EBIT as a percentage of Revenue from Operations.*

(16) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*

(17) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*

(18) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(19) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(20) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*

(21) *Imported Purchases of raw materials represents the aggregate value of raw materials imported by the Company during the Fiscal.*

(22) *Revenue from Repeat Customers as a percentage of Revenue from Operations (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.*

(23) *Imported Purchases of raw material as a percentage of total raw material Purchases (%) is calculated as Imported Purchases as a percentage of the aggregate value of purchases of raw materials made by the Company during the Fiscal.*

(24) *Installed Capacity represents the aggregate installed manufacturing capacity across all the Manufacturing Facilities as at the end of the relevant Fiscal, expressed in million units, as certified by a Chartered Engineer.*

For further details, see "***Basis for the Offer Price***" beginning on page 174.

OUR COMPETITIVE STRENGTHS

Established position as a pre-qualified supplier to leading ODMs in an industry with high entry barriers

The HVAC component industry presents significant barriers to entry, primarily due to stringent pre-qualification requirements imposed by OEMs and ODMs during their vendor selection and procurement processes. (*Source: CARE Report*) These qualification standards are designed to ensure product quality, manufacturing capability, accountability, efficiency, and long-term supply reliability. (*Source: CARE Report*) Suppliers are typically required to demonstrate technical expertise, advanced manufacturing infrastructure, comprehensive testing and quality control systems, customised product development capabilities, and compliance with customer-specific requirements before commercial approval is granted. (*Source: CARE Report*) The industry is also characterised by technical knowledge and capabilities, testing and quality control requirements, customised solutions, OEM/ ODM pre-qualification requirements, vendor rationalisation, partnerships with leading brands and manufacturers, manufacturer size and infrastructure and economies of scale. (*Source: CARE Report*)

The HVAC components industry is structurally characterised by an active vendor rationalisation strategy, wherein original equipment manufacturers (OEMs) and original design manufacturers (ODMs) systematically reduce their supplier base to improve procurement efficiency, maintain consistency in material quality, enhance thermal performance, and ensure product reliability and system safety. (*Source: CARE Report*) Consequently, procurement is increasingly concentrated among organised component manufacturers that possess strong engineering capabilities, robust quality management systems, and the ability to consistently meet stringent customer specifications. (*Source: CARE Report*) Since the components we manufacture are incorporated into the refrigerant and heat exchange systems of air conditioners and refrigeration equipment and accordingly affect the performance and reliability of the finished appliance, our customers apply rigorous standards in selecting and retaining suppliers such as us.

We have manufactured and supplied HVAC components since 2008 and, as on July 31, 2026, offered 1,697 SKUs across our four business verticals, being (i) IDU components; (ii) ODU components; (iii) other HVAC components; and (iv) refrigeration components. We have completed the technical approval, testing and quality control processes of several leading domestic and global ODMs, and we also hold ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities. As on July 31, 2026, we have long standing relationships with our top 6 customers spanning over 5-10 years.

We have received various supplier ratings and customer recognitions from several of our customers during Fiscal 2022 to Fiscal 2026, including the following:

Customer	Recognition/ rating
Daikin Airconditioning India Private Limited	Grade A supplier rating for quality
EPack Durable Limited	Grade A supplier rating for quality
Amber Enterprises India Limited	Certificate of Appreciation for Excellent Customer Support

Carrier Air Conditioning & Refrigeration Limited	Best MSME Supplier
Carrier Air Conditioning & Refrigeration Limited	Certificate of Appreciation for continued support in business association and customer satisfaction

We believe that the qualifications we hold, together with our technical knowledge, our ability to deliver customised solutions and the scale of our manufacturing infrastructure, would be difficult and time consuming for a new entrant to replicate. Accordingly, we believe that the entry barriers in our industry operate in our favour, by protecting our existing customer relationships, supporting the continuity of our repeat orders and positioning us to benefit as our customers continue to rationalise their vendor base.

We are one of the leading manufacturers in a growing HVAC components industry in India, with supply relationships with 8 of the top 10 HVAC manufacturers in the country

The Indian air conditioner market has recorded strong growth in value terms, increasing from approximately Rs. 162,181 million in FY21 to Rs. 374,660 million in FY26, while household penetration of air conditioners in India increased from 6% in 2019 to 10% in 2024, which remains below the penetration levels in several other developing and developed economies, indicating scope for increased demand for cooling solutions. (*Source: CARE Report*) The Indian components industry for air conditioners and refrigerators is expected to grow from Rs. 4,55,008 million in FY26 to Rs. 6,31,042 million by FY30, driven by, among other factors, rising domestic demand for air conditioners and refrigerators, improving household penetration and increasing replacement demand of cooling appliances, the shift towards inverter-based and energy-efficient appliances which increases the component content per unit, government policies promoting localisation and import substitution, and the increasing preference of appliance manufacturers for component suppliers located in proximity to their production facilities. (*Source: CARE Report*)

As of Fiscal 2026, we had a market share of 15% share on the company's TAM as of FY26. (*Source: CARE Report*) The Indian air-conditioner market volume is estimated at approximately 16.7 million units in FY30, based on 12.8 million units in FY27 growing at a CAGR of 9.3%. (*Source: CARE Report*) The average realisation per air conditioner is currently estimated at Rs. 3,000 and is expected to increase to approximately Rs. 5,000 over the forecast period. (*Source: CARE Report*) At an average product realisation of Rs. 3,000 per air conditioner, the addressable market is estimated at approximately Rs. 50,100 million (Rs. 5,010 crore) in FY30, while at an average realisation of Rs. 5,000 per air conditioner, it is estimated at approximately Rs. 83,500 million (Rs. 8,350 crore) in FY30, implying a CAGR of 24.46%. (*Source: CARE Report*) Our proposed products, including, heat exchangers, service valves and sheet metal components, and sintered bushes, to be manufactured at the three new manufacturing facilities proposed to be set up using the Net Proceeds, are complementary to our current products.

We manufacture and supply a comprehensive range of brass and copper HVAC components across four business verticals, namely, (i) IDU components, such as U-bends, evaporator inlet and outlet tubes, and sockets; (ii) ODU components, such as suction tubes, condenser inlet and outlet tubes, C-bends and discharge tubes; (iii) other HVAC components, such as brass flare nuts and dead nuts; and (iv) refrigeration components, such as refrigeration lines. (*Source: CARE Report*) We serve 8 of the top 10 HVAC manufacturers in India (*Source: CARE Report*). Our presence across multiple product verticals and price points has enabled us to be one of the fastest-growing manufacturers and suppliers of HVAC components in India among the peers considered, based on EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26 (*Source: CARE Report*). We believe that our presence across the HVAC and refrigerator components segment, which we intend to expand through our proposed products, together with our customer relationships and our in-house capabilities across procurement of raw materials, product development, manufacturing and sales, positions us to grow along with the industry and to increase our share of our customers' component requirements.

Majority of our Manufacturing Facilities are strategically located with close proximity to our customers and stringent quality control

Proximity of component manufacturers to OEM production facilities has emerged as a key structural driver for the industry. (*Source: CARE Report*) Locating component plants near OEM manufacturing hubs enables faster turnaround times, lower logistics costs, reduced inventory requirements, and improved supply-chain coordination. (*Source: CARE Report*) This geographic clustering supports just-in-time delivery models, enhances quality control through closer collaboration, and allows suppliers to respond quickly to design changes or demand fluctuations. (*Source: CARE Report*)

As on the date of this Draft Red Herring Prospectus, we operate 5 Manufacturing Facilities located in Punjab, Uttar Pradesh, Rajasthan and Andhra Pradesh, and as on July 31, 2026, we had 773 employees. Majority of our Manufacturing Facilities are located in close proximity to manufacturing facilities of certain customers and other manufacturers in the HVAC and related industries, and we believe that this enables us to maintain shorter turnaround times and higher service levels for our customers. The following table sets out the manufacturing facilities of our customers located in proximity to 3 of our Manufacturing Facilities:

Manufacturing Facility	Nearby customer facilities
Noida Manufacturing Facility	Amber Enterprises India Limited
Ghiloth Manufacturing Facility	Amber Enterprises India Limited, Daikin Airconditioning India Private Limited, KRN Heat Exchanger and Refrigeration Limited and EPack Durable Limited
Sricity Manufacturing Facility	Daikin Airconditioning India Private Limited, Amber Enterprises India Limited and Panasonic Life Solutions India Private Limited

(*Source: CARE Report*)

For further details on the location of our Manufacturing Facilities, see "***– Overview***" on page 293.

In line with our focus on bringing in operational efficiency, our manufacturing operations involve a degree of automation, and accordingly reducing the margin of error and inefficiencies typically associated with manufacturing processes operated manually. In addition, our extensive equipment and degree of automation have helped us to maintain our cost efficiency, which we seek to rely on to gain an edge over our competitors. Our Manufacturing Facilities have a total installed capacity of 419.26 million units per annum across a wide range of products, as on March 31, 2026. For further details on our Manufacturing Facilities and the installed capacity and capacity utilisation, see "– ***Manufacturing Facilities and warehouse***" on page 312.

Quality control and assurance are key focus areas in our manufacturing process. We have implemented comprehensive quality systems and conduct regular internal audits to ensure compliance with applicable local and international standards, which enables us to maintain consistency, precision and reliability in our products and to meet the stringent requirements of our customers. We monitor our products through our in-house quality team comprising 113 personnel, including 85 on-roll employees and 28 contractual employees, as on July 31, 2026, which conducts quality checks at each stage of the manufacturing process. For further details, see "– ***Quality Control***" on page 318.

We believe that the location of our Manufacturing Facilities in proximity to our customers, together with our in-house quality control capabilities, enables us to offer shorter turnaround times, consistent product quality and reliability of supply, which we believe has supported our ability to retain customers and secure repeat orders from them.

Comprehensive product portfolio across various product verticals and price points, supported by our NPD capabilities and customer-focused product development

Our Company was incorporated in 2008 and commenced operations in the copper and brass HVAC components vertical in 2009. As on the date of this Draft Red Herring Prospectus, we are a second-generation, family-managed business that has evolved from a single-unit copper HVAC components manufacturer into a diversified player in the organised HVAC manufacturing and supply chain with a wide geographical manufacturing presence. We have consistently demonstrated our ability to identify, develop, and scale new product verticals in response to evolving industry needs.

Our ability to offer a broad spectrum of products allows us to meet varied customer requirements. Our diverse product range offers tailored solutions that match the unique needs of consumers, providing greater flexibility and choice and further strengthens our market proposition. We continue to expand our product portfolio to maintain our competitive advantage, for further details, see, "***– Our Growth Strategies Widen our product offerings in order to expand our wallet share with existing customers as well as acquiring new customers along with increasing our addressable market size***" on page 303.

Each of our Manufacturing Facilities houses NPD functions, which are supported by a dedicated team of 12 personnel, comprising 11 on-roll employees and one contractual employee, as on July 31, 2026. The NPD team undertakes a comprehensive feasibility assessment, including evaluation of raw material requirements, tooling and machinery requirements, production process planning, and cost and manufacturability analysis. Pursuant to the feasibility assessment, our NPD team undertakes initial product samples, which are submitted to customers for validation, testing and approval.

The NPD team acts as the bridge between the customer's technical requirements and our Company's manufacturing capabilities ensuring that every new component is properly designed, validated, rested and approved before entering mass production. For further details, see "*– **New Product Development ("NPD")***" on page 316.

Our growth has been driven by the adoption of technologies such as automatic tube cutting machines, integrated CNC bending machines, automatic forming machines, automatic brazing machines, leak testing machines, forging presses, and CNC turning and threading machines, and expansion into varied sectors. The establishment of Manufacturing Facilities in various regions has enabled us to scale our operations and introduce new product lines while maintaining quality and operational flexibility across geographies. For further details, see, "***– Our Competitive Strengths – Majority of our Manufacturing Facilities are strategically located with close proximity to our customers and stringent quality control***" on page 298.

Established and long-standing relationship with marquee customers across the organised HVAC industry

With over 17 years of operations, we cater to a diversified client base which includes large ODMs manufacturing air conditioners with various specifications, across a range of energy ratings and types of refrigerants. We serve a marquee customer base and have long standing relationships with several of our key customers, including various well established domestic and global ODMs, such as Daikin Airconditioning India Private Limited, Amber Enterprises India Limited, KRN Heat Exchanger and Refrigeration Limited, EPack Durable Limited, and Panasonic Life Solutions India Private Limited.

In addition to attracting new customers, we have a history of strong customer retention driven by our customer management practices. The following table sets forth certain key information about our customers for the periods indicated:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from repeat customers(1)	₹ in million	5,104.75	4,806.05	2,343.34
Revenue from operations(2)	₹ in million	5,267.45	4,831.42	2,399.38
Revenue from Repeat Customers as a percentage of Revenue from Operations (3)	%	96.91	99.47	97.66

Notes:

(1) Revenue from Repeat Customers represents the revenue from operations attributable to Repeat Customers during the Fiscal, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.

(2) Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.

(3) Revenue from Repeat Customers (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.

Our commitment to delivering high-quality products is reflected in the numerous accreditations and certifications we have earned, ensuring adherence to global standards. We have obtained various certifications including ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities. Further, our customers also have exacting quality standards and adhering to such standards is a pre-requisite for us to be able to obtain repeat orders from such customers, owing to which, 10 customers have undertaken 108 audits and have approved our Manufacturing Facilities and processes in the past three Fiscals. For further details on our quality systems, see "***– Quality Control***" on page 318.

We attribute our success to date in part to our strong customer base and also intend to rely on such customer base as a driver of our future growth and help expand our market share. We have focused on quality, ability to respond to any demand volatility with agility, ability to maintain consistent supply of our products, ability to work with our customers from the product conceptualisation stage, and the price competitiveness of our products in order to help us establish and maintain long term relationships with our customers. We strive to innovate and offer value-added and technologically advanced products and solutions to our customers. By doing so, we seek to deepen our customer relationships with the objective of becoming their preferred suppliers.

Experienced Promoters and senior management team with domain expertise supported by a well-trained and skilled workforce

We are led by an experienced management team that has the expertise and vision to manage and grow our business. Our business traces its origin to 2008, and we are today a second-generation promoter family-led business, with our Promoters having over 54 years of collective experience in the manufacture of HVAC and refrigeration components. Sajiv Gopal, one of our Promoters, Chairman and Whole-time Director, Malti Sood, one of our Promoters and Executive Director, and Varun Gopal, one of our Promoters and Managing Director and Chief Executive Officer, each have over 18 years of experience in the HVAC components industry and have been instrumental in our growth. Under the leadership of our Promoters, we have expanded our operations and established a presence in India.

Our Board of Directors also includes non-executive Directors, including independent directors, with experience across areas including engineering, marketing and finance. For further details, see "***Our Management – Board of Directors***" on page 343.

We have a well-qualified senior management team with experience in the HVAC components industry, which positions us to pursue future growth opportunities. For further details, see "***Our Management – Key Managerial Personnel and Senior Managerial Personnel***" on page 359.

We are supported by our employee base and believe we have a mutually beneficial relationship with our employees. We continuously strengthen our capabilities by providing in-house training to our workforce to diversify their skillsets and keep them updated with changes in manufacturing technologies and processes. We believe this helps us manage our operating expenses while supporting our growth. We have recruitment policies and hire qualified individuals. As of July 31, 2026, we had 773 full-time employees and 1,383 contractual employees.

Track record of healthy financial performance with margin expansion driven by operating leverage

Our continued focus on efficiency and productivity has enabled us to deliver consistent financial performance. We have established a track record of consistent revenue growth, profitability and high return ratios.

The table below sets forth some of key financial information and ratios for the periods mentioned:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations[(1)]	₹ in million	5,267.45	4,831.42	2,399.38
Gross Profit[(2)]	₹ in million	1,522.77	1,224.18	620.20
Gross Profit Margin[(3)]	%	28.91	25.34	25.85
Reported EBITDA[(4)]	₹ in million	573.88	458.91	156.35
Reported EBITDA Margin[(5)]	%	10.89	9.50	6.52
Adjusted EBITDA[(6)]	₹ in million	648.84	460.15	156.35
Adjusted EBITDA Margin[(7)]	%	12.32	9.52	6.52
Adjusted PAT[(8)]	₹ in million	416.11	275.34	68.18
Adjusted PAT Margin[(9)]	%	7.90	5.70	2.84
Adjusted ROE[(10)]	%	53.71	58.39	23.50
Adjusted ROCE[(11)]	%	32.38	43.53	23.59
Fixed Asset Turnover Ratio[(12)]	Times	8.25	10.01	6.43

Notes:

(1) *Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.*

(2) *Gross Profit is calculated as Revenue from Operations less cost of raw materials consumed and changes in inventories of finished goods and work-in-progress.*

(3) *Gross Profit Margin (%) is calculated as Gross Profit as a percentage of Revenue from Operations.*

(4) *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*

(5) *Reported EBITDA Margin (%) is calculated as Reported EBITDA as a percentage of Revenue from Operations.*

(6) *Adjusted EBITDA is calculated as Reported EBITDA adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any, for the Fiscal.*

(7) *Adjusted EBITDA Margin (%) is calculated as Adjusted EBITDA as a percentage of Revenue from Operations*

(8) *Adjusted PAT is calculated as profit for the Fiscal adjusted for foreign exchange fluctuation including foreign exchange fluctuation loss on foreign currency loans to the extent regarded as an adjustment to interest cost, if any.*

(9) *Adjusted PAT Margin (%) is calculated as Adjusted PAT as a percentage of Revenue from Operations.*

(10) *Adjusted Return on Equity (%) is calculated as Adjusted PAT divided by average total equity for the Fiscal, where total equity comprises equity share capital, retained earnings and securities premium, and average total equity is the average of the opening and closing total equity for the Fiscal.*

(11) *Adjusted Return on Capital Employed (%) is calculated as Adjusted EBIT divided by average capital employed for the Fiscal, where capital employed comprises total equity (equity share capital, retained earnings and securities premium) plus total debt (borrowings and lease liabilities), and average capital employed is the average of the opening and closing capital employed for the Fiscal.*

(12) *Fixed Asset Turnover Ratio (in times) is calculated as Revenue from Operations divided by average net fixed assets for the Fiscal, where net fixed assets comprise written down value of property, plant and equipment, right-of-use assets and average net fixed assets is the average of the opening and closing net fixed assets for the Fiscal.*

We have achieved a EBITDA CAGR of 91.59% and a revenue CAGR of 48.17% between FY24 and FY26 (*Source: CARE Report*). This reflects the operating leverage played out in our business so far and we believe that it will continue to play a key role as we grow. As our revenue has scaled, we have been able to absorb our relatively fixed manufacturing and overhead costs over a larger revenue base which, together with the degree of automation in our manufacturing operations, our procurement scale and improvements in our product mix, has enabled our Reported EBITDA to grow at a faster rate than our Revenue from Operations.

Our financial results are driven by our focus on effective cost management, commitment to product quality and continuous process optimization, as well as the expansion of our manufacturing capacities. Our established financial performance highlights the strength of our manufacturing and management practices. Between Fiscal 2024 and Fiscal 2026, our Reported EBITDA Margin improved from 6.52% to 10.89%. We have expanded our installed capacity from 279.86 million units per annum as at the end of Fiscal 2024 to 419.26 million units per annum as at the end of Fiscal 2026, which has enabled us to cater to increasing demand from our customers and to expand our relationships across diverse products and geographies. We intend to further expand our manufacturing capacities by setting up 3 new manufacturing facilities and purchasing machinery and equipment for our existing Manufacturing Facilities, for which we propose to utilise ₹ 1,384.73 million and ₹ 145.27 million, respectively, from the Net Proceeds. For further details, see "***Objects of the Offer***" beginning on page 133.

OUR GROWTH STRATEGIES

Expansion of manufacturing capabilities by setting up 3 new manufacturing facilities in proximity to industry players and increasing capacities in our existing Manufacturing Facilities which will also help us tap the untapped markets and target new customers

The HVAC components industry is fragmented, with the presence of both organised and unorganised manufacturers. (*Source: CARE Report*) However, increasing localisation, stricter quality standards and higher customer expectations are driving demand towards organised, quality-driven and compliant component suppliers. (*Source: CARE Report*) The Indian components industry for air conditioners and refrigerators is expected to grow from Rs. 4,55,008 million in FY26 to Rs. 6,31,042 million by FY30, driven by, among other factors, rising domestic demand for air conditioners and refrigerators, improving household penetration and increasing replacement demand of cooling appliances, the shift towards inverter-based and energy-efficient appliances which increases the component content per unit, government policies promoting localisation and import substitution, and the increasing preference of appliance manufacturers for component suppliers located in proximity to their production facilities. (*Source: CARE Report*)

Due to the growth in our business and operations, our Manufacturing Facilities have been operating at or over 62.83%, 70.22% and 53.28% utilisation for the Fiscals 2026, 2025 and 2024, respectively. For further details, see "***– Manufacturing Facilities – Installed capacity and capacity utilisation***" on page 314.

In the past, we have undertaken further capital expenditure as indicated in the table below, primarily towards enhancing our manufacturing capabilities:

Particulars	**Fiscal 2026**	**Fiscal 2025**	**Fiscal 2024**
	Amount (₹ in million)		
Capital expenditure	303.35	148.66	163.57

For further information, see "***Restated Financial Information***" beginning on page 368.

As part of our growth strategy, we intend to continue to invest in creation of additional capacities, to strengthen our position in HVAC sector, as well as add new production lines for existing and new products, namely, heat exchangers, sheet metal components and service valves for RACs, and sintered bushes, and to the backward integration of hard copper tubes and brass rods. The products proposed to be manufactured pursuant to such expansion, in addition to the existing products are set out below:

Particulars	**Products proposed to be manufactured**
New product additions	(i) Heat exchangers (ii) Sheet metal components (iii) Service valves for RACs (iv) Sintered bushes
Backward integration	(i) Hard copper tubes (ii) Brass rods

The expansion of our manufacturing footprint is expected to support our growth along two complementary dimensions. First, by locating new units in proximity to key HVAC manufacturing clusters, we intend to target new customers for our existing range of products on account of our present geographic footprint. Second, the additional capacity is expected to enable us to manufacture and supply new products to our existing customers, thereby targeting an untapped market and deepening our relationships with our existing customers. For further details, see "***– Our Growth Strategies – Widen our product offerings in order to expand our wallet share with existing customers as well as acquiring new customers along with increasing our addressable market size***" on page 303. Towards this end and to enhance our manufacturing operations in order to meet the current and anticipated demand of our products, we intend to utilise an amount of ₹ 1,384.73 million from the Net Proceeds towards construction of 3 new manufacturing units at (i) Malerkotla, Punjab; (ii) Chinna Panduru, Andhra Pradesh; and (iii) Ghiloth, Rajasthan. For further details, see "***Objects of the Offer – Capital expenditure towards setting up of the Proposed Projects***" on page 137. Further in line with the above growth strategy, we also intend to utilise an amount of ₹ 145.27 million from the Net Proceeds towards purchase of machinery and equipment for our existing Manufacturing Facilities. For further details, see "***Objects of the Offer – Funding the capital expenditure towards purchase of new machinery and equipment at our existing Manufacturing Facilities***" on page 161.

We continue to focus on further integrating our operations and benefit from economies of scale and improve operating margins. We are focused on adopting the best practices and standards across our Manufacturing Facilities, drawing on our management's expertise and experience. By planning for a high utilization rate and with the commissioning of additional capacities we strive to continue increasing our production capacity, scale our operations, onboard new customers, introduce new products, and better serve our existing customers.

Widen our product offerings in order to expand our wallet share with existing customers as well as acquiring new customers along with increasing our addressable market size

The Indian air conditioner market has recorded strong growth in value terms, increasing from approximately Rs. 162,181 million in FY21 to Rs. 374,660 million in FY26, while household penetration of air conditioners in India increased from 6% in 2019 to 10% in 2024, which remains below the penetration levels in several other developing and developed economies, indicating scope for increased demand for cooling solutions. (*Source: CARE Report*) RAC market comprises a mix of multinational and domestic brands competing across premium, mid-range, and value segments. (*Source: CARE Report*) Top players in the industry include Voltas, LG Electronics, Daikin, Blue Star, Samsung Electronics, Haier, Havells, Godrej, Carrier, Panasonic, and other regional and international brands. (*Source: CARE Report*) Competition in the market is driven by factors such as energy efficiency, inverter technology, smart connectivity features, pricing strategies, distribution reach, localisation of manufacturing, and after-sales service capabilities. (*Source: CARE Report*) The market has also witnessed increasing investments in domestic manufacturing and component localisation, supported by rising demand, government incentives, and expansion of the organised retail and e-commerce ecosystem. (*Source: CARE Report*)

As a part of our growth strategy, our Company seeks to pursue emerging opportunities for diversifying our revenue streams. In line with this growth strategy, we have identified the opportunity to increase our value addition in our offerings to customers with potential products which are complementary to our current products, accordingly, we intend to continue to develop existing products as well as introduce new products, namely, heat exchangers, sheet metal components and service valves for RACs, sintered bushes, brass rods and copper tubes.. In line with the growth strategy, we intent to set up the three Manufacturing Facilities as well as expand the capacity of our existing Manufacturing Facilities. For further details see, "***– Our Growth Strategies – Expansion of manufacturing capabilities by setting up 3 new manufacturing facilities in proximity to industry players and increasing capacities in our existing Manufacturing Facilities which will also help us tap the untapped markets and target new customers***" on page 302. Details of our proposed new products, including their use case and the industries in which they find application, are set out below:

Name of the product	Use case for the product	Industry where it finds application
Heat exchangers	Used as a key component that facilitates efficient heat transfer between the refrigerant and surrounding air, enabling effective cooling or heating. It is designed for high thermal efficiency, durability, and reliable performance in air-conditioning systems	Air conditioning (RACs)

Name of the product	Use case for the product	Industry where it finds application
Sheet metal components	Used as precision-formed parts in air conditioning systems for structural support, protection, and airflow management. They are manufactured using high-quality metal sheets with processes such as cutting, bending, punching, and forming to ensure accurate dimensions and durability	Air conditioning
Service valves for RACs	Used as a precision component in refrigeration and air-conditioning systems for refrigerant charging, pressure measurement, evacuation, and system isolation. It ensures reliable refrigerant flow control and leak-free operation during installation, servicing, and maintenance	Air conditioning (RACs)
Sintered bushes	Used as a precision-engineered bearing component manufactured through powder metallurgy and sintering processes. It provides smooth, low-friction movement, excellent wear resistance, and reliable performance in rotating and moving applications	Juicer mixer
Brass Rods	Used as precision-engineered components used in air conditioning and refrigeration applications for manufacturing fittings, connectors, valves, and other critical parts. They offer excellent machinability, corrosion resistance, strength, and dimensional stability for reliable performance	Air conditioning (RACs)
Copper Tubes	Used for efficient circulation of refrigerant between the compressor, condenser, evaporator, and other air conditioning components. They offer excellent thermal conductivity, corrosion resistance, and durability, ensuring reliable and efficient AC performance	Refrigeration and air conditioning

(*Source: CARE Report*)

Through the new range of products, we expect to increase our wallet share and repeat orders from existing customers and to also attract new customers, in order to increase our market share and scale our business. We intend to draw on our experience, market position and ability to deliver quality products to customised foray into such other product offerings. The table below sets forth our revenue from repeat customers for the Fiscals indicated:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from repeat customers(1)	₹ in million	5,104.75	4,806.05	2,343.34
Revenue from operations(2)	₹ in million	5,267.45	4,831.42	2,399.38
Revenue from Repeat Customers as a percentage of Revenue from Operations (3)	%	96.91	99.47	97.66

Notes:

(1) Revenue from Repeat Customers represents the revenue from operations attributable to Repeat Customers during the Fiscal, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.

(2) Revenue from Operations represents the revenue from operations of the Company for the relevant Fiscal, as per the Restated Financial Information.

(3) Revenue from Repeat Customers (%) is calculated as the revenue from operations attributable to Repeat Customers during the Fiscal as a percentage of Revenue from Operations, where a Repeat Customer is a customer that has transacted with the Company in the relevant Fiscal and in the preceding financial year.

Our proposed new product verticals are complementary to the components that we currently supply and are used in the same air conditioning and refrigeration systems, which we believe will enable us to cross-sell these products to our existing customers. As appliance manufacturers seek to rationalise and consolidate their vendor base, we believe that our ability to supply a wider basket of components from our existing Manufacturing Facilities, together with our existing qualification with such customers, will allow us to increase our wallet share with each customer without a corresponding increase in customer acquisition effort or in the qualification lead time that is typically required for a new vendor.

Continuing focus on reducing operating costs through backward integration and economies of scale to take continuing advantage of operating leverage

We continue to invest in increasing our operational efficiency. We are committed to further optimizing our production processes by improving our installed production capability, debottlenecking our critical production processes and minimising wastage during production. We estimate that our advanced Manufacturing Facilities will help us reduce production costs and increase production. Our proposed capital expenditure also includes expenditure towards backward integration, which is expected to enable us to manufacture hard copper tube and brass rod products that are currently procured externally. This backward integration is expected to support our operations by achieving cost savings and better control over our supply chain, including by reducing reliance on third-party suppliers and improving quality consistency and margins.

Hard copper tubes and brass rods are critical inputs for our products. We generate scrap in the course of our manufacturing operations, which we intend to utilise as a key input for manufacturing hard copper tubes and brass rods in-house, for captive consumption in our existing manufacturing operations. We expect this to reduce our procurement costs for these inputs and contribute to lower overall production costs, while improving our control over their quality and timely availability and mitigating the risks arising from supply disruptions and price volatility. Further, by substituting externally procured inputs with in-house production that utilises internally generated scrap, we expect to improve our operating margins. The capital expenditure towards such backward integration forms part of our proposed investment in the 3 new units and is expected to enhance our operational efficiency and cost competitiveness. For further details, see "***Objects of the Offer***" beginning on page 133.

We use company-wide ERP systems to manage and co-ordinate all resources, information and functions of our business on a real-time basis. Our ERP systems facilitate the integration of different functional areas to support communication, material management, manufacturing planning, productivity, quality and efficiency in decision-making. We intend to continue exploring and implementing advanced technologies across our operations. By leveraging advanced technologies for demand and supply planning, we intend to enhance forecasting accuracy, reduce lead times and improve inventory management. For further details, see "***– Information Technology***" on page 319.

Capitalising on the industry tailwinds available to the HVAC and refrigeration components industry in India

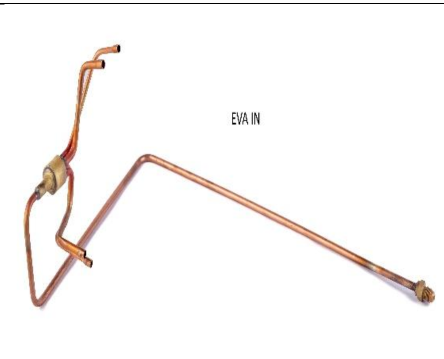
Demand for HVAC and refrigeration components in India is supported by a combination of structural tailwinds. (*Source: CARE Report*) Urbanisation, the increase in the number of nuclear households and rising disposable incomes are driving household adoption of air conditioners and refrigerators. (*Source: CARE Report*) One of the primary growth drivers is the sustained increase in domestic and global demand for cooling appliances, supported by rising household penetration, urbanisation, and higher usage of air conditioning and refrigeration across residential, commercial, and industrial segments. (*Source: CARE Report*) As unit sales of air conditioners and refrigerators increase, demand for core components such as compressors, heat exchangers, motors, and electronic controls rises proportionally, creating a strong volume-led growth base for component manufacturers. (*Source: CARE Report*) In addition, government initiatives, including the production linked incentive scheme for white goods covering air conditioners, which has an outlay of Rs. 62,380 million for the period from FY22 to FY29, the increase in the customs duty on compressors from 7.5% to 15%, and the progressive tightening of energy efficiency norms together with the transition towards refrigerants with lower global warming potential, are encouraging the localisation of component manufacturing in India and increasing the component content per appliance. (*Source: CARE Report*)

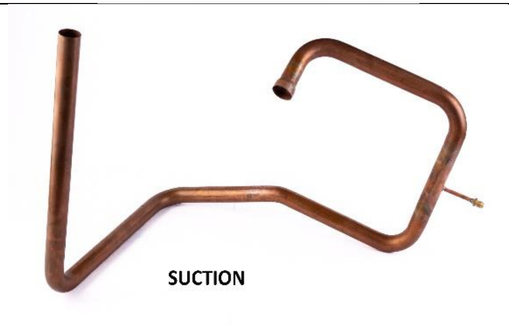
We intend to position our business to capture these tailwinds by continuing to expand our installed capacity ahead of anticipated demand, including through the setting up of 3 new manufacturing facilities and expansion of our existing Manufacturing Facilities by addition of new machineries and equipment

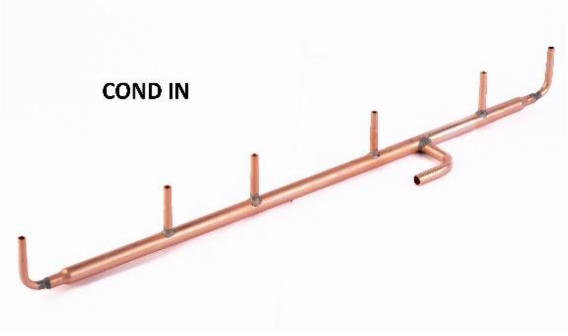
[***The remainder of this page has intentionally been left blank***]

OUR PRODUCTS PORTFOLIO

As on date of this Draft Red Herring Prospectus, details of key products offered by us are as follows:

Product category	Key products		
	Name	**Picture**	**Application of the products**
IDU components	U-Bend		Precision-engineered copper U-Bends for AC & refrigeration applications, ensuring smooth refrigerant flow, excellent thermal conductivity, and reliable performance
	Evaporator Inlet		Precision-engineered copper tubes for IDU evaporator inlet connections, ensuring smooth refrigerant flow and reliable performance.

Product category	Key products		
	Name	Picture	Application of the products
	Evaporator Outlet		Precision-engineered copper tubes for IDU evaporator outlet connections, ensuring smooth refrigerant flow and reliable performance.
	Sockets		Used in IDU for secure and reliable piping connections. Designed for precision fitment, durability, and leak-free performance
ODU components	Suction		Precision-engineered suction and discharge tubes for ODU applications, ensuring efficient refrigerant flow between the compressor and heat exchanger.

<table>
<tr><th rowspan="2">Product category</th><th colspan="3">Key products</th></tr>
<tr><th>Name</th><th>Picture</th><th>Application of the products</th></tr>
<tr><td rowspan="3"></td><td>Condenser Inlet</td><td>
</td><td>Components are used in ODU for reliable refrigerant connections</td></tr>
<tr><td>Condenser Outlet</td><td>
</td><td>Components are used in ODU for reliable refrigerant connections</td></tr>
<tr><td>C-Bend</td><td>
</td><td>High-quality copper C-Bends engineered for precise routing and seamless connections in ODU. Designed to deliver smooth refrigerant flow, excellent dimensional accuracy, and dependable long-term performance.</td></tr>
</table>

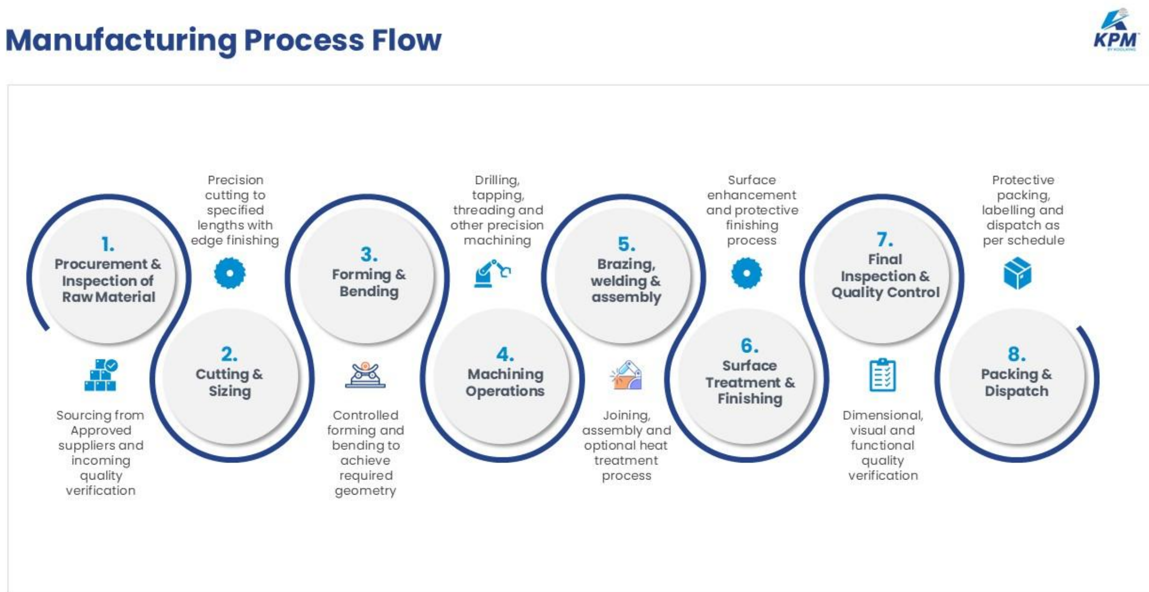
Product category	Key products		
	Name	Picture	Application of the products
	Discharge		Precision-engineered suction and discharge tubes for ODU applications, ensuring efficient refrigerant flow between the compressor and heat exchanger.
Other HVAC components	Flare nuts (Brass component)		Precision-engineered flare nuts for secure and reliable refrigerant piping connections in AC and refrigeration systems.
	Dead Nut (Brass component)		Precision-engineered flare nuts for secure and reliable refrigerant piping connections in AC and refrigeration systems

Product category	Key products		
	Name	**Picture**	**Application of the products**
Refrigeration components	Refrigeration Line		High-quality copper refrigeration tubes designed for efficient refrigerant flow in refrigerators. Engineered for excellent heat transfer, corrosion resistance, and reliable leak-free performance

[*The remainder of this page has intentionally been left blank*]

Manufacturing process

Our key products are made using a variety of manufacturing processes, including cutting, bending, forming, brazing, forging, machining and leak testing. Set forth below is a description of the key manufacturing processes for our products at our Manufacturing Facilities:



The manufacturing process followed at the facilities involves a series of controlled and sequential operations as described below:

1. Procurement and inspection of raw materials

Raw materials, primarily copper and brass, are procured from approved suppliers. Upon receipt, they undergo inspection including verification of supplier test certificates, chemical and mechanical properties (where applicable), and dimensional checks to ensure conformity with prescribed specifications.

In addition, brass billets and rods are manufactured in-house using brass alloys primarily composed of copper and zinc. These are further processed into forged components, extruded sections, and precision machining parts as per customer specifications.

2. Cutting and sizing

Materials are cut to specified lengths and sizes using CNC-controlled cutting machines to ensure high precision and repeatability in accordance with defined process parameters. Prior to cutting, each piece is subjected to visual inspection and alignment checks to ensure proper positioning, minimise material wastage, and maintain uniformity. After cutting, components undergo deburring and edge finishing (mechanical and/or manual) to remove burrs and sharp edges. These operations help achieve the required dimensional tolerances, improve surface finish, and ensure suitability for subsequent forming, machining, or assembly operations.

3. Forming, forging, and bending operations

Cut materials are subjected to forming, forging, and bending operations in accordance with product design specifications and customer requirements. CNC-controlled machines and specialised forming equipment are used to achieve the desired geometry with high precision and repeatability. Processes include tube bending, end-forming (flaring, swaging, expansion, and reduction), forging, and extrusion, carried out using hydraulic and/or CNC-controlled systems. Tooling is selected based on material grade, dimensions, and application requirements. Process parameters such as pressure, feed rate, and forming radii are controlled to ensure dimensional accuracy and consistency and to minimise defects such as cracking, wrinkling, distortion, or surface deformation.

4. Machining operations

Copper and brass components undergo machining operations such as drilling, tapping, threading, grooving, slotting, turning, and milling. These processes are performed using conventional or CNC machines to achieve the required dimensional accuracy and tolerances. Appropriate tooling and process parameters are selected based on material properties and design specifications. In-process inspections are carried out at defined stages to monitor quality and identify deviations at an early stage.

5. Brazing, welding, and assembly

Components requiring sub-assembly or fabrication undergo brazing and/or welding using appropriate fixtures to ensure proper alignment and dimensional integrity. Suitable techniques are selected based on material and design requirements. Selected components may also undergo heat treatment processes such as annealing, normalising, or stress relieving to enhance mechanical properties and reduce residual stresses.

6. Surface treatment and finishing

Depending on customer requirements, components may undergo surface treatment and finishing processes such as shot blasting, polishing, pickling, passivation, phosphating, electroplating, or powder coating. These processes enhance surface finish, improve corrosion resistance, and ensure compliance with specified functional requirements for use in air conditioners and refrigerators.

7. Final inspection and quality control

Finished products undergo comprehensive final inspection, including dimensional verification using calibrated measuring instruments, visual inspection, and functional or pressure testing (where applicable). All inspections are conducted in accordance with defined quality standards and specifications. Only products meeting the prescribed acceptance criteria are approved for dispatch.

8. Packing and dispatch

Approved copper and brass components are packed using suitable protective materials to prevent damage during handling and transit. Each batch is properly labelled to ensure identification and traceability. Finished goods are then dispatched in accordance with customer delivery schedules and logistics requirements.

Manufacturing Facilities and warehouse

As on the date of this Draft Red Herring Prospectus, we undertake our manufacturing operations in 5 Manufacturing Facilities located across India as detailed below:

Manufacturing facility	Manufacturing facility address	Product verticals manufactured
Punjab Manufacturing Facility Unit I	Khata no. 250/363, Khasra no. 535/0-11, 549/6-5, 553/6-2, 680/540/5-8, 552/6-5, 524/7-17, 1160/501/2-10, 526/6-5, 542/6-5, 543/5-12, 544/6-5, 545/6-5, 546/6-5, 547/6-5, 550/6-5, 551/10-19, 552/13-0, 548/6-5, 1160/501/2-10, Dhuri Road, Malerkotla, Sangrur- 148023, Punjab	• IDU components • ODU components • Other HVAC components
	Khasra no. 535/0-11, 680/540/5-8, 549/6-5, 553/6-2, 1161/501/2-15, 524/7-17, 525/6-5, 546/6-5, 547/6-5, 548/6-5, 550/6-5, 551/10-19, 552/13-0, 526/6-5, 544/6-5, 524/6-5, 543/5-12, 545/6-5,	

	1160/501/2-10 Dhuri Road, Malerkotla, Sangrur-148023, Punjab	
Punjab Manufacturing Facility Unit II	Khasra No. 592/5-17, 593/5-5, Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	• IDU components • ODU components • Other HVAC components • Refrigeration components
	Khasra no.1327/594min/1-13, 1341/1065/597min/0-13-10, 1065/597/0-2, 1335/1064-65/595/0-9, 1336/594/0-2, 1340/596/0-10, 1342/1066/597/0-1, 1344/598/0-4, 1346/598/0-1, Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	
	Khasra no. 1337/594 min 2-8 Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	
Noida Manufacturing Facility	Site-C, Plot no. H-49, Industrial Area, Surajpur, Gautam Buddha Nagar-201306, Uttar Pradesh	• IDU components • ODU components • Refrigeration components
Ghiloth Manufacturing Facility	General Zone, Plot no. B-331, RIICO Industrial area, Village Ghiloth, Tehsil Neemrana, Alwar - 301706, Rajasthan	• IDU components • ODU components • Other HVAC components • Refrigeration components
Sricity Manufacturing Facility	Near Apollo Tyre, IP Chinnapanduru-1, Plot no. UDL-7, Industrial Area Vittaiahpalem, Tirupati-517541, Andhra Pradesh	• IDU components • ODU components • Other HVAC components

We focus on automation in our Manufacturing Facilities and aim to enhance our production processes to ensure manufacturing efficiency, for instance we have undertaken initiatives to upgrade automation levels at different factories which have helped in improving efficiency, quality and productivity. Set out below are the major plant, machinery and equipment installed at our Manufacturing Facilities:

Name of Plant/ machinery/ equipment	Purpose/ use
Automatic tube cutting machine	Precision tube cutting
Integrated machine	Tube cutting, bending and forming
Integrated CNC bending machine	CNC-controlled tube bending
Automatic forming machine	Automatic end-forming operations
Automatic brazing machine	Brazing of components
Leak testing machine	Leak/ pressure testing
Packing line	Packing and dispatch preparation
Forging press	Forging of brass components
CNC turning and threading machine	Precision machining (turning & threading)
Transfer machining centre	Multi-operation machining

[***The remainder of this page has intentionally been left blank***]

Installed capacity and capacity utilisation

The following tables set forth the annual installed capacity for the periods as mentioned below:

Product vertical	Unit of measurement [3]	Fiscal											
		2026				2025				2024			
		Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)	Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)	Authorised installed annual capacity	Installed annual capacity	Actual production	Capacity utilisation (%)
Punjab Manufacturing Facility Unit I[1]													
IDU component	Pieces	75,000,000	19,400,800	13,174,148	67.91	75,000,000	18,250,800	13,709,352	75.12	75,000,000	17,625,800	9,559,294	54.23
ODU components	Pieces		19,900,800	8,739,998	43.92		19,750,800	15,433,874	78.14		19,125,800	10,264,270	53.67
Other HVAC Components	KGs		1,400	1,128.30	80.59		NIL	NIL	NIL		NIL	NIL	NIL
Punjab Manufacturing Facility Unit II[1]													
IDU components	Pieces	260,000,000	195,006,750	118,703,074	60.87	260,000,000	185,006,750	138,389,174	74.80	260,000,000	165,000,800	102,392,288	62.06
ODU components	Pieces		32,006,750	21,938,323	68.54		23,506,750	15,603,746	66.38		21,000,800	12,115,562	57.69
Other HVAC Components	KGs		100	72	72.00		NIL	NIL	NIL		NIL	NIL	NIL
Refrigeration components	Pieces		250,000	97,888	39.16		250,000	204,370	81.75		210,000	150,395	71.62
Noida Manufacturing Facility[1]													
IDU components	Pieces	40,000,000	2,500,000	1,832,866	73.31	40,000,000	1,900,000	1,675,368	88.18	40,000,000	1,900,000	945,930	49.79
ODU components	Pieces		4,000,000	3,025,523	75.64		4,000,000	3,471,027	86.78		4,000,000	2,202,556	55.06
Refrigeration components	Pieces		55,000	45,337	82.43		NIL	NIL	NIL		NIL	NIL	NIL
Ghiloth Manufacturing Facility[1][2]													
IDU components	Pieces	80,100,000	35,000,000	24,797,942	70.85	80,100,000	25,000,000	14,827,251	59.31	80,100,000	10,000,000	4,050,962	40.51
ODU components	Pieces		16,000,000	7,259,879	45.37		11,500,000	7,053,048	61.33		9,000,000	4,749,356	52.77
Other HVAC Components	KGs		235,275	187,007	79.48		100,000	58,576	58.58		4,000	2,712	67.80
Refrigeration components	Pieces		15,000	12,380	82.53		NIL	NIL	NIL		NIL	NIL	NIL
Sricity Manufacturing Facility[1]													
IDU components	Pieces	138,000,000	70,062,500	49,553,494	70.73	138,000,000	27,525,000	14,424,797	52.41	138,000,000	20,000,000	1,808,075	9.04
ODU components	Pieces		25,062,500	14,200,601	56.66		15,025,000	8,164,045	54.34		12,000,000	858,588	7.15
Other HVAC Components	KGs		225	4.04	1.79		200	158	79.00		200	136	68.00

As certified by the Chartered Engineer by way of a certificate dated September 22, 2026

Notes:

(1) Authorized Installed capacity are as per approvals received from pollution department under consent to operate order under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

(2) As per the Consent to Operate (CTO) issued by the Rajasthan State Pollution Control Board, the manufacturing capacity of the product earlier described as "Copper and Brass Parts for Air Conditioner" is recorded as 5.0 ton per day. The Company has submitted a formal application dated 04/08/2026 to the Regional Officer, Rajasthan State Pollution Control Board, Regional Office, Neemrana (Kotputli-Behroor), requesting:

- *Updation of change in name of the company name from M/s Koolking Udhyog Private Limited to M/s Koolking Industries India Limited; and*
- *Amendment of the product description and capacity unit from:*

Existing: Copper and Brass Parts for Air Conditioner – 5 Ton/Day
Requested: HVAC & Refrigerator Components – 2,67,000 Nos./Day

The said letter clearly states that the request is only for change in the unit of measurement of production capacity and product nomenclature, and does not involve any increase in installed capacity, production capacity, manufacturing process, plant & machinery, pollution load, fuel consumption, water consumption, emissions, effluent generation or any other operational parameter. The manufacturing operations continue to remain exactly the same as approved under the existing CTO. The letter is duly acknowledged by the concerned department also.

In the absence of a fixed statutory conversion formula between weight (tonnes) and number of pieces for the heterogeneous mix of HVAC & Refrigerator Components manufactured at the unit, the equivalence has been established through the following professional assessment:

- *Detailed discussions with the management regarding the product mix, average piece weight of the various components manufactured, and the production reporting practice followed by the Company.*
- *Physical site inspection of the manufacturing facilities, production lines and finished-goods storage.*
- *Sample weight measurements carried out on representative finished components (average weight basis) during the site visit.*
- *Reconciliation of the daily production data maintained by the Company in number of pieces against the corresponding weight-based records.*

On the basis of the above, it is verified and certified that the existing approved capacity of 5.0 Ton per Day is equivalent to 2,67,000 numbers (Nos.) per Day of HVAC & Refrigerator Components, without any enhancement of the installed or production capacity.

(3) KGs= Kilo grams
Qty.= no. of pieces

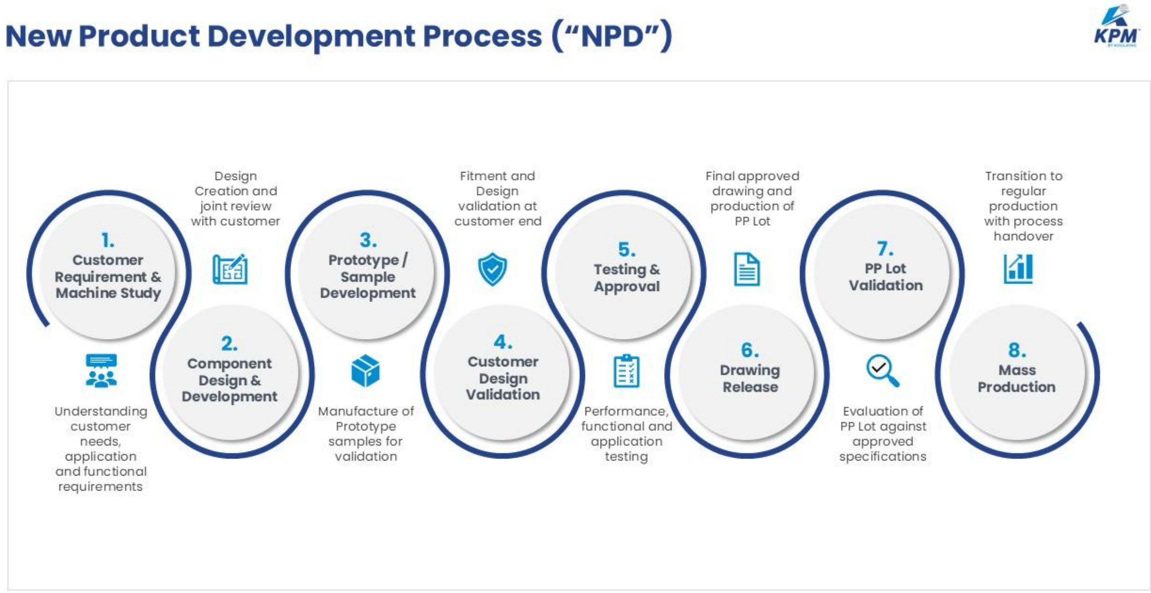
Warehouse

Facility		Owned/ leased	Management model (managed by company or third party)
Category	**Location**		
Warehouse	Noida, Uttar Pradesh	Leased	Company

[***The remainder of this page has intentionally been left blank***]

New Product Development ("NPD")

Our Company follows a structured process for developing new components as per customer requirements, machine specifications and product designs:



1. Customer requirement and machine study → When a customer introduces a new product or application, the customer may bring the relevant machine, equipment or assembly to us. Then the NPD team works closely with the customer's requirement team to understand the machine, application, dimensions, routing and functional requirement.

2. Component design and development → Based on machine & customer requirements, the NPD team develops the required component design. The design is jointly reviewed with the customer to ensure that the component is suitable for the intended application.

3. Prototype/ sample development → Once the design is finalized at the development stage, we manufacture prototype samples. These samples are prepared specifically for initial fitment and functional validation.

4. Customer design validation → The prototype samples are sent to the customer's factory, where the customer performs fitment and design validation on the actual machine/application. If the design and fitment are satisfactory, the component moves to next stage,

5. Testing and approval → After successful design validation, the customer conducts the required performance and application testing. This may include functional, dimensional, reliability or other customer specific tests. Only after the required testing is successfully completed does the product proceed further.

6. Drawing release and product part ("**PP**") lot → Following successful testing, the customer issues the final/ approved drawing and specifications of component. Based on the approved drawing, we manufacture the PP lot.

7. PP lot validation → The customer evaluates the PP lot to confirm that the product manufactured under production conditions meets the approved drawing, specifications, quality requirements and application requirements. Once PP lot is approved, the product receives the final go-ahead for regular production.

8. Mass production → After successful PP approval, the component is released for mass production. The NPD team coordinates the transition from development to regular production ensuring that the approved design, process parameters, Quality standards and customer requirements are properly transferred to the production team.

Raw materials

The primary raw ingredients required for the manufacturing of our products are brass and copper tubes which we source from India, South Korea, China and Thailand. As of July 31, 2026, we sourced raw materials from 79 suppliers, comprising 69 domestic suppliers and 10 suppliers outside India, including South Korea, China and Thailand.

We procure raw materials from our suppliers based on purchase orders and we do not have any purchase agreements or firm commitments executed with them. We reserve the right to claim for our rejections that are the result of defective raw material. The cost of raw materials contributed towards the following for the periods as indicated below:

Raw Materials	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Domestic	2,227.45	45.91	2,060.08	46.14	945.99	41.17
Imported	2,518.60	51.92	1,921.77	43.05	940.01	40.91
Total	**4,746.05**	**97.83**	**3,981.85**	**89.19**	**1,886.00**	**82.08**

For further information, see section entitled "***Risk Factors – We depend on a limited number of third parties for the supply of raw materials. Our top 10 suppliers contributed towards 79.33%, 71.38% and 70.70% of total purchases during Fiscals 2026, 2025 and 2024, respectively, and failure by our suppliers to meet their obligations may cause change in availability and cost of raw materials which may adversely affect our business, financial condition, results of operations and prospects***" on page 25.

Sales and marketing

We primarily follow a business-to-business ("**B2B**") sales model and supplies products to OEMs in the air-conditioning and refrigeration. Our sales are primarily generated through direct engagement with existing and prospective customers by our sales and technical teams. We focus on maintaining relationships with existing customers, increasing business volumes with such customers and identifying new customers through industry networks, customer references, market intelligence and direct outreach. Customers typically provide rolling forecasts of their expected requirements, followed by purchase orders specifying quantities and delivery schedules

Our marketing efforts are primarily relationship-driven and focus on product quality, timely delivery, technical support and our manufacturing and product development capabilities. We also engage with prospective customers during product development and qualification processes, which may include facility visits, technical discussions and quality evaluations. We generally provide credit terms ranging from 30 days to 90 days, depending on the customer and applicable commercial terms.

Power and fuel

We procure electricity for use at our Manufacturing Facilities primarily from the local grid. At our Punjab Manufacturing Facilities we also use solar panels for procuring electricity. We procure water for use at our Manufacturing Facilities from natural groundwater. Our power expenses for the periods mentioned are set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Power and fuel expenses	36.75	0.76	32.14	0.72	19.97	0.87

Inventory management

We manage our inventory through defined procedures covering raw materials, work-in-progress, stores and spares and finished goods. We plan inventory levels based on production schedules, customer rolling forecasts, procurement lead times and operational requirements, including minimum and maximum stock levels and reorder points. We document and verify materials received through goods receipt notes and record material issued for production to maintain traceability. We generally follow the first-in-first-out ("**FIFO**") method, particularly for raw materials such as copper and brass. We monitor inventory movements and stock levels through our ERP systems and conduct periodic physical verification and reconciliation with system records. These processes support procurement and production planning and timely fulfilment of customer orders.

Our finished products are stored on-site at our Manufacturing Facilities and also at our Noida Warehouse. We typically keep up to four months of inventory including work in progress and finished good at our facilities to mitigate the risk of increase or decrease in demand for our products that we manufacture and supply to our customers. These inventory levels are planned based on historical trends and expected orders, which are confirmed due to our long-standing relationships with customers.

Quality control

We maintain quality control procedures across the manufacturing process to ensure that our products conform to applicable specifications and customer requirements. Our quality assurance process comprises (i) incoming quality control ("**IQC**"), under which raw materials are inspected and verified before acceptance; (ii) line quality control ("**LQC**"), under which quality checks are conducted at various stages of production; and (iii) outgoing quality control ("**OQC**"), under which finished products are inspected on a sample basis before dispatch. We procure raw materials from approved suppliers, including suppliers approved by customers and suppliers qualified through our internal vendor approval process.

Our Manufacturing Facilities and quality systems are subject to customer technical and quality audits, including periodic audits by certain customers. We have approximately 10 to 25 quality personnel at each manufacturing unit to oversee quality control processes. We have also obtained ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications for our Manufacturing Facilities. Our quality control processes are supported by quality inspection and measurement equipment, including vernier callipers, micrometres, height gauges, vision measuring machines, Go/ No-Go gauges and standard reference samples.

Freight and transportation

With regards to raw materials that we source domestically, we rely on suppliers for delivery directly to our Manufacturing Facilities, however, we rely on third party transportation and logistics providers for procurement of our imported raw materials from the port to our Manufacturing Facilities as these raw materials are delivered on a cost, insurance freight terms and/or cost and freight terms. We also rely on third party transportation and logistics providers for supply of our products to our customers. We do not have long-term contractual arrangements with such third-party transportation and logistics providers, but the rates are fixed with transporters. For further information, see "***Risk Factors – Our operations are dependent on the performance of third-party service providers and logistics partners and any disruption in the services may adversely affect our business and operations***." on page 63.

Insurance

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, explosions, earthquakes, flood and other force majeure events including hazards that may cause loss of life and severe damage to and the destruction of property and inventory. Our principal types of insurance coverage include fire insurance covering our stock and stock-in-process, furniture and fixtures, plant and machinery, buildings and other specified assets at our Manufacturing Facilities, and burglary and theft insurance covering stock and stock-in-process. We also maintain workmen's compensation insurance for workers at our Manufacturing Facilities and keyman insurance for identified key personnel. In addition, we maintain marine/ transit insurance covering the transportation of raw materials, packing materials, copper, brass, steel, aluminium, components and other goods, including domestic purchases, import purchases and inter-depot movements. These insurance policies are generally valid for a term of one year and are renewable annually, except for certain keyman insurance policies, which have longer policy terms.

We believe that the insurance coverage currently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with industry standards in India. See "***Risk Factors – Our insurance coverage may not be adequate to protect us against all losses, risks and unexpected events and any uninsured or underinsured losses may adversely affect our business, financial condition and results of operations.***" on page 56.

Awards and Accreditations

The following are the key awards, accreditations and recognitions received by our Company:

Fiscal/ calendar Year	Particulars
2022	Awarded a certificate of appreciation for "Excellent Customer Support" by Amber Enterprises India Limited for the period 2021-22
2025	Awarded a certificate of appreciation for continued support in business association and customer satisfaction by Carrier Airconditioning and Refrigeration Limited
	Awarded "Best MSME Supplier" by Carrier Airconditioning and Refrigeration Limited

For further details, please see "***Our History and Certain Corporate Matters – Awards, accreditations and recognitions received by our Company***" on page 338.

Information technology

We believe that a robust IT infrastructure is essential for ensuring strong operational efficiencies and enhancing productivity and we continue to focus on building and improving our IT capabilities. As a result, over the years, we have implemented innovative technology initiatives at the front-end and back-end of our operations, including our procurement, manufacturing, distribution and supply chain operations. Our IT expenses for the periods mentioned are set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
IT expenses	0.79	0.02	0.74	0.02	0.55	0.02

We have implemented a company-wide ERP system. This system is used to manage and co-ordinate all resources, information and functions of the business on a real-time basis. The ERP system helps in integration of different functional areas such as procurement, inventory, production, quality, GST, tax, accounts, technical specifications and for other system requirements such as server machines, client machines and software platforms. This facilitates proper communication, material management, manufacturing planning, productivity, quality and efficiency in decision making. It further helps in tracking customer demands and assisting in maintaining optimum inventory levels.

Risk management

We are exposed to fluctuations in the prices of copper and brass, which are our primary raw materials as well as foreign currency payables for imported raw materials. To manage this risk, certain key customers directly supply raw materials to us, with the cost of such raw materials incorporated into the product price along with agreed conversion charges, overheads and margins. We currently have such arrangements with certain customers, including Amber Enterprises India Limited and Daikin Airconditioning India Private Limited which substantially reduces our exposure to fluctuations in the prices of such raw materials.

For the remaining raw materials procured by us, customer pricing is generally agreed on a quarterly basis, taking into account prevailing and expected commodity prices and foreign exchange prices. We plan and procure raw materials in advance based on customer orders and forecasts and maintain inventory levels based on production requirements. We procure approximately 4,000 to 5,000 tonnes of copper and brass annually. These measures help us manage price fluctuations and ensure availability of raw materials for production.

Environment, Health and Safety

We are committed to following applicable environmental and occupational health and safety laws as well as industry best practices. These safety, health, and environmental protection laws and regulations impose controls on air and water release or discharge in relation to our manufacturing operations. For information regarding applicable health, safety and environmental laws and regulations, see "***Key Regulations and Policies in India***" and "***Government and Other Approvals***" on pages 325 and 465, respectively.

We aim to provide and maintain a healthy and safe working environment to minimize risks to our employees, contractors, visitors and others who may be affected by our activities, while meeting our customers' expectations with respect to the quality and safety of our products.

In alignment with our ESG ethos, we also endeavour to ensure that (i) we do not employ or make use of forced labour or child labour, (ii) we pay wages which meet industry and legal minimum wage requirements, (iii) we prioritise diversity, equity, and inclusion, fostering a workplace where employees are valued and supported, and (iv) we provide reasonable working conditions including a safe and healthy work environment, and clearly documented terms of employment as defined/ required under applicable labour laws and guidelines. We also have a zero-tolerance policy towards malpractices such as bribery, corruption, and fraud in our business.

Strong governance underpins these efforts, with policies on ethics, anti-corruption, and supplier conduct, as well as transparent ESG disclosures. Also see, "***– CSR initiatives***" on page 320.

CSR initiatives

We have constituted a CSR committee of our Board of Directors and have adopted and implemented a CSR policy pursuant to which we carry out our CSR activities with certain focus areas, *inter alia*, healthcare and sanitation, education and livelihood enhancement, women empowerment and support for socially and economically disadvantaged groups, environmental sustainability, rural development, sports and disaster management.

Our CSR expenditure for the periods mentioned is set out below:

Particulars	Fiscal2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
CSR expenses*	3.84	0.08	1.73	0.04	1.04	0.05

** The Company has accumulated unspent CSR amounts in respect of CSR projects for the last three Financial Years, which were subsequently utilised during Fiscal 2027 towards a CSR project implemented through a charitable trust which is a related party of the Company. Refer Note 37 of the Restated Financial Information*

Competition

We face intense competition in the industry in which we operate, from several producers of varying size serving certain segments or sub-segments of our customer base from both organised and unorganised sectors.

The Indian components industry for air conditioners and refrigerators has emerged as a fast-growing and strategically important segment within the country's cooling ecosystem. (*Source: CARE Report*) The industry supplies critical components such as compressors, heat exchangers, condensers, evaporators, motors, fans, copper tubing, PCBs, and electronic control units that directly influence product cost, energy efficiency, and performance. (*Source: CARE Report*) The Indian components industry for air conditioners and refrigerators is expected to grow from Rs. 4,55,008 million in FY26 to Rs. 6,31,042 million by FY30, driven by, among other factors, rising domestic demand for air conditioners and refrigerators, improving household penetration and increasing replacement demand of cooling appliances, the shift towards inverter-based and energy-efficient appliances which increases the component content per unit, government policies promoting localisation and import substitution, and the increasing preference of appliance manufacturers for component suppliers located in proximity to their production facilities. (*Source: CARE Report*)

The HVAC components industry is structurally characterised by an active vendor rationalisation strategy, wherein original equipment manufacturers (OEMs) and original design manufacturers (ODMs) systematically reduce their supplier base to improve procurement efficiency, maintain consistency in material quality, enhance thermal performance, and ensure product reliability and system safety. (*Source: CARE Report*) Consequently, procurement is increasingly concentrated among organised component manufacturers that possess strong engineering capabilities, robust quality management systems, and the ability to consistently meet stringent customer specifications. (*Source: CARE Report*)

As the parameters of competition in this business are less firmly established than in certain other types of businesses and there are no standard methodologies to assess this industry as far as we are aware, we believe that it is difficult to predict how the competitive landscape of our business will develop over the long term.

General competitive factors in the market, which may affect the level of competition over the short and medium term, include vulnerability to overall macroeconomic factors, time to market, availability of logistics support, product features, design, quality, price, delivery, warranty, general customer experience and relationships between producers and their customers.

Employees

Our employees are critical to maintaining our competitive position in our key geographical markets and our industry. As of July 31, 2026, we had 773 permanent employees, as set forth below:

Department	Number of employees
Accounts, finance and secretarial	16
HR, IT and admin	54
Maintenance	19
Management	3
NPD	11
Production	471
Purchase	9
Quality	85
Sales/ dispatch and PPC	30
Security and transport	18
Store and warehouse	33
Tool room	24
Total	**773**

As of July 31, 2026, in addition to our full-time employees, we engaged 1,383 personnel on a contractual basis.

Our human resource policies focus on recruiting talented and qualified personnel, whom we believe integrate well with our current workforce. We endeavour to develop and train our employees in order to facilitate the growth of our operations. We conduct regular training workshops and performance reviews. We have medical and accident insurance for our employees.

Our expenditure on employee benefits for the periods mentioned is set out below:

Particulars	Fiscal2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Employee benefits expense	256.01	5.28	213.07	4.77	152.71	6.65

Intellectual property

As on the date of this Draft Red Herring Prospectus, the Company does not own any trademarks and has made five trademark applications which are pending for registration. The details of these trademark applications are set out below:

Sr. No.	Date of the Application	Trademark Class	Application Number
1.	December 12, 2025	Class 09	7395873
2.		Class 07	7395874
3.		Class 40	7395875
4.		Class 35	7395876
5.		Class 11	7395877

For further details, see "***Risk Factors – We may be unable to adequately obtain, maintain, protect or enforce our intellectual property rights and may be subject to intellectual property infringement claims, which could adversely affect our business, reputation and results of operations***" on page 41.

Properties

The following table sets forth the details of our material properties:

Sr. No	Location	Ownership (Leased/ sub-leased)	Lessee/ owner	Lessor/ seller	Date of lease deed/ sale deed	Relationship between the seller/ licensor/ lessor and the Company, Promoter or Director, if any	Whether the lease deed is adequately stamped and registered	Lease term	Rent per month (₹)
Registered and Corporate Office									
1.	Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India	Leased	Company	Malti Sood	January 19, 2026	Promoter	Complied	16 years	15,000
Punjab Manufacturing Facility Unit I									
2.	Khata no. 250/363, Khasra no. 535/0-11, 549/6-5, 553/6-2, 680/540/5-8, 552/6-5, 524/7-17, 1160/501/2-10, 526/6-5, 542/6-5, 543/5-12, 544/6-5, 545/6-5, 546/6-5, 547/6-5, 550/6-5, 551/10-19, 552/13-0, 548/6-5, 1160/501/2-10, Dhuri Road, Malerkotla, Sangrur- 148023, Punjab	Owned	Company	Mohammad Akram and Sultana Begum	April 24, 2025	N.A.	N.A.	N.A.	N.A.
3.	Khasra no. 535/0-11, 680/540/5-8, 549/6-5, 553/6-2, 1161/501/2-15, 524/7-17, 525/6-5, 546/6-5, 547/6-5, 548/6-5, 550/6-5, 551/10-19, 552/13-0, 526/6-5, 544/6-5, 524/6-5, 543/5-12, 545/6-5, 1160/501/2-10 Dhuri Road, Malerkotla, Sangrur- 148023, Punjab	Leased	Company	Malti Sood	January 19, 2026	Promoter	Complied	16 years	15,000
Punjab Manufacturing Facility Unit II									
4.	Khasra No. 592/5-17, 593/5-5, Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	Leased	Company	Varun Gopal	January 19, 2026	Promoter	Complied	16 years	25,000
5.	Khasra no.1327/594min/1-13, 1341/1065/597min/0-13-10, 1065/597/0-2, 1335/1064-65/595/0-9, 1336/594/0-2, 1340/596/0-10, 1342/1066/597/0-1, 1344/598/0-4, 1346/598/0-1, Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	Owned	Company	Priya and Heena Gupta	August 31, 2021	N.A.	N.A.	N.A.	N.A.

6.	Khasra no. 1337/594 min 2-8 Dhuri Road, Village Ratolan, Malerkotla, Sangrur- 148023, Punjab	Owned	Company	Anterdeep Singh	November 18, 2021	N.A.	N.A.	N.A.	N.A.
Noida Manufacturing Facility									
7.	Site-C, Plot no. H-49, Industrial Area, Surajpur, Gautam Buddha Nagar-201306, Uttar Pradesh	Leased	Company	UP State Industrial Development Corporation Limited	February 8, 2018	N.A.	Complied	90 years	Nil
Ghiloth Manufacturing Facility									
8.	General Zone, Plot no. B-331, RIICO Industrial area, Village Ghiloth, Tehsil Neemrana, Alwar - 301706, Rajasthan	Leased	Company	Rajasthan State Industrial Development and Investment Corporation Limited	February 11, 2021	N.A.	Complied	99 years	Nil
Sricity Manufacturing Facility									
9.	Near Apollo Tyre, IP Chinnapanduru-1, Plot no. UDL-7, Industrial Area Vittaiahpalem, Tirupati-517541, Andhra Pradesh	Leased	Company	Andhra Pradesh Industrial Infrastructure Corporation Limited	March 16, 2023	N.A.	Complied	33 years	Nil
Noida Warehouse									
10.	Unit in Noida Uttar Pradesh being additional piece of land used as factory of Koolking with area 17500 Sq. ft.	Leased	Company	Garushi infra Pvt ltd.	November 25, 2025	N.A.	Complied	3 years	350,000
Other Properties									
11.	Proposed Unit I Khewat no. 58, Khatoni no. 99, Khasra no. 1314/577/5-14, village Ratolan, District Malerkotla	Owned	Company	Kuldeep Kaur, Inderjeet Singh, Jung Singh, Harjinder Kaur, Gurveer Singh, Kiranpreet Kaur	October 9, 2024	N.A.	N.A.	N.A.	N.A.

		Khewat no. 67, Khatoni no. 113, Khasra no. 576/5-6, Rakba village Ratolan, District Malerkotla	Owned	Company	Koolking Foundation	February 11, 2026	Promoter Group entity	N.A.	N.A.	N.A.
12.	Proposed Unit II	Industrial Plot no. UDL-8A, Industrial Park, Chinnapanduru (UDL) having area of 20167.64 sq. meter	Owned	Company	Andhra Pradesh Industrial Infrastructure Corporation Limited	November 28, 2025	N.A.	N.A.	N.A.	N.A.
13.	Proposed Unit III	Industrial Plot no. A-160, RIICO Industrial Area, Ghiloth, Tehsil-Neemrana, Distt-Kotputli-Behror, Rajasthan-301 705 having area of 13712 sq. meter	Owned	Company	Vimal Moulders India Private Limited	April 17, 2026	N.A.	N.A.	N.A.	N.A.
14.	Additional piece of land (Plot) located in Malerkotla, Punjab used as with land area of 2 Bigha 2 Biswe 16 Biswasi		Owned	Company	Ajay Tayal and Raman Tayal	November 10, 2010	N.A.	N.A.	N.A.	N.A.

KEY REGULATIONS AND POLICIES

*Given below is an indicative summary of certain relevant Indian laws and regulations which are applicable to our Company. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For further details, please see "**Risk Factors – Changing laws, rules and regulations and legal uncertainties, including adverse application of laws governing operations and the operations of our Manufacturing Facilities, corporate and tax laws, could adversely affect our business, prospects and results of operations.**" on page 66.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For further details, please see "**Government and Other Approvals**" beginning on page 465.*

Industry specific legislations

Bureau of Indian Standards Act, 2016 (the "BIS Act")

The Bureau of Indian Standards Act, 2016, provides for the establishment of the Bureau of Indian Standards ("**BIS**") as the national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. Functions of the BIS include, (a) establishing, publishing, reviewing and promoting the Indian standard, in relation to any goods, article, process, system or service (b) adopting as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (c) establishing a standard mark in relation to each of its conformity assessment schemes, which shall be of such design and contain such particulars as may be specified by regulations to represent a particular standard ("**Standard Mark**"), and (d) appointing certification officers for inspecting whether any goods, article, process, system or service in relation to which the Standard Mark has been used conforms to the relevant standard. A person may apply to the bureau for grant of license or certificate of conformity, if their articles, goods, process, system or service confirms to the Indian standard.

Legal Metrology Act, 2009 (the "Legal Metrology Act") and The Legal Metrology (Packaged Commodities) Rules, 2011 (the "Legal Metrology Rules")

The Legal Metrology Act, along with the Legal Metrology Rules, establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or numbers. Any transaction relating to goods, or a class of goods shall be as per the weight, measurements or numbers prescribed by the Legal Metrology Act. The Legal Metrology Act prohibits the manufacturing, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such commodity does not adhere to the standard regulations set out. The Legal Metrology Act *inter-alia* requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, to obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. Any non-compliance or violation under the LM Act may result in, *inter alia*, a monetary penalty on the manufacturer, seller, distributor, or seizure of the goods or imprisonment in certain cases.

The Legal Metrology (Packaged Commodities) Rules, 2011, as amended ("**Packaged Commodity Rules**"), prescribes the regulations for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, wholesale and for export and import, registration of manufacturers, packers and importers, certain rules to be adhered to by importers, wholesale and retail dealers, the declarations to be made on every package, the size of label and the manner in which the declarations shall be made, etc. These declarations that are required to be made include, *inter alia*, the name and address of the manufacturer, the dimensions of the commodity, the net quantity, the month and year in which the commodity is manufactured, or pre-packed, or imported, the maximum retail price, generic name of the product, the country of origin and the weight and measure of the commodity in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules have subsequently incorporated amendments to increase protection granted to consumers especially relating to e-commerce entities. Pursuant to the amendments, e-commerce entities are to ensure that mandatory declarations are displayed on the digital and electronic network used for e-commerce transactions. In the marketplace model of e-commerce, responsibility of correctness of the declarations lies with the manufacturer, or seller or dealer or importer provided certain conditions are met. Further, includes amendments in relation to the unit price declared on the pre-packaged commodity, declaration of the retail sale on packaging to be provided in Indian currency amongst others.

Electricity Act, 2003 ("Electricity Act")

The Electricity Act was enacted to regulate the generation, transmission, distribution, trading, and use of electricity by authorizing a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days' notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police containing the particulars of electrical installation and plant, if any, the nature, and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorizes the Commission so formed under the Electricity Act, to determine the tariff or such usage. The Electricity Act also authorizes the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

Central Electricity Authority (Measures Relating to Safety and Electric Supply) Regulations, 2023 (the "CEA Regulations")

The CEA Regulations supersede the earlier 2010 regulations and establish a comprehensive framework governing electrical safety and supply. The CEA Regulations framed by Central Electricity Authority ("**CEA**") under the Electricity Act, 2003, regulates measures relating to safety and electric supply in India. The CEA Regulations apply to electrical installations, including electrical plants and electric lines, as well as persons engaged in electricity generation, transmission, distribution, trading, supply, or usage. The CEA Regulations encompass general safety guidelines for the construction, installation, protection, operation, and maintenance of electric supply lines and apparatus. Additionally, the CEA Regulations outline general conditions related to the supply and use of electricity. Furthermore, the CEA Regulations include safety provisions for electrical installations and apparatus with voltages both above and below 650 volts, overhead lines and underground cables, renewable generating stations, electric vehicle charging stations, high voltage direct current, and other related aspects.

Static and Mobile Pressure Vessels (Unfired) Rules, 2016

The Static and Mobile Pressure Vessels (Unfired) Rules, 2016, which supersedes the 1981 rules and establishes a comprehensive regulatory framework for the manufacture, import, storage, and transport of pressure vessels containing compressed gases. The rules require prior approval from the Chief Controller of Explosives for manufacturing and importing vessels, mandate that all vessels be designed and constructed according to recognized international standards such as IS 2825 or ASME codes, and prescribe specific marking, testing, and inspection requirements including hydraulic testing at five-year intervals (two years for corrosive or toxic gases) by recognized competent persons. Storage and transport of compressed gas require licences granted under forms LS-1A, LS-1B, or LS-2, with detailed safety provisions including fire-fighting equipment, prohibition of smoking and naked lights, employment restrictions, and mandatory accident reporting to authorities. The rules also establish detailed procedures for repairs and modifications, special provisions for underground and mounded vessels, and specific requirements for LNG installations, with various fees prescribed for approvals, licences, and recognition of competent persons and inspectors.

Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")

The MSME Act was enacted in order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("**MSMEs**"). The Central Government has notified the following criteria for the classification of MSMEs with effect from April 1, 2025: (i) as a micro-enterprise, where the investment in plant and machinery or equipment does not exceed ₹ 25,000,000 and turnover does not exceed ₹ 100,000,000; (ii) as a small enterprise, where the investment in plant and machinery or equipment does not exceed ₹ 250,000,000 and turnover does not exceed ₹ 1,000,000,000; and (iii) as a medium enterprise, where the investment in plant and machinery or equipment does not exceed ₹ 1,250,000,000 and turnover does not exceed ₹ 5,000,000,000.

Environmental legislations

Environment Protection Act, 1986 (the "EP Act") and the Environment Protection Rules, 1986 (the "EP Rules") read with the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and preventing environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes through prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (the "**MSIHC Rules**") are formulated under the EP Act and are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involvement of a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") and Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards ("**State PCB**"), to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Noise Pollution (Regulation and Control) Rules, 2000 (the "Noise Pollution Rules")

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining ambient air quality standards in respect of noise in different areas/ zones. Pursuant to the Noise Pollution Rules, different areas/ zones shall be classified into industrial, commercial, residential or silence areas/ zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area/ zone exceed the permitted standards.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

Public Liability Insurance Act, 1991 (the "PLI Act") read with Public Liability Insurance Rules, 1991 (the "PLI Rules")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The Government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability to provide relief under the terms of the legislation. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

Plastic Waste Management Rules, 2016 (the "Plastic Waste Management Rules")

Under the Plastic Waste Management Rules, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, as amended, and handover segregated wastes to authorised waste processing or disposal facilities or deposition centres, either on its own or through the authorised waste collection agency.

Labour related legislation

The employment of workers, depending on the nature of the activity, was regulated by a wide variety of generally applicable labour legislations, including the Industrial Disputes Act, 1947, the Contract Labour (Regulation and Abolition) Act, 1970, Industrial Employment (Standing Orders) Act, 1946, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employee's Compensation Act, 1923, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, the Equal Remuneration Act, 1976, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Child Labour (Protection Regulation) Act, 1986, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Employees' State Insurance Act, 1948, Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Apprentices Act, 1961.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes that would subsume primarily all the central laws and would collectively form the governing labour legislations. The aforesaid codes became effective from November 21, 2025. These four codes are:

- *Code on Wages, 2019*, which regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It subsumes four existing laws, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

- *Industrial Relations Code, 2020*, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- *Code on Social Security, 2020*, which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the employees' state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code became effective from November 21, 2025.

- *Occupational Safety, Health and Working Conditions Code, 2020*, amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It proposes to subsume various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the States in India where our establishments are set up and business operations exists, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

Intellectual Property Laws

Trademarks Act, 1999 ("Trademarks Act")

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trademark, whether individually or jointly, and can be made on the basis of either actual use or intention to use a trademark in the future.

Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

Patents Act 1970 (the "Patents Act")

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection.

Copyright Act, 1957 (the "Copyright Act")

The Copyright Act, along with the Copyright Rules, 2013 ("**Copyright Laws**") governs copyright protection in India. The Register of Copyrights under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Design Act, 2000 (the "Design Act")

The Design Act consolidates and amends the law relating to the protection of designs. The Design Act is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets 'copyrights in design' for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design. The Central Government also drafted the Design Rules, 2001 (the "**Design Rules**") under the authority of the Design Act for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register for designs, classification of goods, address for service, restoration of designs, etc.

Taxation laws

Income Tax Act, 2025 and the Income Tax Rules, 2026, as amended by the Finance Act in respective years.

The Income Tax Act, 2025 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign, whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company required to pay income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. with effect from April 1, 2026, the Government enacted the Income tax Act, 2025, pursuant to which a comprehensive and simplified framework for taxation has been introduced, including streamlined provisions relating to computation of income, classification of income, and compliance requirements.

Goods and Service Tax related legislation

Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act, 2017, and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the states including union territories with legislature/ union territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), State Goods and Services Tax Act, 2017 ("**SGST**"), Union Territory Goods and Services Tax Act, 2017 ("**UTGST**"), Integrated Goods and Services Tax Act, 2017 ("**IGST**") and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The respective State Governments are empowered to structure, formulate, and collect professional tax under their jurisdiction. The tax levied on the incomes of individuals, profits of businesses, and gains from vocations, is in accordance with List II of the Seventh Schedule of the Constitution of India. Professional tax is categorized under various tax slabs as defined by the respective State Governments. Under the applicable State Acts, employers are required to deduct the professional tax payable by any person earning a salary or wage from their remuneration before disbursing it. Employers are responsible for remitting the tax, regardless of whether the deduction has been made, and must obtain registration from the assessing authority in the prescribed manner. Additionally, individuals liable to pay professional tax under these Acts, other than those earning salaries or wages (for whom the employer is responsible for tax payment), are required to obtain a certificate of enrolment from the assessing authority.

Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975

The provisions of the Customs Act and rules made there under are applicable to imported goods i.e. goods brought into India from a place outside India (except goods cleared for home consumption) and export goods i.e. goods which are to be taken out of India to a place outside India. Imported goods and export goods are subject to duties of customs as specified under the Customs Tariff Act, 1975.

Foreign related law

Foreign investment regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy (the "**Consolidated FDI Policy**"), effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.

In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA Regulations has now been entrusted to the concerned administrative ministries or departments. Foreign direct investment for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where foreign direct investment is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. Under the current Consolidated FDI Policy, 100% foreign investment is permitted in 'Manufacturing' sector under automatic route.

Foreign Trade (Development and Regulation) Act, 1992 (the "FTA")

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number ("**IEC**") granted by the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). The IEC granted to any person may be suspended or cancelled *inter alia* in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorised by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder, or the foreign trade policy would become liable to a penalty under the FTA.

Foreign Trade Policy 2023

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, has notified Foreign Trade Policy 2023 ("**FTP**") which is effective from April 1, 2023, and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services. All exports and imports made up to March 31, 2023, shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

Other Applicable Laws

Consumer Protection Act, 2019 ("COPRA")

COPRA is preceded by the Consumer Protection Act, 1986. COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA has extended the definition of a 'consumer' to include purchase of goods or services through an offline and online transaction and provides a mechanism for the consumer to file a complaint against a service provider in cases of, inter alia, unfair trade practices, restrictive trade practices, deficiency in services and price charged being unlawful. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties. The COPRA has also brought e-commerce entities and their customers under its purview including providers of technologies or processes for enabling product sellers to engage in advertising or selling goods or services to a consumer, online market places and online auction sites.

The Ministry of Consumer Affairs, Food and Public Distribution issued the Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") under the COPRA on July 23, 2020 which govern the online sale of goods, services, digital products by entities which own, operate or manage digital or electronic facility or platform for electronic commerce ("E-Commerce Entities"), all models of e-commerce (including marketplace or inventory model), and all ecommerce sellers. The E-Commerce Rules lay down the duties and liabilities of E-Commerce Entities and ecommerce sellers

Fire Prevention Laws

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our Manufacturing Facility and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

Under various state fire safety legislations, commercial and industrial establishments are required to obtain a Fire No Objection Certificate ("**Fire NOC**") from the competent fire authority and ensure continued compliance with the prescribed fire prevention and life safety measures. These statutes, together with the rules and regulations framed thereunder, govern matters such as the design and installation of fire prevention systems, maintenance of fire-fighting equipment, periodic inspections by fire authorities, renewal of fire safety clearances, and adherence to the standards contained in the National Building Code of India relating to fire and life safety

The Companies Act, 2013 ("Companies Act")

The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

The Sale of Goods Act, 1930 (the "Sale of Goods Act")

Sale of Goods Act governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods. which are the subject matter of the provision of the Sale of Goods Act.

The Information Technology Act, 2000 (the "IT Act 2000") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The Information Technology (Amendment) Act, 2008, which amends the IT Act, facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorised access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("IT Security Rules") in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2011 ("IT Intermediary Rules") in respect of Section 79(2) of IT Act, requiring intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

The DoIT has recently notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 ("IT Intermediary Rules") requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediary Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediaries Rules further requires the intermediaries to provide for a grievance redressal mechanism and appoint a nodal officer and a resident grievance officer.

Digital Personal Data Protection Act, 2023 ("DPDP Act")

The DPDP Act was introduced to provide for the processing of digital personal data in a manner that recognizes both the right of individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto. The DPDP Act replaces Article 43(A) (Compensation for failure to protect data) of IT Act 2000. Under the DPDP Act the personal data of a data principal may only be processed for a lawful purpose for which the data principal has given consent or for certain legitimate purposes.

A request for consent of the data principal must be accompanied or preceded by a notice given by the data fiduciary, informing the data principal of the personal data and the purpose for which the same is proposed to be processed and the rights and remedies available to the data principal under the DPDP Act. The notice provided must be clear concise and comprehensible to the data principal. The DPDP Act further provides that the consent given by the data principal shall be free, specific, informed, unconditional and unambiguous with a clear affirmative action and shall signify an agreement to the processing of the personal data for the specified purpose and be limited to such personal data as is necessary for such specified purpose.

The DPDP Act establishes "legitimate purpose" for which personal data can be processed; (i) for the specified purpose for which the data principal has voluntarily provided her personal data to the data fiduciary and in respect of which she has not indicated to the data fiduciary that she does not consent to the use of her personal data; (ii) for the state and any of its instrumentalities to provide or issue to the data principal such subsidy, benefit, service, certificate, licence or permit as may be prescribed, subject to certain conditions; (iii) for the performance by the state or any of its instrumentalities of any function under any law for the time being in force in India or in the interest of sovereignty and integrity of India or security of the state; (iv) for fulfilling any obligation under any law for the time being in force in India on any person to disclose any information to the State or any of its instrumentalities, subject to such processing being in accordance with the provisions regarding disclosure of such information in any other law for the time being in force (v) for compliance with any judgment or decree or order issued under any law for the time being in force in India, or any judgment or order relating to claims of a contractual or civil nature under any law for the time being in force outside India; (vi) for responding to a medical emergency involving a threat to the life or immediate threat to the health of the data principal or any other individual; (vii) for taking measures to provide medical treatment or health services to any individual during an epidemic, outbreak of disease, or any other threat to public health; (viii) for taking measures to ensure safety of, or provide assistance or services to, any individual during any disaster, or any breakdown of public order; (ix) for employment related purposes.

The DPDP Act imposes penalties for contravention, wherein a penalty up to ₹ 10,000 may be imposed for a breach in observance of duty by data principal and a penalty up to ₹ 2.5 billion may be levied for non-compliance of provisions by data fiduciaries. The Ministry of Electronics and Information Technology have notified the DPDP Rules, which operationalise the DPDP Act, on November 13, 2025.

SEBI Act and regulations

From time to time, our Company will be required to comply with various regulations notified by the SEBI including the SEBI Act, SCRA, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003, SEBI ICDR Regulations, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, to the extent applicable. Set out below is a summary of these regulations:

i. Securities and Exchange Board of India Act, 1992 ("SEBI Act")

SEBI Act establishes SEBI as the principal regulatory authority overseeing India's securities markets. It confers comprehensive powers upon SEBI to regulate all facets of securities markets, including issuance, listing, and trading activities. The SEBI Act authorizes SEBI to safeguard investor interests, maintain market integrity, and foster market development through regulations, circulars, and guidelines. Furthermore, it empowers SEBI to conduct investigations into potential violations, impose administrative and monetary sanctions, and pursue enforcement actions against noncompliant market participants.

ii. Securities Contracts (Regulation) Act, 1956 ("SCRA")

SCRA regulates securities transactions and establishes the legal infrastructure for stock exchanges within India. It comprehensively defines securities and financial instruments while governing listing requirements and prohibiting unauthorized trading. The SCRA establishes parameters for recognition of exchanges and empowers the central government and SEBI to implement measures for intervention when necessary to protect investor interests or preserve market stability. It also provides the statutory basis for regulation of derivatives and other complex financial instruments.

iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

SEBI Listing Regulations delineate ongoing compliance obligations and disclosure requirements for companies with listed securities. It establishes requirements for financial disclosures, corporate governance standards, investor grievance mechanisms, and timely reporting of material events. The SEBI Listing Regulations mandates specific committee compositions, independent director requirements, and related party transaction approvals. It prescribes formats and timelines for periodic submissions to exchanges and requires the appointment of qualified compliance officers to ensure adherence to regulatory requirements.

iv. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations")

SEBI PIT Regulations prohibit trading in securities while in possession of unpublished price-sensitive information ("**UPSI**"). It deals with insider trading offenses, establishes trading restrictions for designated persons, and mandates disclosure requirements for promoters, directors, and key management personnel of a company. It requires companies to formulate a code of conduct, implement trading plans for insiders, and establish mechanisms for identifying and protecting UPSI. The SEBI PIT Regulations further prescribe structured digital databases to track UPSI recipients and specify procedures for legitimate communications with stakeholders.

v. ***Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 ("SEBI PFUTP Regulations")***

SEBI PFUTP Regulations prohibit manipulative, fraudulent, and unfair practices in connection with securities markets. It defines various categories of prohibited activities including market manipulation, price rigging, misleading statements, and artificial transactions designed to create false market impressions. The SEBI PFUTP Regulations empowers SEBI to investigate suspected violations, issue cease-and-desist orders, and impose monetary penalties and market access restrictions. It also establishes the basis for disgorgement of ill-gotten gains and provide for restitution to affected investors harmed by fraudulent practices.

vi. ***Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations")***

SEBI ICDR Regulations regulate the issuance of equity and convertible securities and disclosure requirements for companies raising funds through various channels including, inter alia, initial public offer, further public offer, rights issue and qualified institutional placement. It sets out the guidelines and framework that companies must follow to issue equity and convertible securities to the public. It also outlines the disclosure requirements pertaining to all material information, risks, and details about the financial health of the company to undertake such issuances.

vii. ***Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations")***

SEBI SBEB & SE Regulations govern the share-based employee benefit schemes of equity listed companies. It is applicable to an equity listed company that seeks to issue sweat equity shares or has a scheme: (i) for direct or indirect benefit of employees; (ii) involving dealing in or subscribing to or purchasing securities of the company, directly or indirectly; and (iii) satisfying, directly or indirectly, any one of the following conditions: the scheme is set up by the company or any other company in its group; the scheme is funded or guaranteed by the company or any other company in its group; and the scheme is controlled or managed by the company or any other company in its group.

viii. ***Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2012 ("SEBI ILNCS Regulations")***

SEBI ILNCS Regulations govern the issuance and listing of debt securities and non-convertible securities by an issuer by way of public issuance, or on private placement basis which are proposed to be listed and listing of commercial paper issued by an issuer in compliance with the guidelines framed by the Reserve Bank of India. It also outlines the disclosure requirements pertaining to all material information, risks, and details about the financial health of the company to undertake such issuances.

Other Indian laws

In addition to the above, we are also governed by the provisions of the Contract Act, 1872, the Competition Act, 2002, the Prevention of Money Laundering Act, 2002 and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our day-to-day business.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as "K P M Udyog Private Limited" under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 13, 2008, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. The name of our Company was changed to "Koolking Udhyog Private Limited" pursuant to a resolution dated May 10, 2008, passed by our Board and a resolution dated May 29, 2008, passed by our Shareholders, post which a fresh certificate of incorporation dated June 9, 2008, was issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Subsequently, the name of our Company was changed to "Koolking Industries India Private Limited" pursuant to a resolution dated April 27, 2026, passed by our Board and a resolution dated May 19, 2026, passed by our Shareholders, post which a fresh certificate of incorporation dated May 29, 2026, was issued by Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana. On the conversion of our Company from a private limited company to a public limited company, pursuant to a resolution passed by our Board on May 29, 2026 and a special resolution passed by our Shareholders on June 8, 2026, the name of our Company was changed to "Koolking Industries India Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana on June 23, 2026.

Changes in the registered office

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation:

Date of change	Details of the address of Registered office	Reason for change
June 10, 2026	The address of our Registered and Corporate Office was updated from Dhuri Road, Malerkotla – 148 023, District Sangrur, Punjab, India to Village Ratolan, Dhuri Road, Malerkotla – 148 023, Punjab, India	While there was no change in the premises of our Registered and Corporate Office, our Company filed a Form INC-22, along with the relevant attachments, with the MCA for updating the district of our Registered and Corporate Office from Sangrur to Malerkotla

Main objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

1. *To carry on the business of manufacturing, trading, import, export, dealing, buying selling, repairing of all kinds of copper, brass and refrigeration parts including, air conditioners, compressors, Pneumatic and centrifugal machines (indigenes or Imported) heat exchange like inter cooler, air coolers, after coolers, oil coolers, Heating Batteries, Heat converter, heater, steam radiators, finned tubes, pre heater, accessories like moisture separator, Air receiver, air dryer, valve and cocks and any other types of home appliances.*

2. *To carry on the business of manufacturers, forwarders, melters shapers, processors, re-roller, drawers, graders, converters, formulators, fabricators, engineers, contractors, dealers, buyers, sellers, importers and exporters of all kinds and varieties of steel, special steel, carbon steel iron, pig iron sponge iron, iron ore copper, zinc, nickel, tin, brass and all ferrous and non ferrous metals and their alloys, casting, forgings, billets, rounds, rods, wires, circles, angles, ingots, tools, extrusion, metal powders, scraps, raw materials, stores, by-products and other allied commodities."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please see "***Objects of the Offer***" beginning on page 133.

Amendments to the Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution	Particulars
July 27, 2020	Increase of authorised share capital from ₹ 75,000,000 divided into 7,500,000 Equity Shares of ₹ 10 each to ₹ 99,000,000 divided into 9,900,000 Equity Shares of ₹ 10 each
August 24, 2020	Clause III(B) of the MoA was amended to add the following clause 36 after clause 35: "*(36) To borrow or raise money in such other manner as the company shall think fit, and in particular by the issue of mortgage or debenture stock, perpetual stock, perpetual or otherwise charge upon all or any of the Company's property (both present and future), including its uncalled capital and to redeem or pay to redeem or payoff such securities in connection with the business of the Company.*"
May 19, 2026	Clause I of the MoA was amended to reflect the change of name of our Company from '*Koolking Udhyog Private Limited'* to '*Koolking Industries India Private Limited'*
June 8, 2026	Clause I of the MoA was amended to delete the word "Private" before the word "Limited" in the name of the Company, pursuant to the conversion of the company from a private limited company to a public limited company
	Clause IV of the MoA was amended to reflect the addition of the following clause after clause 36 and re-numbering of IV to clause V of the MoA: "*The liability of the member(s) Is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.*"
June 29, 2026	Increase of authorised share capital from ₹ 99,000,000 divided into 9,900,000 Equity Shares of ₹ 10 each to ₹ 420,000,000 divided into 42,000,000 Equity Shares of ₹ 10 each
September 3, 2026	Clause V of the MoA of our company was amended to reflect the sub-division of ₹ 420,000,000 divided into 42,000,000 equity shares of ₹ 10 each to 84,000,000 Equity Shares of face value of ₹ 5 each

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Calendar/ Financial Year	Milestone
2008	Started operations in the Punjab Manufacturing Facility Unit I
2010	Onboarded Amber Enterprises India Limited as a customer
2013	Commenced commercial production of U-bend
	Onboarded Daikin Airconditioning India Private Limited as a customer
2015	Onboarded Panasonic Life Solutions India Private Limited as a customer
2018	Started operations in the Punjab Manufacturing Facility Unit II
2019	Commenced commercial production of Brass distributor
	Commenced commercial production of EVA in and EVA out
2020	Onboarded EPack Durable Limited as a supplier
	Started operations in the Noida Manufacturing Facility
Fiscal 2021-2022	Recorded annual turnover exceeding ₹1,000.00 million for the first time
2022	Started operations in the Ghiloth Manufacturing Facility
	Commenced commercial production of refrigeration tubing
	Onboarded KRN Heat Exchanger and Refrigeration Limited as a customer
Fiscal 2023-2024	Recorded annual turnover exceeding ₹ 2,000.00 million for the first time
	Commenced commercial production of copper capillary product
2024	Started operations in the Sricity Manufacturing Facility
Fiscal 2024-2025	Recorded annual turnover exceeding ₹ 4,000.00 million for the first time
Fiscal 2025- 2026	Recorded annual turnover exceeding ₹ 5,000.00 million for the first time

Key awards, accreditations and recognitions

The following are the key awards, accreditations and recognitions received by our Company:

Fiscal/ calendar Year	Particulars
2022	Awarded a certificate of appreciation for "Excellent Customer Support" by Amber Enterprises India Limited for the period 2021-22
2025	Awarded a certificate of appreciation for continued support in business association and customer satisfaction by Carrier Airconditioning and Refrigeration Limited
	Awarded "Best MSME Supplier" by Carrier Airconditioning and Refrigeration Limited

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiary, associates or joint ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries, joint ventures or associates.

Significant financial or strategic partners

Our Company does not have any significant strategic or financial partners as on the date of this Draft Red Herring Prospectus.

Time and cost over-runs in setting up projects by our Company

Other than in the ordinary course of business, there have been no time and cost overruns in the setting-up of any of our projects.

Capacity, facility creation and location of manufacturing plants

For further details of in relation to the capacity, creation of facilities and location of the manufacturing plants, please see *"**Our Business – Manufacturing Facilities and warehouse**"* on page 312.

Launch of key products, entry into new geographies or exit from existing markets

For details of launch of key products or services, entry in new geographies or exit from existing markets, please see "***Our Business***" beginning on page 293.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There have been no defaults or rescheduling or restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders. For further information of our financing arrangements, please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Indebtedness***" on page 449.

Details regarding material acquisitions or divestments of business or undertakings

Our Company has not made any material acquisitions or divestments of business or undertakings in the 10 years preceding the date of this Draft Red Herring Prospectus.

Details regarding mergers or amalgamation

There have been no mergers or amalgamation by our Company in the 10 years preceding the date of this Draft Red Herring Prospectus.

Details regarding revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Shareholders' agreements and other agreements

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by and between our Company and Shareholders of our Company or any inter-se Shareholders with regard to rights and obligations in connection with the securities of our Company.

As on the date of this Draft Red Herring Prospectus, there is no special right available to any of the Shareholders of our Company.

Other material agreements

As on the date of the Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

[***The remainder of this page has intentionally been left blank***]

Guarantees provided to third parties by our Promoters offering their Equity Shares in the Offer for Sale

Except as disclosed below, none of Promoter Selling Shareholders have provided guarantees to any third parties:

Name of the lender	Name of the borrower	Name of the Promoter offering Equity Shares	Amount guaranteed (₹ in million)	Type of borrowing/ facility	Obligation on our Company	Amount outstanding as on July 31, 2026 (₹ in million)
Federal Bank Limited	Koolking Industries India Limited	Sajiv Gopal, Varun Gopal and Malti Sood	2.80	Car loan	Company is the primary borrower	0.76
HDFC Bank Limited	Koolking Industries India Limited	Sajiv Gopal, Varun Gopal and Malti Sood	30.00	Term loan	Company is the primary borrower	20.82
			43.00	Term loan		39.81
			350.00	Cash credit for working capital purpose with letter of credit and SBLC for BC-WC as sublimit		307.69
			48.00	Term loan		28.77
			340.00	LC limit with SBLC for BC-WC and Cash credit limit as sub-limits for working capital purpose		326.53
			50.00	Term loan		42.45
			40.00	Term loan		35.24
			50.00	Term loan		29.59
			1.50	Car loan		0.09
			37.83	ECLGS working Capital Term Loan		37.83
Small Industries Development Bank of India	Koolking Industries India Limited	Sajiv Gopal, Varun Gopal and Malti Sood	10.00	Term loan	Company is the primary borrower	3.77
			5.45	Term loan		0.76
			30.00	Term loan		27.10
			10.18	Term loan		0.72
Axis Bank Limited	Koolking Industries India Limited	Sajiv Gopal, Varun Gopal and Malti Sood	140.00	Cash credit for working capital purpose	Company is the primary borrower	94.43
			305.00	Letter of credit with SBLC for buyers credit as sublimit for working capital purpose		257.55
			130.00	Term loan		130.00
			3.90	Term loan		2.42
			8.50	Term loan		7.50
			8.50	Term loan		7.50
			1.50	Term loan		0.57

			315.00	Bill discounting		212.90
	Sajiv Gopal	Sajiv Gopal, Varun Gopal and Malti Sood	3.90	Term loan	Nil	0.25

[***The remainder of this page has intentionally been left blank***]

Other confirmations

Neither our Promoters nor any other Key Managerial Personnel, Senior Management, Directors or any other employee of our Company, either by themselves or on behalf of any other person, have entered into any agreements with any Shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

There are no other agreements entered into by the Shareholders, Promoter, members of Promoter Group, related parties of our Company, Directors, Key Managerial Personnel, or the employees of our Company among themselves or with our Company or with third party, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restrictions or create any liability upon our Company.

Our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company. Further, there are no agreements and clauses/ covenants which are material, and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision of the investors and there are no other clauses/ covenants which are adverse/ prejudicial to the interest of the public shareholders.

We confirm that there are no other agreements, arrangements and clauses or covenants which are material and which needs to be disclosed or the non-disclosure of which may have bearing on the investment decision, other than the ones which have already been disclosed in this DRHP.

There are no findings/ observations of any of the inspections by SEBI or any other regulator which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision of prospective investors

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises six Directors including three Executive Directors and three Non-Executive Independent Directors including one woman Non-Executive Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
1.	**Sajiv Gopal** **Date of birth:** April 4, 1961 **Designation**: Chairperson and Whole-time Director **Address**: B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India **Occupation**: Business **Current term**: For a period of five years with effect from August 21, 2026; Liable to retire by rotation **Period of directorship:** Director since incorporation **DIN**: 01842390	65	**Indian companies** *Nil* **Foreign companies** *Nil*
2.	**Malti Sood** **Date of birth:** January 26, 1964 **Designation**: Whole-time Director **Address**: B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India **Occupation**: Business **Current term**: For a period of five years with effect from September 30, 2025 **Period of directorship:** Director since incorporation **DIN**: 01999242	62	**Indian companies** *Nil* **Foreign companies** *Nil*
3.	**Varun Gopal** **Date of birth:** March 6, 1988 **Designation**: Managing Director and Chief Executive Officer **Address**: B IV 520 Sood House, Dhuri Road, Malerkotla – 148 023, Punjab, India **Occupation**: Business	38	**Indian companies** *Nil* **Foreign companies** *Nil*

Sr. No	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Current term: For a period of five years with effect from August 21, 2026; Liable to retire by rotation **Period of directorship:** Director since incorporation **DIN**: 01999194		
4.	**Sameer Bhargava** **Date of birth:** June 16, 1963 **Designation**: Non-Executive Independent Director **Address**: J-501 Park View City-1, Sector 48, Sohna Road, Islampur (97), Gurgaon South City II, Haryana – 122018, Gurgaon, India **Occupation**: Consultant **Current term**: For a period of five years with effect from July 10, 2026 **Period of directorship:** Since July 10, 2026 **DIN**: 07115063	63	**Indian companies** 1. Oya Creations Private Limited 2. EPack Durable Limited **Foreign companies** *Nil*
5.	**Shweta Mohindra** **Date of birth:** December 6, 1976 **Designation**: Non-Executive Independent Director **Address**: House No – 616 H.I.G P.h.b. Colony, Jamalpur, Ludhiana, Punjab – 141 010, India. **Occupation**: Consultant **Current term**: For a period of five years with effect from July 10, 2026 **Period of directorship:** Since July 10, 2026 **DIN**: 11806147	49	**Indian companies** *Nil* **Foreign companies** *Nil*
6.	**Sanjay Mittal** **Date of birth:** August 23, 1973 **Designation**: Non-Executive Independent Director **Address**: 1119, phase 3, Model Town, Bathinda – 151001, Punjab, India **Occupation**: Business **Current term**: For a period of five years with effect from July 10, 2026 **Period of directorship:** Since July 10, 2026 **DIN**: 11548754	53	**Indian companies** Regency Fincorp Limited **Foreign companies** *Nil*

Brief biographies of Directors

Sajiv Gopal is the Chairperson and Whole-time Director of our Company and has been associated with our Company since incorporation. He has successfully passed the matriculation school examination conducted by the Punjab School Education Board. He has over 18 years in the HVAC components industry. In his capacity as the Whole-time Director, he is responsible for all business development related activity including participation in all exhibitions showcasing the Company's product strength and delivery, customer acquisition, customer relationship and experiences.

Malti Sood is a Whole-time Director of our Company and has been associated with our Company since incorporation. She holds a bachelor's degree in arts from Punjab University. She has over 18 years in the HVAC components industry. In her capacity as a Whole-time Director, she is responsible for all business development related activities including CSR initiatives and supports welfare programs and enhances our Company's ethical footsteps.

Varun Gopal is the Managing Director and Chief Executive Officer of our Company and has been associated with our Company since incorporation. He holds a bachelor's degree in mechanical engineering and a master's degree in business administration with a specialisation in finance from RIMT – Institute of Management and Computer Technology, Mandi Gobindgarh, Punjab Technical University, Jalandhar. He has over 18 years in the HVAC components industry. In his capacity as a Managing Director, he is responsible for all business development related activity including client onboarding, overseeing plant operations, capital expenditures, financial planning, developing sales and marketing strategies and logistics.

Sameer Bhargava is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in mechanical engineering from Bangalore University, Bengaluru, Karnataka. He has over 38 years of experience in consumer durables, the HVAC components industry and white goods manufacturing sectors. Prior to joining our Company, he was associated with Mitsubishi Electric India Private Limited as consultant, Highly Electrical Appliances India Private Limited as vice- president in supply chain and administration and as a consultant, Carrier Airconditioning and Refrigeration Limited as assistant director – strategic sourcing, Whirlpool of India Limited as senior manager – commodity and finished goods, Electrolux Maharaja International Limited as assistant manager (purchase) and National Engineering Industries Limited as superintendent in central planning.

Shweta Mohindra is the Non-Executive Independent Director of our Company. She holds a bachelor's degree in business administration from Annamalai University. She has 23 years of experience. Prior to joining our Company, she was associated with Shama International as Merchandiser and Shingora Textiles Private Limited as Merchandiser-Merchandising Department and Brand Head-Merchandising Department.

Sanjay Mittal is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from Punjabi University, a master's degree in business administration from Sikkim Manipal University, a post graduate diploma in financial advising from Indian Institute of Banking and Finance, a diploma course in advanced ayurvedic medicine from the international association of therapists, and an honorary doctorate in business administration from National American University. He has passed the final examination of advanced PG diploma in computer applications from India Education Centre Limited. He has completed the Anti-Money Laundering and Know Your Customer examination, the CAIIB examination, the JAIIB examination conducted by the Indian Institute of Banking and Finance, the eLearning courses on Financial Planning (Advanced), introduction to fixed income securities, the NISM Series XVI: Commodity Derivatives program and the NISM Series VII: Securities Operations and Risk Management Continuing Professional Education Program, the Research Analyst – Faculty Development Programme and the listing on Social Stock Exchange programme from National Institute of Securities Management, the course on investment banking and finance by Udemy, Inc and has passed the final examination of the certificate in nutrition course from Fabulous Body Inc. He has been certified as the chartered wealth manager by the American Academy of Financial Management. He has 28 years of experience. Prior to joining our Company, he was associated with Bank of Punjab Limited as Senior Manager, IndusInd Bank as Manager and ICICI Bank as Assistant General Manager.

Details of directorships in companies suspended or delisted

None of our Directors is or was a director of any company listed on any stock exchange during the five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of their directorship in such company.

Arrangement or understanding with major Shareholders, customers, suppliers, or others

None of our Directors has been appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. Except statutory benefits upon termination of their employment in our Company or superannuation, no Directors are entitled to any benefit upon termination of employment or superannuation.

Service contract with Directors

No officer of our Company, including our Directors have entered a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Terms of appointment of our Directors

A. Terms of employment of our Executive Directors

Sajiv Gopal, Chairperson and Whole-time Director

Sajiv Gopal was appointed as the Chairperson and Whole-time Director of our Company pursuant to the resolutions passed by our Board on August 21, 2026 and shareholders on August 29, 2026, for a period of five years with effect from August 21, 2026. Pursuant to the resolution passed by our Board dated August 29, 2026, the remuneration payable to Sajiv Gopal was revised effective from August 21, 2026, as follows:

Particulars	Remuneration per month (in ₹)
Remuneration:	
Basic salary	119,000
Conveyance allowance	51,000
Employer’s contribution to provident fun	14,280
Labour welfare fund/ other statutory contribution	As applicable
Total	**185,470**

Malti Sood, Whole-time Director

Malti Sood was appointed as a Whole-time Director of our Company pursuant to the resolution passed by our Board on September 20, 2025 and shareholders on September 30, 2025, for a period of five years with effect from September 30, 2025. Pursuant to the resolution passed by our Board dated April 27, 2026, the remuneration payable to Malti Sood was revised effective from April 1, 2026, as follows:

Particulars	Remuneration per month (in ₹)
Remuneration:	
Basic salary	105,000
Conveyance allowance	45,000
Employer’s contribution to provident fun	12,600
Labour welfare fund/ other statutory contribution	As applicable
Total	**163,650**

Varun Gopal, Managing Director and Chief Executive Officer

Varun Gopal was appointed as the Managing Director and Chief Executive Officer of our Company pursuant to the resolutions passed by our Board on August 21, 2026 and shareholders on August 29, 2026, for a period of five years with effect from August 21, 2026. Pursuant to the resolution passed by our Board dated August 29, 2026, the remuneration payable to Varun Gopal was revised effective from August 21, 2026, as follows:

Particulars	Remuneration per month (in ₹)
Remuneration:	

Particulars	Remuneration per month (in ₹)
Basic salary	119,000
Conveyance allowance	51,000
Employer's contribution to provident fun	14,280
Labour welfare fund/ other statutory contribution	As applicable
Total	**185,470**

B. Terms of appointment of our Non-Executive Independent Directors

Pursuant to the resolution passed by our Board dated July 10, 2026:

Our Non-Executive Independent Director, Sanjay Mittal is entitled to receive sitting fees of ₹ 15,000.00 for attending each meeting of the Board and the committees constituted by the Board.

Our Non-Executive Independent Director, Sameer Bhargava is entitled to receive sitting fees of ₹ 18,000.00 for attending each meeting of the Board and the committees constituted by the Board.

Our Non-Executive Independent Director, Shweta Mohindra is entitled to receive sitting fees of ₹ 10,000.00 for attending each meeting of the Board and the committees constituted by the Board.

Our Non-Executive Independent Directors may be reimbursed for all reasonable and actual travelling expenses, air fare, rail fare, road transport charges, hotel accommodation, food expenses, local conveyance, communication expenses and all other incidental expenses necessarily incurred for attending Board Meetings, Committee Meetings, General Meetings, site visits, factory inspections, strategy sessions, due diligence exercises, meetings with auditors, regulators, consultants, bankers, investors or any other official business of the Company.

Payments or benefits to Directors of our Company

Remuneration to our Executive Directors

The details of remuneration paid to our Executive Directors in Fiscal 2026 are as follows:

Name of Director	Designation	Remuneration (*₹ in million*)
Sajiv Gopal*	Chairperson and Whole-time Director	2.16
Malti Sood	Whole-time Director	1.90
Varun Gopal^	Managing Director and Chief Executive Officer	2.16
Sugandha Sood#	Non-executive Director	0.63

***** *Sajiv Gopal was appointed as a Chairperson and Whole-time Director with effect from Fiscal 2027. Accordingly, the remuneration received by him in Fiscal 2026 was as the Managing Director.*
^ *Varun Gopal was appointed as the Managing Director and Chief Executive Officer with effect from Fiscal 2027. Accordingly, the remuneration received by him in Fiscal 2026 was as the Whole-Time Director.*
# *Sugandha Sood ceased to be a director of our Company with effect from September 1, 2025.*

Sitting fees and commission to our Non-Executive Independent Directors

Since our Non-Executive Independent Directors were appointed on our Board since July 10, 2026, accordingly no remuneration (including sitting fees and commission, to the extent applicable) was paid to them in Fiscal 2026.

Contingent and deferred compensation payable to the Directors by our Company

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Remuneration paid or payable to our Directors by our subsidiary or associates

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or associates.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

As on the date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares, except as disclosed below:

Sr. No.	Name of the Directors	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Sajiv Gopal	20,020,200	36.58
2.	Malti Sood	15,092,520	27.58
3.	Varun Gopal	12,959,880	23.68
Total		**48,072,600**	**87.84**

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. For further details, see "***Other Financial Information – Related Party Transactions***" and "***Risk Factors – We have entered into related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest, and there is no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties***" on pages 427 and 54, respectively.

All our Directors may be deemed to be interested to the extent of Equity Shares held by them or by their relatives, if any, or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, or that may be subscribed by or allotted to them pursuant to this Offer. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Except as stated in the section titled "***Restated Financial Information***" beginning on page 368, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors and/or as Key Managerial Personnel.

Our Company has entered into (i) a lease agreement dated January 19, 2026 with Malti Sood, one of our Directors, and (ii) a lease agreement dated January 19, 2026 with Varun Gopal, one of our Directors, pursuant to which our Company has leased a portion of Punjab Manufacturing Facility Unit I and Punjab Manufacturing Facility Unit II, respectively, from our aforesaid Directors, for a period of sixteen years with effect from January 1, 2026. Accordingly, our Directors, Malti Sood and Varun Gopal, may be deemed to be interested to the extent of payments made or to be made by our Company to them pursuant to the aforesaid lease agreements. For further details, see "***Other Financial Information – Related Party Transactions***" on page 427.

Our Directors, Sajiv Gopal, Varun Gopal and Malti Sood may be deemed to be interested to the extent of payments made by our Company to the directors pursuant to unsecured loans availed by our Company from the Directors. For further details, see "***Other Financial Information – Related Party Transactions***" on page 427.

None of our Directors have any business interest in our Company as on the date of this Draft Red Herring Prospectus.

Our Company does not have any bonus or profit-sharing plan for our Directors. Further, there is no contingent or deferred compensation payable to our Directors at a later date.

Except to the extent of participation by the Promoter Selling Shareholders, in the Offer for Sale, there are no material existing or anticipated transactions whereby our Directors will receive any portion of the proceeds from the Offer.

Interest in promotion of our Company

As on the date of this Draft Red Herring Prospectus, except for Sajiv Gopal, Malti Sood and Varun Gopal, who are the Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company other than in the ordinary course of business. For further details, see "***Our Promoters and Promoter Group***" beginning on page 363.

Interest in land and property

Except to the extent of the parcel of land purchased by our Company from Koolking Foundation, a Promoter Group entity (in which Sajiv Gopal is the Chairman cum managing trustee, Varun Gopal is the Joint managing trustee and Malti Sood is a trustee) pursuant to the sale deed dated July 1, 2024, none of our Directors have any interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. For further details in relation to the risk involving the same, please see "***Risk Factors – We have acquired land from an entity forming part of our Promoter Group, and any dispute in relation to such land or our title and rights therein could adversely affect our business and operations***" on page 56.

Loans to Directors

As on the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our Company.

Relationship between our Directors, Key Managerial Personnel and Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management are related to each other:

1. Sajiv Gopal and Malti Sood are spouse; and

2. Varun Gopal is the son of Sajiv Gopal and Malti Sood;

Other confirmations

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers.

Changes in the Board in the last three years

Name of Director	Date of change	Reasons
Sugandha Sood	September 1, 2025	Resignation as Director under Section 168 of the Companies Act, 2013
Sajiv Gopal	September 30, 2025	Reappointment as managing director
Malti Sood	September 30, 2025	Redesignation from Executive Director to Whole-time Director
Varun Gopal	September 30, 2025	Redesignation from Executive Director to Whole-time Director
Sajiv Gopal	August 21, 2026	Redesignation from managing director to Chairperson and Whole-time Director
Varun Gopal	August 21, 2026	Redesignation from Whole-time Director to Managing Director and Chief Executive Officer
Sameer Bhargava*	July 10, 2026	Appointment as the Non-Executive Independent Director
Shweta Mohindra*	July 10, 2026	Appointment as the Non-Executive Independent Director
Sanjay Mittal*	July 10, 2026	Appointment as the Non-Executive Independent Director

**Regularised as Non- Executive Independent Director pursuant to the shareholders resolution dated August 29, 2026.*

Borrowing powers of the Board

In accordance with the Articles of Association of our Company and Section 180(1)(c) of the Companies Act, pursuant to a board and shareholders resolution passed at their meeting dated June 24, 2026 and June 29, 2026 respectively, authorised our Board with the borrowing power, to borrow from time to time, such sum or sums of money as may be required for the purposes of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed and outstanding at any point of time shall not exceed ₹ 10,000.00 million.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution, formulation and adoption of the Board and committees thereof.

Committees of the Board

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the committees required under SEBI Listing Regulations and the Companies Act, our Board of Directors may, from time to time constitute committees for various functions.

Details of the committees as on the date of this Draft Red Herring Prospectus are set forth below:

Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board dated July 10, 2026. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The constitution of the Audit committee is as follows:

Name of Director	Position in committee	Designation
Sanjay Mittal	Chairperson	Non-Executive Independent Director
Shweta Mohindra	Member	Non-Executive Independent Director
Varun Gopal	Member	Managing Director and Chief Executive Officer

Its terms of reference are as follows:

Powers of the Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference;

2. to seek information from any employee;

3. to obtain outside legal or other professional advice;

4. to secure attendance of outsiders with relevant expertise, if it considers necessary;

5. to have full access to information contained in records of the Company;

6. such other powers as may be prescribed under the Companies Act, 2013, as amended and the SEBI Listing Regulations

Role of the Audit Committee

The role of the Audit Committee shall include the following:

(a) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(b) recommendation to the board of directors of the Company for appointment, re-appointment, replacement, removal, remuneration and other terms of appointment of statutory auditors of the Company and the fixation of the audit fee;

(c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

1. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

2. changes, if any, in accounting policies and practices and reasons for the same;

3. major accounting entries involving estimates based on the exercise of judgment by management;

4. significant adjustments made in the financial statements arising out of audit findings;

5. compliance with listing and other legal requirements relating to financial statements;

6. disclosure of any related party transactions; and

7. modified opinion(s) in the draft audit report.

(e) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.

(g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) approval of any subsequent modification of transactions of the Company with related parties within three months from the date of the transaction or in the immediate next meeting of the committee, whichever is earlier, and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed, by the independent directors who are members of the Audit Committee;

1. Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;

2. Make omnibus approval for related party transactions proposed to be entered into by the Company for every financial year as per the criteria approved;

3. Review of transactions pursuant to omnibus approval;

4. Make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act, 2013.

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(i) scrutiny of inter-corporate loans and investments;

(j) valuation of undertakings or assets of the Company, wherever it is necessary;

(k) evaluation of internal financial controls and risk management systems;

(l) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(n) discussion with internal auditors of any significant findings and follow-up thereon;

(o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(q) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(r) reviewing the functioning of the whistle blower mechanism;

(s) monitoring the end use of funds raised through public offers and related matters;

(t) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(u) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(v) reviewing the utilization of loans and/or advances from/ investment by the Company in its subsidiary/(ies) exceeding ₹1,000.00 million or 10% of the asset size of the subsidiary/(ies), whichever is lower including existing loans/ advances/ investments existing as per the applicable law;

(w) Approval of related party transactions to which the subsidiary/(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual standalone turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations.

(x) Formulating a policy on related party transactions, which should include materiality of related party transactions;

(y) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(z) reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) regulations, 2015, as amended, at least once in a financial year.

(aa) approving the key performance indicators ("**KPIs**") for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law; and

(bb) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, as amended, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

3. Internal audit reports relating to internal control weaknesses;

4. The appointment, removal and terms of remuneration of the chief internal auditor; and

5. Statement of deviations in terms of the SEBI Listing Regulations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

   b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

   c. Statement of deviations in terms of the SEBI Listing Regulations:

      - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

      - annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

      - such information as may be prescribed under the Companies Act, 2013, as amended and the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board dated July 10, 2026. It is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in committee	Designation
Sanjay Mittal	Chairperson	Non-Executive Independent Director
Shweta Mohindra	Member	Non-Executive Independent Director
Sameer Bhargava	Member	Non-Executive Independent Director

Its terms of reference are as follows:

Terms of reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**");

2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

3. Providing a detailed explanation and justification for appointment or re- appointment of a person, including the managing director, director or a whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting;

4. Formulation of criteria for evaluation of performance of independent directors and the Board;

5. Devising a policy on Board diversity;

6. Developing a succession plan for the Board and senior management and regularly reviewing the plan;

7. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

8. Analysing, monitoring and reviewing various human resource and compensation matters;

9. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

10. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

11. recommend to the board, all remuneration, in whatever form, payable to senior management

12. carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

13. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

14. Perform such functions as are required to be performed by the Nomination and Remuneration Committee under Regulation 5 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

    a. administering any existing and proposed employee stock option schemes formulated by the Company from time to time (the "**Plan**");

    b. determining the eligibility of employees to participate under the Plan;

    c. granting options to eligible employees and determining the date of grant;

    d. determining the number of options to be granted to an employee;

    e. determining the exercise price under the Plan; and

    f. construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

15. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

    b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

16. Carrying out any other activities as may be delegated by the Board of Directors of the Company, functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted pursuant to a resolution passed by our Board dated July 10, 2026. It is in compliance with Section 135 of the Companies Act. The constitution of the Corporate Social Responsibility is as follows:

Name of Director	Position in committee	Designation
Sajiv Gopal	Chairperson	Chairperson and Whole-time Director
Shweta Mohindra	Member	Non-Executive Independent Director
Varun Gopal	Member	Managing Director and Chief Executive Officer

Its terms of reference are as follows:

Functions of the Corporate Social Responsibility Committee:

(a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, and the rules made thereunder, each as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

(b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time and make any revisions therein as and when decided by the Board;

(d) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(e) the Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

    1. the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;

    2. the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act, 2013 in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

    3. the modalities of utilisation of funds and implementation schedules for the projects or programmes;

    4. monitoring and reporting mechanism for the projects or programmes; and

    5. details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect; and

(f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Stakeholder Relationship Committee

The Stakeholder Relationship Committee was constituted pursuant to a resolution passed by our Board dated July 10, 2026. It is in compliance with Regulation 20 of the SEBI Listing Regulations. The constitution of the Stakeholder Relationship Committee is as follows:

Name of Director	Position in committee	Designation
Sameer Bhargava	Chairperson	Non-Executive Independent Director
Varun Gopal	Member	Managing Director and Chief Executive Officer
Malti Sood	Member	Whole-time Director

Its terms of reference are as follows:

1. considering and looking into various aspects of interest of shareholders, debenture holders and other security holders

2. resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;

3. giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

4. review of measures taken for effective exercise of voting rights by shareholders;

5. formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the shareholders from time to time;

6. to dematerialize or rematerialize the issued shares;

7. resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants;

8. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent;

9. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company; and

10. carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Companies Act, 2013, as amended or the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Risk Management Committee

The Risk Management Committee was constituted pursuant to a resolution passed by our Board dated July 10, 2026. It is in compliance with Regulation 21 of the SEBI Listing Regulations. The constitution of the Risk Management committee is as follows:

Name of Director	Position in committee	Designation
Sameer Bhargava	Chairperson	Non-Executive Independent Director

Shweta Mohindra	Member	Non-Executive Independent Director
Malti Sood	Member	Whole-time Director

Its terms of reference are as follows:

1. Review, assess and formulate the risk management system and policy of the Company from time to time and recommend for an amendment or modification thereof, which shall include:

    (a) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

    (b) measures for risk mitigation including systems and processes for internal control of identified risks; and

    (c) business continuity plan;

2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

5. Keep the Board of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;

6. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);

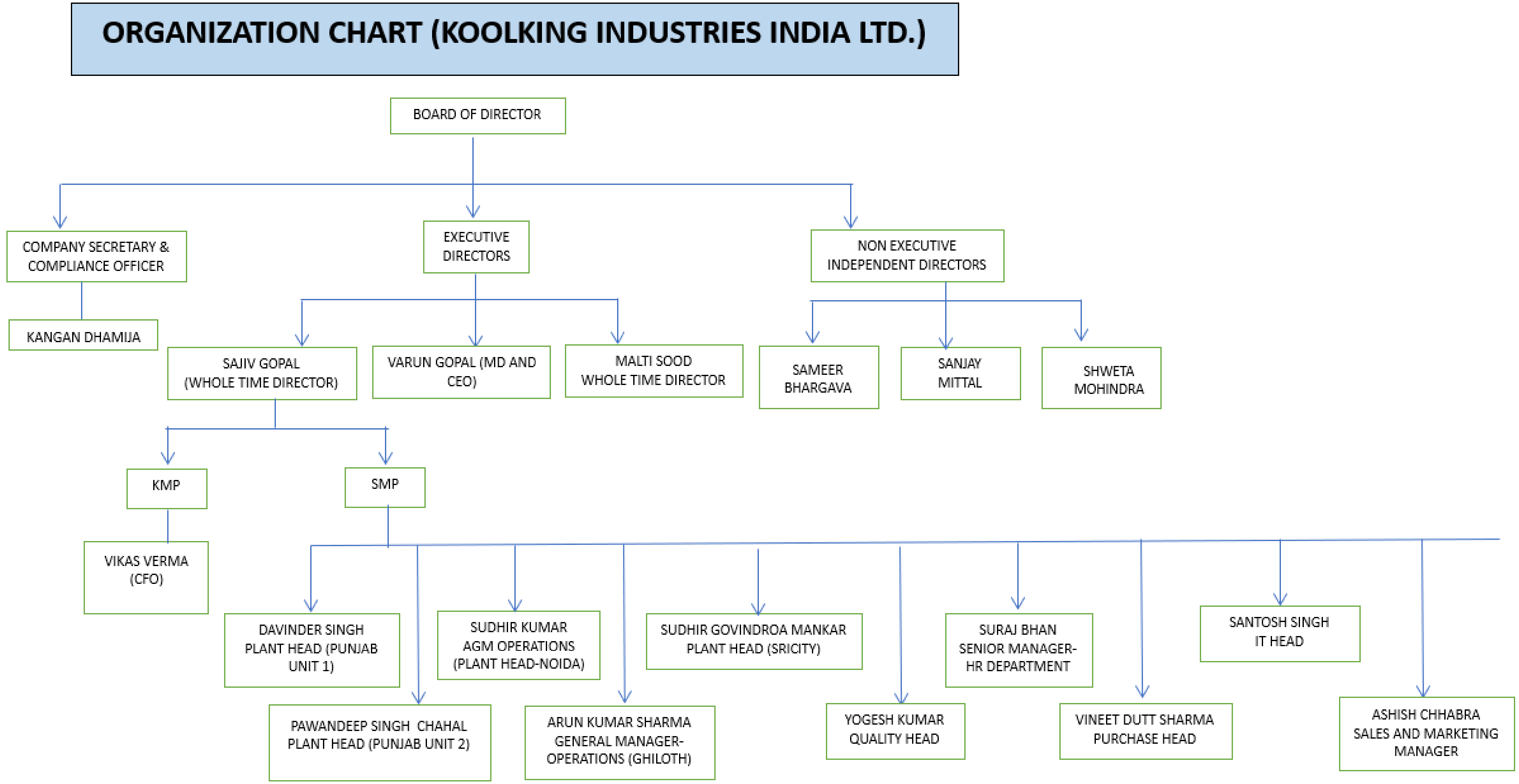
7. To implement and monitor policies and/or processes for ensuring cyber security;

8. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board; and

9. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

[***The remainder of this page has intentionally been left blank***]

Management Organization Chart



Key Managerial Personnel

In addition to Sajiv Gopal, our Chairperson and Whole-time Director, Malti Sood, our Whole-time Director and Varun Gopal, our Managing Director and Chief Executive Officer, and whose details have been provided under the section titled "*– **Board of Directors***" on page 343, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

Vikas Verma is the Chief Financial Officer of our Company. He has been associated with our Company since May 18, 2026. He holds a bachelor's degree in commerce from S.C.D. Government College, Ludhiana, Punjab University. He has received an Accounting Technician Certificate from Institute of Chartered Accountants of India (ICAI) on October 31, 2010 and has passed the Professional Education Examination – II conducted by ICAI in May 2005. He has over 16 years of experience in Finance and Accounts. Prior to joining our Company, he was associated with Paras Nutritions Private Limited as Deputy General Manager in Finance and Accounts Department, Cancer Treatment Services Hyderabad Private Limited as the Assistant General Manager – Finance and Accounts, Oswal Woollen Mills Limited as a Manager (Finance and Accounts) and Lee Bee Foods as Senior Executive (Accounts and Finance). As he was appointed during Fiscal 2027, he was not paid any remuneration during Fiscal 2026.

Kangan Dhamija is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since August 20, 2025. She holds a bachelor's degree in commerce from Guru Nanak Khalsa College for Women, Model Town, Ludhiana, Panjab University and a bachelor's degree in law (academic and professional) from Seth G. L. Bihani S.D. Law College, Sriganganagar, Maharaja Ganga Singh University, Bikaner, Rajasthan. She is an associate member of the Institute of Company Secretary of India. She has over 11 years of experience in compliance and secretarial matters. Prior to joining our Company, she was associated with BCL Industries Limited as Company Secretary, GH Crop Science Private Limited as Company Secretary and Compliance Officer and Homeland Group as consultant. The remuneration paid to her in Fiscal 2026 was ₹ 0.74 million.

Senior Management

In addition to the Chief Financial Officer and Company Secretary and Compliance Officer of our Company, whose details are provided in "*– **Key Managerial Personnel***" on page 359 the details of our other Senior Management are set out below:

Suraj Bhan is the Senior Manager – HR Department of our Company. He has been associated with our Company since June 25, 2025. He holds a bachelors' degree in arts from Kurukshetra University, a master's degree in arts (social work) from Kurukshetra University and a bachelor of law degree from Chaudhary Charan Sign University, Meerut. He has over 17 years of experience in the human resources industry. Prior to joining our Company, he was associated with Vardhman Yarns (a unit of Vardhman Textiles Limited) as an assistant officer in department personnel and IR department, S.T. Cottex Exports Private Limited as a senior executive in the personnel and IR department, International Cars and Motors Limited as a manager, Arihant Spinning Mills (a unit of Vardhman Textiles Limited) as a manager (level M2) in the HR and IR department and Avon Cycles Limited, Ludhiana as a senior manager in the human resources department. The remuneration paid to him in Fiscal 2026 was ₹ 1.07 million.

Santosh Singh is the IT Head of our Company. He has been associated with our Company since June 1, 2022. He holds a diploma in electronics and communication engineering from Swami Parmanand Polytechnic College, Lalru, Morali. He has also completed the Jetking Certified Desktop Support Technician course conducted by Jetking Infotrain Limited and has cleared the Cisco Certified Network Associate examination administered by Connect Cyber Networks Private Limited. He has over six years of experience in the IT industry. Prior to joining our Company, he was associated with J Pan Tubular Components Private Limited as an Executive – I.T. The remuneration paid to him in Fiscal 2026 was ₹ 0.44 million.

Ashish Chhabra is the Sales and Marketing Manager of our Company. He has been associated with our Company since August 5, 2024. He holds a bachelor's degree in technology (electrical engineering) from Himachal Pradesh University. He has previously was associated with Mysore Marketing Network, Daikin Airconditioning India Private Limited as an executive in production planning and control department, Maxell Trading LLC as a planning engineer in the SCM department and Citizen Industries Limited. The remuneration paid to him in Fiscal 2026 was ₹ 0.67 million.

Vineet Dutt Sharma is the Purchase Head of our Company. He has been associated with our Company since November 13, 2025. He holds a bachelor's degree in technology (mechanical engineering) from Himachal Pradesh University. He has over 11 years of experience and prior to joining our Company, he was associated with Honish Industries as Senior Engineer (product and quality), JB Instruments (New Delhi) as Purchase Manager (Capital and Consumables), View Automobiles (Hyundai authorized service centre) as service advisor and JB Instruments Private Limited as Purchase Manager (Capital and Consumables). The remuneration paid to him in Fiscal 2026 was ₹ 0.22 million.

Yogesh Kumar is the Quality Head of our Company. He has been associated with our Company since March 1, 2022. He holds a diploma in mechanical engineering from Indology Institute of Engineering, Haryana State Board of Technical Education. Prior to joining our Company, he was associated with Munjal Auto Industries Limited as Engineer, Ess Kay Fabrication as the Senior Engineer and India SeAH Precision Metal Private Limited as the Senior Engineer – Quality. The remuneration paid to him in Fiscal 2026 was ₹ 0.79 million.

Arun Kumar Sharma is the General Manager – Operations at our Ghiloth Manufacturing Facility. He has been associated with our Company since December 2, 2024. He holds a bachelor's of technology (electronics and comm engineering) degree from Ludhiana Collage of Engineering and Technology, Ludhiana, Punjab Technical University, Jalandhar and a master's degree in business administration from Sikkim Manipal University. He has over 15 years of experience and prior to joining our Company, he was associated with ILJIN Electronics (India) Private Limited as a GET – Development Engineer, G-ABI Electronics Private Limited as the technical support senior engineer/ division in charge of the products of Fujitsu Frontech Japan, ESS Kay Fabrication as the HOD – Quality and India SeAH Precision Metal Private Limited as the plant manager. The remuneration paid to him in Fiscal 2026 was ₹ 1.72 million.

Sudhir Kumar is the AGM Operations as Plant Head of our Noida Manufacturing Facility. He has been associated with our Company since June 12, 2023. He holds a bachelor's degree in arts from Chaudhary Charan Singh University, Meerut and a master's in business administration degree (operations management) from Sikkim Manipal University. He has over 27 years of experience and prior to joining our Company, he was associated with Progressive Tools and Components Private Limited in several roles, including production line leader, production supervisor and product engineer, India SeAH Precision Metal Private Limited as the production head, Tropicsunn Seeds Private Limited as the plant head and Bajaj Enterprises as the plant head. The remuneration paid to him in Fiscal 2026 was ₹ 1.17 million.

Davinder Singh is the Plant Head of our Punjab Manufacturing Facility Unit I. He has been associated with our Company since February 18, 2013. He holds a diploma in mechanical engineering from Desh Bhagat Poly. College, Dhuri, Sangur, Punjab State Board of Technical Education and Industrial Training. He has over 16 years of experience and prior to joining our Company, he was associated with M.B. Exports Limited as the quality inspector in the quality department and Dalijit Exports Kuwait as the quality engineer in quality department. The remuneration paid to him in Fiscal 2026 was ₹ 0.63 million.

Pawandeep Singh Chahal is the Plant Head of our Punjab Manufacturing Facility Unit II. He has been associated with our Company since May 12, 2020. He holds a bachelor's of technology (mechanical engineering) degree from BGIET, Sangrur, Punjab Technical University. He has over 14 years of experience and prior to joining our Company, he was associated with Avon Cycles Limited as manager quality. The remuneration paid to him in Fiscal 2026 was ₹ 0.58 million.

Sudhir Govindrao Mankar is the Plant Head, Sricity Manufacturing Facility of our Company. He has been associated with our Company since May 14, 2026. He holds a bachelor's degree in engineering (production) from Amravati University. He has over 18 years of experience and prior to joining our Company, he was associated with Savera Mouldings Private Limited as production- executive, India Pens and Stationery as plant manager, Ecorea and Kuroda Electric India Private Limited as deputy manager – molding and Emm Ess Aircon Private Limited as plant head. As he was appointed during Fiscal 2027, he was not paid any remuneration during Fiscal 2026.

Relationships among Key Managerial Personnel and Senior Management

Other than as disclosed under "***– Relationship between our Directors, Key Managerial Personnel and Senior Management***" on page 349, none of the Key Managerial Personnel or Senior Management are related to each other.

Status of the Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Other than as disclosed under "***Capital Structure – Details of shares held by our Directors, Key Managerial Personnel and Senior Management***" on page 130, none of our Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

None of the Key Managerial Personnel or Senior Management is party to any bonus or profit-sharing plan of our Company the management from time to time decides to give performance bonus to its employees.

Arrangement or understanding with major Shareholders, customers, suppliers, or others

There is no arrangement or understanding with the major Shareholders, customers, suppliers, or others, pursuant to which any Key Managerial Personnel or Senior Management was selected as a Key Managerial Personnel or Senior Management.

Contingent and deferred compensation payable to Key Managerial Personnel or Senior Management

There is no contingent or deferred compensation payable to Key Managerial Personnel or Senior Management in Fiscal 2026, which does not form part of their remuneration.

Payment or benefit to Key Managerial Personnel and Senior Management of our Company (non-salary related)

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration, for services rendered as officers of our Company, dividend that may be payable in their capacity as Shareholders, and other than as disclosed in "***Our Promoters and Promoter Group***" beginning on page 363.

Service contracts with Key Managerial Personnel and Senior Management

Other than statutory benefits upon termination of their employment in our Company on retirement, none of our Key Managerial Personnel or Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Except as disclosed under "***– Shareholding of Directors in our Company***" on page 347, none of our Key Managerial Personnel and Senior Management are deemed to be interested in any dividend payable to them and other distributions in respect of Equity Shares.

For further details please see the section titled "***– Interest of Directors***" on page 348.

Changes in the Key Managerial Personnel and Senior Management

Except as disclosed below, there have been no changes in the Key Managerial Personnel and Senior Management in the last three years, other than as disclosed under "***– Changes in the Board in the last three years***" on page 349, are as follows:

Name	Date of change	Reason
Vineet Dutt Sharma	May 25, 2026	Appointment as Purchase Head

Name	Date of change	Reason
Praveen Mishra	May 25, 2026	Resignation as the Plant Head, Sricity Manufacturing Facility
Vikas Verma	May 18, 2026	Appointment as Chief Financial Officer
Sudhir Govindrao Mankar	May 14, 2026	Appointment as the Plant Head, Sricity Manufacturing Facility
Kangan Dhamija	August 20, 2025	Appointment as Company Secretary and Compliance Officer
Suraj Bhan	June 25, 2025	Appointment as Senior Manager – HR Department
Ashish Chhabra	July 1, 2025	Appointment as Sales and Marketing Manager
Pawandeep Singh Chahal	April 1, 2025	Appointment as Plant Head of our Punjab Manufacturing Facility Unit I
Davinder Singh	April 1, 2025	Appointment as Plant Head of our Punjab Manufacturing Facility Unit II
Arun Kumar Sharma	December 2, 2024	Appointment as General Manager – Operations at our Ghiloth Manufacturing Facility
Surender Kumar	November 9, 2024	Resignation as General Manager – Operations at our Ghiloth Manufacturing Facility
Sudhir Kumar	June 12, 2023	Appointment as AGM Operations as Plant Head of our Noida Manufacturing Facility

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Employee stock option schemes

Our Company does not have an employee stock option plan.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are Sajiv Gopal, Malti Sood and Varun Gopal.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of Promoter	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital (in %)
1.	Sajiv Gopal	20,020,200	36.58
2.	Malti Sood	15,092,520	27.58
3.	Varun Gopal	12,959,880	23.68
Total		**48,072,600**	**87.84**

For details of the build-up of our Promoters' shareholding in our Company, please see "***Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company – Equity Shareholding of the Promoters – Build-up of the Promoters' shareholding in our Company***" on page 112.

Details of our Promoters

Sajiv Gopal, aged 65 years, is one of our Promoters and is the Chairperson and Whole-time Director of our Company.

For the complete profile of Sajiv Gopal, i.e., his date of birth, age, residential address, educational qualifications, experience in the business or employment, positions/ posts held in the past, other directorships, special achievements, business and financial activities, as applicable, please see "***Our Management – Board of Directors***", "***Our Management – Brief Biographies of Directors***" on pages 343 and 345 respectively.

The permanent account number of Sajiv Gopal is ACAPG4597Q.

Malti Sood, aged 62 years, is one of our Promoters and is a Whole-time Director of our Company.

For the complete profile of Malti Sood, i.e., her date of birth, age, residential address, educational qualifications, experience in the business or employment, positions/ posts held in the past, other directorships, special achievements, business and financial activities, as applicable, please see "***Our Management – Board of Directors***" and "***Our Management – Brief Biographies of Directors***" on pages 343 and 345 respectively.

The permanent account number of Malti Sood is AJAPS8027J.

Varun Gopal, aged 38 years, is one of our Promoters and is the Managing Director and Chief Executive Officer of our Company.

For the complete profile of Varun Gopal, i.e., his date of birth, age, residential address, educational qualifications, experience in the business or employment, positions/ posts held in the past, other directorships, special achievements, business and financial activities, as applicable, please see "***Our Management – Board of Directors***" and "***Our Management – Brief Biographies of Directors***" on pages 343 and 345 respectively.

The permanent account number of Varun Gopal is ALNPG8759Q.

Our Company confirms that the permanent account number, driving license, bank account number, passport number, Aadhar card number of our Promoters will be submitted to the Stock Exchanges, at the time of filing of this Draft Red Herring Prospectus.

Change in the management and control of our Company

There has been no change in the control of our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of our Promoters

Our Promoters are interested in our Company: (i) to the extent that they have promoted our Company; (ii) of their direct and indirect shareholding in our Company; and (iii) to the extent of any dividends payable upon such shareholding and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives or such entities, if any. For details of the shareholding of our Promoter and members of the Promoter Group in our Company, please see "***Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company – Equity Shareholding of the Promoters***" on page 111.

Our Company has entered into (i) a lease agreement dated January 19, 2026 with Malti Sood, one of our Promoters, and (ii) a lease agreement dated January 19, 2026 with Varun Gopal, one of our Promoters, pursuant to which our Company has leased a portion of Punjab Manufacturing Facility Unit I and Punjab Manufacturing Facility Unit II, respectively, from our aforesaid Promoters, for a period of sixteen years with effect from January 1, 2026. Accordingly, our Promoters, Malti Sood and Varun Gopal, may be deemed to be interested to the extent of payments made or to be made by our Company to them pursuant to the aforesaid lease agreements. For further details, see "***Other Financial Information – Related Party Transactions***" on page 427.

Our Promoters, Sajiv Gopal, Varun Gopal and Malti Sood may be deemed to be interested to the extent of payments made by our Company to the directors pursuant to unsecured loans availed by our Company from the Directors. For further details, see "***Other Financial Information – Related Party Transactions***" on page 427.

Our Promoters may also be deemed to be interested to the extent of their remuneration/ sitting fees and reimbursement of expenses, payable to them, if any in their capacity as Directors or employees of our Company. For further details, please see "***Our Management – Interest of Directors***" on page 348.

Except to the extent of the parcel of land purchased by our Company from Koolking Foundation, a Promoter Group entity (in which Sajiv Gopal is the Chairman cum managing trustee, Varun Gopal is the Joint managing trustee and Malti Sood is a trustee) pursuant to the sale deed dated July 1, 2024, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, as on the date of the Draft Red Herring Prospectus. For further details in relation to the risk involving the same, please see "***Risk Factors – We have acquired land from an entity forming part of our Promoter Group, and any dispute in relation to such land or our title and rights therein could adversely affect our business and operations***" on page 56.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Our Promoters may be interested to the extent that our Company has undertaken any transactions or business arrangements with them, or their relatives or entities in which our Promoters hold equity shares or have an interest, if applicable. For further details, see "***Other Financial Information – Related Party Transactions***" on page 427.

Except as disclosed in the section titled "***Other Financial Information – Related Party Transactions***" on page 427 and in **"*– Interest of our Promoters***" above, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by the Company.

Payment or benefits to our Promoters or Promoter Group

Except as stated above, and otherwise as disclosed in the sections titled "***Other Financial Information – Related Party Transactions***" and "***Our Management – Payment or benefits to Directors of our Company***" on pages 427 and 347, respectively, no amount or benefit has been paid or given to our Promoters or members of the Promoter Group during the two years prior to the filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters or members of the Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters has disassociated in the last three years

Except as disclosed below, none of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Name of Promoter	Name of Company or Firm from which Promoter has Disassociated	Reasons for and Circumstances Leading to Disassociation	Date of Disassociation
Sajiv Gopal	Dynamic Metals & Alloys	There was no business activity thus GST surrendered	September 30, 2025

For details of the guarantees provided by the Promoter Selling Shareholders, see "***History and Certain Corporate Matters – Guarantees given by Promoter offering Equity Shares in the Offer***" on page 340.

Promoter Group

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group as on the date of this Draft Red Herring Prospectus, in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations:

Natural persons who are part of the Promoter Group

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoter) are as follows:

Name of the Promoter	Name of the relative	Relationship with the Promoter
Sajiv Gopal	Malti Sood	Spouse
	Rajiv Gopal	Brother
	Sunita Sabharwal	Sister
	Varun Gopal	Son
	Priyanka Sood	Daughter
	Naresh Kumar Beri	Spouse's father
	Vivek Beri	Spouse's brother
Malti Sood	Sajiv Gopal	Spouse

Name of the Promoter	Name of the relative	Relationship with the Promoter
	Naresh Beri	Father
	Vivek Beri	Brother
	Varun Gopal	Son
	Priyanka Sood	Daughter
	Premlata Sood	Spouse's mother
	Rajiv Gopal	Spouse's brother
	Sunita Sabharwal	Spouse's sister
Varun Gopal	Sugandha Sood	Spouse
	Sajiv Gopal	Father
	Malti Sood	Mother
	Priyanka Sood	Sister
	Aarush Sood	Son
	Shanaya Sood	Daughter
	Ritu Sood	Spouse's mother
	Aayush Sood	Spouse's brother
	Shweta Jairath	Spouse's sister

Entities forming part of the Promoter Group

Companies

1. KPM India Limited

Partnership firms

2. Jairath Brothers

Sole proprietorships

3. Beri Optical Co.

HUFs

4. Sajiv Gopal HUF
5. Naresh Beri HUF
6. Rajiv Gopal HUF
7. Varun Gopal HUF
8. Vivek Beri HUF
9. Rohit Kumar Jairath HUF

Trusts

10. Koolking Foundation

DIVIDEND POLICY

The dividend distribution policy of our Company was approved and adopted by our Board on September 5, 2026 ("**Dividend Policy**"). In terms of the Dividend Policy, the declaration and payment of dividends including interim dividend on our Equity Shares, if any, will be decided by our Board subject to the criteria as mentioned in the Dividend Policy.

Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of the Board and will depend on a number of factors, including but not limited to, (i) distributable surplus available as per the Companies Act and the SEBI Listing Regulations, free cashflow for the period under consideration, growth and expansion plans including (but not limited to) any inorganic opportunities, debt repayment obligations, accumulated reserves, including retained earning, cost and availability of alternative sources of funding, past dividend trends, capital expenditure requirements considering the expansion and acquisition opportunities, working capital requirements, liquidity position, earning stability, any other relevant factor not explicitly covered above but which is likely to have a significant impact on the Company; and (ii) external factors such as prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws, Shareholders' expectations, contractual restrictions/restrictions (if any) in debt covenants, macroeconomic environment, market conditions, future uncertainty and industrial downturn, government policy, global conditions, taxation and other regulatory changes, industry outlook for business in which company operates, cost of raising funds from alternate sources and any other factor which has a significant influence/ impact on the Company's operations.

Our Company has not declared and paid any dividend on the Equity Shares in the three Fiscals preceding the date of this Draft Red Herring Prospectus, and the period from April 1, 2026, until the date of this Draft Red Herring Prospectus.

There is no guarantee that any dividends will be declared or paid in the future. Future dividends, if any, shall depend on various factors such as our revenues, profits, cash flow, financial condition, contractual restrictions, and capital requirements of our Company and regulatory requirements. Additionally, restrictive covenants under the loans or financing arrangements our Company is currently availing or may enter to finance our fund requirements for our business activities may impact our ability to pay dividends. For further details, see "***Risk Factors – Our ability to declare and pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements and other factors, and we cannot assure you that we will pay dividends on our Equity Shares***" on page 66.

SECTION VI: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

[*The remainder of this page has intentionally been left blank*]

Independent Auditor's Examination Report on Restated Financial Information

The Board of Directors
Koolking Industries India Limited
(*formerly known as "Koolking Industries India Private Limited" and "Koolking Udhyog Private Limited*")
Village Ratolan,
Dhuri Road, Malerkotla,
Sangrur - 148023,
Punjab, India

Dear Sirs,

1. We, SCV & Co., Chartered Accountants ("we" or "us" or "our" or "Firm"), have examined the Restated Financial Information of Koolking Industries India Limited (formerly known as "Koolking Industries India Private Limited" and "Koolking Udhyog Private Limited") (the "Company" or "you" or "your"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 along with the material accounting policies adopted in preparation of the restated financial information and other explanatory information (collectively, the "Restated Financial Information"), annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), the Red Herring Prospectus("RHP") and the Prospectus ("Prospectus" and collectively with DRHP and RHP as "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of its equity shares of face value of ₹ 5 each (the "Offer"). The Restated Financial Information, which have been approved by the board of directors of the Company ("Board of Directors"/ "Board"/ "Management") at their meeting held on September 12, 2026, have been prepared by the Company in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the **"Act"**);

    b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**");

    c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**"); and

    d) Email dated October 28, 2021 from Securities and Exchange Board of India (SEBI) to Association of Investment Banker of India ("**SEBI Communication**") as stated in Note 2.1 of the Restated Financial Information.

2. The Company's management is responsible for the preparation of Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", collectively, "Stock Exchanges") and Registrar of Companies Punjab and Chandigarh at Chandigarh ("ROC") in connection with the Offer. The Restated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.1 of the Restated Financial Information. The Management and Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management and Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note and the SEBI Communication.

3. We have examined the Restated Financial Information taking into consideration:

    a) the terms of reference and our engagement agreed with the Company vide our engagement letter dated February 26, 2026, in connection with the Offer.

    b) The Guidance Note read with the SEBI Communication. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Financial Information have been compiled by the management of the Company from:

   a) Audited financial statements as at and for year ended March 31, 2026, audited by us, prepared in accordance with Indian Accounting Standards("Ind AS") as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, along with the presentation requirements of Division II of Schedule III to the Act ("the Audited Financial Statements"), which have been approved by the Board of Directors of the Company in their meeting held on September 05, 2026, on which we have issued our audit report dated September 05, 2026;

   b) Audited special purpose financial statements as at and for the year ended 31 March 2025(the "2025 Audited Special Purpose Financial Statements"), audited by us, prepared in accordance with the Ind AS and other accounting principles generally accepted in India after making suitable adjustments to the audited financial statements as at and for the year ended 31 March 2025 (the "2025 Previous GAAP Financial Statements") prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 (" Previous GAAP") approved by the Board of Directors in their meeting held on September 20, 2025 and audited by Raj Kumar Jindal & Co., Chartered Accountants being the previous auditors of the Company (the "Previous Auditors") vide their audit report dated September 20, 2025, and which have been approved by the Board of Directors of the Company in their meeting held on September 12, 2026, on which we have issued our audit report dated September 12, 2026; and

   c) Audited special purpose financial statements as at and for the year ended 31 March 2024 (the "2024 Audited Special Purpose Financial Statements"), audited by us, prepared in accordance with the Ind AS and other accounting principles generally accepted in India after making suitable adjustments, for the accounting policies, including the accounting policy choices (both mandatory exceptions and optional exemptions) availed as per Ind AS 101, that have been adopted by the Company at the date of transition to Ind AS i.e. April 01, 2024 for the first statutory Ind AS financial statements prepared by the Company for the financial year ended March 31, 2026 and as per the presentation, and grouping/classifications in accordance with Division II of Schedule III to the Act, to the audited financial statements as at and for the year ended 31 March 2024 ("2024 Previous GAAP financial statements") prepared in accordance with the - Previous GAAP approved by the Board of Directors in their meeting held on August 29, 2024 and audited by the Previous Auditors of the Company vide their audit report dated August 29, 2024, and which have been approved by the Board of Directors of the Company in their meeting held on September 12, 2026, on which we have issued our audit report dated September 05, 2026.

   ("2025 Audited Special Purpose Financial Statements" and "2024 Audited Special Purpose Financial Statements" collectively referred to as "the Audited Special Purpose Financial Statements").

   ("2025 Previous GAAP financial statements" and "2024 Previous GAAP financial statements" collectively referred to as the "Previous GAAP Financial Statements").

5. We have audited the Audited Special Purpose Financial Statements for the limited purpose of consideration in preparation of Restated Financial Information, being prepared under Ind AS, in relation to the Offer, as per the SEBI Communication.

6. As informed to us by management, the Previous Auditors does not hold a valid peer review certificate as issued by the 'Peer Review Board' of the ICAI and has therefore, expressed its inability to perform any work in respect of the Restated Financial Information. Accordingly, in accordance with SEBI, ICDR Regulations and Guidance Note, the Audited Special Purpose Financial Statements are audited by us.

7. For the purpose of our examination, we have relied on the:

   a) Auditors' report issued by us dated September 05, 2026, on the Audited Financial Statements, as referred in Paragraph 4 (a) above;

   b) Auditors' reports issued by us dated September 12, 2026, on the Audited Special Purpose Financial Statements, as referred in Paragraph 4 (b) and 4(c) above; and

   c) Auditors' reports issued by the Previous Auditors dated September 20, 2025 and August 29, 2024 on the 2025 Previous GAAP financial statements and 2024 Previous GAAP financial statements respectively, as referred in Paragraph 4 (b) and 4(c) above.

8. Our audit report referred to in Paragraph 6 (a) above on the Audited Financial Statements included the comments/remarks as follows:

   a) ***Comments/ remarks on the matters to be reported under section 143(3) of the Act***

      (i) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

      (ii) The reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

   b) ***Comments/ remarks on Other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended***

      Based on our examination, which included test checks and according to the information and explanations given to us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same has been partly enabled and operated at application level throughout the year and has not been enabled at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with to the extent enabled. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

   c) ***Comments/ remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act***

      (1) ***At para (i) (c)***

      The title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements under Property, Plant and Equipment are held in the name of the Company except below:

Description of property	***Gross carrying value (Rs. in millions)***	***Held in name of***	***Whether promoter, director or their relative or employee***	***Period held***	***Reason for not being held in name of company***
Plot No. UDL- 7, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	*32.22*	*Andhra Pradesh Industrial Infrastructure Corporation Limited*	*NA*	*Since March, 2025*	*The sale deed shall be executed after fu,filment cf terms and conditions as per agreement for sale of land dated June 30, 2025*
Plot No. UDL-8A, Industrial	*60.85*	*Andhra Pradesh Industrial*	*NA*	*Since December, 2025*	*The sale deed shall be executed*

Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502		*Infrastructure* Corporation *Limited*			*after fufilment of terms and conditions as per agreement for sale of land dated November 28, 2025*

At para (ii) (b)

The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e., current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The details of the same have been appropriately disclosed in note 51 to the financial statements

At para (vii) (a)

The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues provided in books of account, to the appropriate authorities except delay in a few cases.

9. Our audit reports referred to in Paragraph 6 (b) above on the Audited Special Purpose Financial Statements included 'Emphasis of Matter" paragraph as follows:

a. Audit report on the 2025 Audited Special Purpose Financial Statements

Without modifying our opinion, we draw attention to Note 2.1 of the Special Purpose Financial Statements which describes that:

"*The Special Purpose Financial Statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India after making suitable adjustments to the audited financial statements prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 ("Previous GAAP financial statements") approved by the Board of Directors in their meeting held on September 20, 2025 and audited by Raj Kumar Jindal & Co., Chartered Accountants, the previous auditors of the Company, vide their audit report dated September 20, 2025.*

The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (collectively referred to "Offer Documents") of the Company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019). As a result, the Special Purpose Financial Statements may not be suitable for another purpose.

The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information as referred above and accordingly, the corresponding comparative figures have not been presented in these Special Purpose Financial Statements."

b. Audit report on the 2024 Audited Special Purpose Financial Statements

Without modifying our opinion, we draw attention to Note 2.1 of the Special Purpose Financial Statements which describes that:

"*The Special Purpose Financial Statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India after making suitable adjustments, for the accounting policies, including the accounting policy choices (both mandatory exceptions and optional exemptions) availed as per Ind AS 101,* *that have been adopted by the Company at the date of transition to Ind AS i.e. April 01, 2024 for the first statutory Ind AS financial statements prepared by the Company for the financial year ended March 31, 2026 and as per the presentation, and grouping/classifications in accordance with Division II of Schedule III to the Act, to the audited financial statements prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules, 2021 ("Previous GAAP financial statements) approved by the Board of Directors in their meeting held on August 29, 2024 and audited by Raj Kumar Jindal & Co., Chartered Accountants, the previous auditors of the Company, vide their audit report dated August 29, 2024.*

The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus (collectively referred to "Offer Documents") of the Company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act , the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019). As a result, the Special Purpose Financial Statements may not be suitable for another purpose.

The Special Purpose Financial Statements are prepared for the limited purpose of preparation of restated financial information as referred above and accordingly, the corresponding comparative figures have not been presented in these Special Purpose Financial Statements."

10. Based on our examination and according to the information and explanations given to us, we report that:

    i) the Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025 and March 31, 2024 to reflect the same accounting treatment as per the accounting policies and grouping/classifications, to the extent applicable, followed for the financial year ended March 31, 2026;

    ii) the Comments/Remarks included in the auditors' report on the Audited Financial Statements, as mentioned in paragraph 7 above, do not require any corrective adjustment in the Restated Financial Information. Further, there are no qualifications/comments/remarks in the auditors' reports on the Audited Special Purpose Financial Statements and the Previous GAAP financial statements;

    iii) the Emphasis of matter paragraph included in the auditors' reports on the Audited Special Purpose Financial Statements, as mentioned in paragraph 8 above, does not require any corrective adjustment in the Restated Financial Information; and

    iv) the Restated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

11. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Financial Statements and the Audited Special Purpose Financial Statements mentioned in paragraph 6 above (except for effect of issuance of the bonus shares and split of shares as described in Note 56 of the Restated Financial Information).

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors as mentioned in paragraph 6 above, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

14. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchanges and ROC in connection with the Offer. As a result, the Restated Financial Information may not be suitable for any other purpose. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For SCV & Co LLP
Chartered Accountants
ICAI Firm Registration Number 000235N/N500089

Sanjiv Mohan
Partner
ICAI Membership No. 086066
Place: Malerkotla
Date: 12/09/2026
UDIN: 26086066INACWT1092

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Restated statement of assets and liabilities

(Amount Rs. in millions unless otherwise stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
I - ASSETS				
(1)- Non-Current Assets				
(a) Property, Plant and Equipment	4A	697.49	475.56	369.50
(b) Capital Work-in-Progress	4B	58.44	14.55	-
(c) Right of Use Assets	4C	58.81	45.76	74.77
(d) Other Intangible assets	4D	0.67	0.80	1.07
(e) Financial Assets				
(i) Other Financial Assets	5	28.40	4.66	17.44
(f) Other Non-Current Assets	6	41.12	18.42	4.47
Total Non-Current Assets		**884.93**	**559.75**	**467.25**
(2) - Current Assets				
(a) Inventories	7	1,700.24	682.34	306.98
(b) Financial Assets				
(i) Trade Receivables	8	1,061.51	712.82	601.16
(ii) Cash and Cash Equivalents	9	0.33	0.45	0.53
(iii) Bank balances other than cash and cash equivalents	10	106.15	97.47	43.27
(iv) Loans	11	0.89	0.83	0.87
(v) Other Financial Assets	12	13.73	4.93	4.23
(c) Other Current Assets	13	115.64	13.42	23.84
Total Current Assets		**2,998.49**	**1,512.26**	**980.88**
Total Assets		**3,883.42**	**2,072.01**	**1,448.13**
II - EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	14	91.22	91.22	91.22
(b) Other Equity	15	849.95	517.04	243.57
Total Equity		**941.17**	**608.26**	**334.79**
Liabilities				
(1)- Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	326.06	217.09	176.67
(ii) Lease Liabilities	17	12.82	2.68	0.98
(b) Provisions	18	12.03	9.11	10.87
(c) Deferred Tax Liabilities (Net)	19	26.13	22.93	16.91
Total Non-Current Liabilities		**377.04**	**251.81**	**205.43**
(2)- Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	1,206.05	441.66	196.13
(ii) Lease Liabilities	21	3.89	0.26	0.10
(iii) Trade Payables	22			
(a) Total outstanding dues of micro enterprises and small enterprises		143.97	128.07	143.99
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,036.07	433.82	496.78
(iv) Other Financial Liabilities	23	54.02	42.39	30.39
(b) Other Current Liabilities	24	24.58	76.67	22.37
(c) Provisions	25	4.60	3.54	1.17
(d) Current Tax Liabilities (Net)	35	92.03	85.53	16.98
Total Current Liabilities		**2,565.21**	**1,211.94**	**907.91**
Total Liabilities		**2,942.25**	**1,463.75**	**1,113.34**
Total Equity and Liabilities		**3,883.42**	**2,072.01**	**1,448.13**

The accompanying notes are an integral part of the Restated Financial Information 1 to 56

As per our Report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Registration no. 000235N/N500089

For and on behalf of the Board of Directors of Koolking Industries India Limited (formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")

Sd-
(Sanjiv Mohan)
Partner
M. No. 086066

Sd-
Sajiv Gopal
Whole Director and Chairman
DIN 01842390

Sd-
Varun Gopal
Managing Director and CEO
DIN 01999194

Place: Malerkotla
Dated: 12/09/2026

Sd-
Vikas Verma
Chief Financial Officer
PAN: AFKPV0753L

Sd-
Kangan Dhamija
Company Secretary
M. No: 30672

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Restated statement of profit and loss

(Amount Rs. in millions unless otherwise stated)

	Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
	Income				
I.	Revenue from operations	26	5,267.45	4,831.42	2,399.38
II	Other income	27	26.31	6.95	14.78
III	**Total income (I+II)**		**5,293.76**	**4,838.37**	**2,414.16**
IV	**Expenses**				
	Cost of materials consumed	28	4,260.29	3,816.63	1,810.21
	Changes in inventories of finished goods and work-in-progress	29	(515.61)	(209.39)	(31.03)
	Employee benefits expense	30	256.01	213.07	152.71
	Finance costs	31	117.60	62.38	34.05
	Depreciation and amortization expense	32	40.11	29.50	20.41
	Other expenses	33	692.88	552.20	311.14
	Total Expense (IV)		**4,851.28**	**4,464.39**	**2,297.49**
V	**Profit before Exceptional Items and Tax (III-IV)**		**442.48**	**373.98**	**116.67**
VI	**Exceptional Items**		-	-	-
VII	**Profit before Tax (V-VI)**		**442.48**	**373.98**	**116.67**
VIII	**Tax Expense:**	34			
	-Current tax		107.51	97.45	31.98
	-Deferred tax		2.91	5.16	7.99
	Total tax expense		**110.42**	**102.61**	**39.97**
IX	**Profit for the period (VII-VIII)**		**332.06**	**271.37**	**76.70**
X	**Other Comprehensive Income**				
	Items that will not be reclassified to Profit or Loss				
	Remeasurement of defined benefit plans		1.14	2.96	0.24
	Income tax relating to items that will not be reclassified to Profit or Loss	34	(0.29)	(0.86)	(0.07)
	Other Comprehensive Income for the period (net of tax)		**0.85**	**2.10**	**0.17**
XI	**Total Comprehensive Income for the period (IX+X)**		**332.91**	**273.47**	**76.87**
XII	**Earnings per Equity Share**	39			
	1) Basic (Rs.)		**6.07**	**4.96**	**1.43**
	2) Diluted (Rs.)		**6.07**	**4.96**	**1.43**

The accompanying notes are an integral part of the Restated Financial Information 1 to 56

As per our Report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Registration no. 000235N/N500089

For and on behalf of the Board of Directors of Koolking Industries India Limited (formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")

Sd-
(Sanjiv Mohan)
Partner
M. No. 086066

Sd-
Sajiv Gopal
Whole Director and Chairman
DIN 01842390

Sd-
Varun Gopal
Managing Director and CEO
DIN 01999194

Sd-
Vikas Verma
Chief Financial Officer
PAN: AFKPV0753L

Sd-
Kangan Dhamija
Company Secretary
M. No: 30672

Place: Malerkotla
Dated: 12/09/2026

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Restated statement of cash flows

(Amount Rs. in millions unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
A Cash Flow from Operating Activities:			
Profit before tax as per restated statement of profit and loss	442.48	373.98	116.67
Adjusted for:			
(Gain) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	-	-	(0.16)
Depreciation and Amortization Expense	40.11	29.50	20.41
Sundry balances written off	0.15	0.55	0.45
Unrealized loss/(gain) on Foreign exchange fluctuation	44.24	(6.50)	(3.30)
Gain on termination of lease	-	(0.39)	-
Expected credit loss on trade receivable	-	6.55	2.38
Expected credit loss on trade receivable written back	(3.89)	-	-
Interest Income	(7.05)	(5.61)	(2.93)
Finance Costs	117.60	62.38	34.05
Property plant and equipment written off	-	-	0.16
Operating Profit before Working Capital Changes	**633.64**	**460.46**	**167.73**
Adjusted for:			
(Increase) / Decrease in Trade Receivables	(344.94)	(118.76)	(77.12)
(Increase) / Decrease in Other Receivables	(159.21)	9.40	(21.25)
(Increase) / Decrease in Inventories	(1,017.90)	(375.36)	(118.19)
Increase / (Decrease) in Trade Payables	596.42	(75.09)	92.76
Increase / (Decrease) in other Payables	(42.20)	58.21	14.59
Increase/ (Decrease) in Provisions	5.12	3.57	4.54
Net Working Capital Changes	**(962.71)**	**(498.03)**	**(104.67)**
Cash Generated from Operations	**(329.07)**	**(37.57)**	**63.06**
Income Tax Paid	(101.01)	(28.90)	(25.66)
Net Cash Flow from / (Used in) Operating Activities (A):	**(430.08)**	**(66.47)**	**37.40**
B Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment and Intangible Assets (including adjustment for capital advances and payable for property plant and equipment)	(324.98)	(126.11)	(176.51)
Payment for right-of-use asset	(0.24)	(0.20)	(0.27)
Proceeds from Sale of Property, Plant and Equipment	-	-	0.36
(Increase) / Decrease in bank balance other than Cash & Cash Equivalents	15.20	(41.13)	(16.47)
Interest received	7.05	5.61	2.93
Net Cash Flow from / (Used in) Investing Activities (B):	**(302.97)**	**(161.83)**	**(189.96)**
C Cash Flow from Financing Activities:			
Proceeds from issuance of share capital (including securities premium)	-	-	12.51
Proceeds from long term borrowings from banks	154.55	39.46	58.64
Repayment of long term borrowings from banks	(35.46)	(28.47)	(21.88)
Proceeds/(Repayment) of long term borrowings from related parties (net)	8.35	29.72	2.84
Proceeds/(Repayment) of short term borrowings (Net)	723.23	247.91	134.11
Payment of interest on lease liabilities	(0.75)	(0.28)	(0.11)
Payment of principal portion of lease liabilities	(1.34)	(0.24)	(0.09)
Interest and other financial charges paid	(115.65)	(59.88)	(33.24)
Net Cash Flow from / (Used in) Financing Activities (C):	**732.93**	**228.22**	**152.78**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(0.12)	(0.08)	0.22
Cash and Cash Equivalents at the beginning of the period	0.45	0.53	0.31
Cash and Cash Equivalents at the end of the period	**0.33**	**0.45**	**0.53**
Cash and Cash Equivalents Comprises			
Cash on Hand	0.07	0.44	0.50
Balances with Banks			
(i) In Current Accounts	0.26	0.01	0.03
Total Cash and Cash Equivalents (also refer note 9)	**0.33**	**0.45**	**0.53**

Notes:

1. The figures in parentheses indicate outflow.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- statement of cash flows
3. Refer note 49 for reconciliation of liabilities arising from financing activities and material non-cash investing and financial transactions
4. The Cash flows from / (used in) operating activities includes amount spent towards corporate social responsibility amounting to Rs. 0.56 millions during the year ended March 31, 2026 (March 31, 2025: Nil; March 31, 2024: Nil) (also refer note 37).

The accompanying notes are an integral part of the Restated Financial Information 1 to 56

As per our Report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Registration no. 000235N/N500089

Sd-
(Sanjiv Mohan)

Partner
M. No. 086066
Place: Malerkotla
Dated: 12/09/2026

For and on behalf of the Board of Directors of Koolking Industries India Limited (formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")

Sd-
Sajiv Gopal
Whole Director and Chairman
DIN 01842390

Sd-
Varun Gopal
Managing Director and CEO
DIN 01999194

Sd-
Vikas Verma
Chief Financial Officer
PAN: AFKPV0753L

Sd-
Kangan Dhamija
Company Secretary
M. No: 30672

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")

CIN: U28129PB2008PLC031668
Restated statement of changes in equity

(Amount Rs. in millions unless otherwise stated)

A. Equity Share Capital

Particular	Amount
Balance as at April 1, 2023	**85.49**
Changes during the period	5.73
Balance as at March 31, 2024	**91.22**
Changes during the period	-
Balance as at March 31, 2025	**91.22**
Changes during the period	-
Balance as at March 31, 2026	**91.22**

B. Other Equity

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at April 1, 2023	**20.30**	**143.60**	**163.90**
Addition on account of issuance of equity shares	6.78	-	6.78
Profit for the period		76.70	76.70
Other comprehensive income for the period- Remeasurement of defined benefit plans		0.17	0.17
Balance as at March 31, 2024	**27.08**	**216.49**	**243.57**
Profit for the period		271.37	271.37
Other comprehensive income for the period- Remeasurement of defined benefit plans		2.10	2.10
Balance as at March 31, 2025	**27.08**	**489.96**	**517.04**
Profit for the period		332.06	332.06
Other comprehensive income for the period- Remeasurement of defined benefit plans		0.85	0.85
Balance as at March 31, 2026	**27.08**	**822.87**	**849.95**

Note: Refer note 14 for reconciliation of the number of shares and share capital.

The accompanying notes are an integral part of the Restated Financial Information 1 to 56

As per our Report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Registration no. 000235N/N500089

Sd-
(Sanjiv Mohan)
Partner
M. No. 086066

Place: Malerkotla
Dated: 12/09/2026

For and on behalf of the Board of Directors of Koolking Industries India Limited (formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")

Sd-
Sajiv Gopal
Whole Director and Chairman
DIN 01842390

Sd-
Varun Gopal
Managing Director and CEO
DIN 01999194

Sd-
Vikas Verma
Chief Financial Officer
PAN: AFKPV0753L

Sd-
Kangan Dhamija
Company Secretary
M. No: 30672

(Amount Rs. in millions unless otherwise stated)

Note 4A: Property, plant and equipment

Carrying amount of Property, plant and equipment

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Freehold land	111.88	40.81	5.04
Buildings	146.22	124.90	116.31
Plant and equipment	418.11	289.91	233.52
Furniture and fixtures	2.79	1.77	1.52
Vehicles	6.97	8.44	6.03
Office Equipment	11.52	9.73	7.08
Total	**697.49**	**475.56**	**369.50**

Movement in the carrying amount of Property, Plant and Equipment is as follows:-

Particulars	**Freehold land**	**Buildings**	**Plant and equipment**	**Furniture and fixtures**	**Vehicles**	**Office Equipment**	**Total**
Gross carrying value							
As at April 01, 2023 #	**5.04**	**70.60**	**137.97**	**1.76**	**4.85**	**5.27**	**225.49**
Additions	-	48.67	108.94	-	2.38	3.58	**163.57**
Disposals/Deletions	-	-	(0.17)	-	(0.24)	-	**(0.41)**
As at March 31, 2024 (A)	**5.04**	**119.27**	**246.74**	**1.76**	**6.99**	**8.85**	**388.65**
Additions	35.77	12.79	75.87	0.51	3.87	5.30	**134.11**
Disposals/Deletions	-	-	-	-	-		**-**
As at March 31, 2025 (B)	**40.81**	**132.06**	**322.61**	**2.27**	**10.86**	**14.15**	**522.76**
Additions	71.07	26.20	155.29	1.35	-	5.55	**259.46**
Disposals/Deletions	-	-	-	-	-	-	**-**
As at March 31, 2026 (C)	**111.88**	**158.26**	**477.90**	**3.62**	**10.86**	**19.70**	**782.22**
Accumulated Depreciation							
As at April 01, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the period	-	2.96	13.24	0.24	0.99	1.77	**19.20**
Disposals/Deletions	-	-	(0.02)	-	(0.03)		**(0.05)**
As at March 31, 2024 (D)	**-**	**2.96**	**13.22**	**0.24**	**0.96**	**1.77**	**19.15**
Depreciation for the period	-	4.20	19.48	0.26	1.46	2.65	**28.05**
Disposals/Deletions	-	-	-	-	-		**-**
As at March 31, 2025 (E)	**-**	**7.16**	**32.70**	**0.50**	**2.42**	**4.42**	**47.20**
Depreciation for the period	-	4.88	27.09	0.33	1.47	3.76	**37.53**
Disposals/Deletions	-	-	-	-	-	-	**-**
As at March 31, 2026 (F)	**-**	**12.04**	**59.79**	**0.83**	**3.89**	**8.18**	**84.73**
Net Carrying value							
As at March 31, 2024 (A)-(D)	5.04	116.31	233.52	1.52	6.03	7.08	**369.50**
As at March 31, 2025 (B)-(E)	40.81	124.90	289.91	1.77	8.44	9.73	**475.56**
As at March 31, 2026 (C)-(F)	111.88	146.22	418.11	2.79	6.97	11.52	**697.49**

\# Deemed cost as on April 01, 2023 as per Ind AS 101

(i) Refer note 47 for information of Property, Plant and Equipment pledged as security by the Company against borrowings from banks.
(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.
(iii) Borrowing cost capitalized is Rs Nil during the year ended March 31, 2026 (Year ended March 31, 2025: Nil, March 31, 2024: Nil).
(iv) The Company has not revalued any of its property, plant and equipment.
(v) Refer note 38 for detail of contractual commitment towards purchase of Property, Plant and Equipment.

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 4B: Capital Work In Progress

Capital Work-in-progress

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Building under construction	28.28	14.55	-
Plant and Equipment under erection/installation	30.16	-	-
Total	**58.44**	**14.55**	**-**

Capital work-in-progress ageing schedule is as follows:

Particulars	Amount in CWIP For a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in Progress as at March 31, 2026					
Projects in progress	58.44	-	-	-	58.44
Project temporarily suspended					-
Total Capital work in progress	**58.44**	-	-	-	**58.44**
Capital Work in Progress as at March 31, 2025					
Projects in progress	14.55	-	-	-	14.55
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	14.55	-	-	-	**14.55**
Capital Work in Progress as at March 31, 2024					
Projects in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	-	-	-	-	**-**

Note:
(a) There is no such project in capital-work-in progress whose completion is overdue compared to its original plan
(b) There is no such project in capital-work-in progress whose cost has exceeded compared to its original plan
(c)The borrowing cost capitalized in Capital work-in-progress is Rs. Nil during the year ended March 31, 2026 (Year ended March 31, 2025: Nil, March 31, 2024: Nil).

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 4C: Right-of-use asset

Right of use asset

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Carrying amount of			
Land	46.50	43.55	74.61
Building	10.38	-	-
Plant and equipment	1.93	2.21	0.16
Total	**58.81**	**45.76**	**74.77**

Particulars	**Land**	**Building**	**Plant and equipment**	**Total**
As at April 01, 2023*	**76.46**	**-**	**0.21**	**76.67**
Additions during the period	0.27	-	-	0.27
Deletions during the period	1.22	-	-	1.22
As at March 31, 2024 (A)	**75.51**	**-**	**0.21**	**75.72**
Additions during the period	-	-	2.33	2.33
Deletions during the period#	30.80	-	-	30.80
As at March 31, 2025 (B)	**44.71**	**-**	**2.54**	**47.25**
Additions during the period	3.58	11.77	-	15.35
Deletions during the period	-	-	-	-
As at March 31, 2026 (C)	**48.29**	**11.77**	**2.54**	**62.60**
Accumulated Depreciation				
As at April 01, 2023	**-**	**-**	**-**	-
Depreciation for the period	0.90	-	0.05	0.95
Other Adjustments for the period	-	-	-	-
As at March 31, 2024 (D)	**0.90**	**-**	**0.05**	**0.95**
Depreciation for the period	0.90	-	0.28	1.18
Other Adjustments for the period	0.64	-	-	0.64
As at March 31, 2025 (E)	**1.16**	**-**	**0.33**	**1.49**
Depreciation for the period	0.63	1.39	0.28	2.30
Other Adjustments for the period	-	-	-	-
As at March 31, 2026 (F)	**1.79**	**1.39**	**0.61**	**3.79**
Net Carrying value				
As at March 31, 2024 (A)-(D)	74.61	-	0.16	74.77
As at March 31, 2025 (B)-(E)	43.55	-	2.21	45.76
As at March 31, 2026 (C)-(F)	46.50	10.38	1.93	58.81

* Deemed cost as on April 01, 2023 as per Ind AS 101
# The deletion is on account of conversion of leasehold land into freehold land as the company has purchased the land which was earlier taken on lease.

(i) Refer note 42 for other disclosures related to leases.
(ii) The aggregate amortisation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 4D: Other intangible assets

Carrying amount of Intangible assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Software	0.67	0.80	1.07

Particulars	Computer Software	Total
Gross carrying value		
As at April 01, 2023 #	**1.08**	**1.08**
Additions	0.25	**0.25**
Disposals/Deletions	-	-
As at March 31, 2024 (A)	**1.33**	**1.33**
Additions	-	-
Disposals/Deletions	-	-
As at March 31, 2025 (B)	**1.33**	**1.33**
Additions	0.15	**0.15**
Disposals/Deletions	-	-
As at March 31, 2026 (C)	**1.48**	**1.48**
Accumulated amortisation		
As at April 01, 2023	-	-
Amortisation for the period	0.26	**0.26**
Disposals/Deletions	-	-
As at March 31, 2024 (D)	**0.26**	**0.26**
Amortisation for the period	0.27	**0.27**
Disposals/Deletions	-	-
As at March 31, 2025 (E)	**0.53**	**0.53**
Amortisation for the period	0.28	**0.28**
Disposals/Deletions	-	-
As at March 31, 2026 (F)	**0.81**	**0.81**
Net Carrying amount		
As at March 31, 2024 (A)-(D)	**1.07**	**1.07**
As at March 31, 2025 (B)-(E)	**0.80**	**0.80**
As at March 31, 2026 (C)-(F)	**0.67**	**0.67**

Deemed cost as on April 01, 2023 as per Ind AS 101

(a) These intangible assets are not internally generated by the Company.
(b) The amount of amortisation has been included under amortisation and amortisation expense in the statement of Profit and loss.
(c) Computer Softwares are amortized over a period of five years
(d) Borrowing cost capitalized is Rs Nil during the year ended March 31, 2026 (Year ended March 31, 2025: Nil, March 31, 2024: Nil).

(Amount Rs. in millions unless otherwise stated)

Note 5: Other Financial Assets (Non-Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Bank deposits having maturity period of more than 12 months from reporting date	22.91	0.97	14.04
Security Deposits	5.49	3.69	3.40
	28.40	**4.66**	**17.44**

Refer note 43 for classification of financial assets and information about credit risk and market risk in respect of other financial assets.

Note 6: Other Non-Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Unsecured considered good unless otherwise stated			
Capital Advances*	40.33	18.13	4.25
Prepaid Expenses	0.79	0.29	0.22
	41.12	**18.42**	**4.47**

* The capital advances as on March 31, 2026 includes Rs 11.50 millions in respect of leasehold land to be recognised under the head "Right of Use Assets".
There is no advance due from directors or other officer of the Company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member.

Note 7: Inventories
Valued at lower of Cost or Net realizable value

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Raw Materials	827.47	341.71	176.49
Work-in-Progress	428.36	189.19	46.14
Finished goods	412.49	136.05	69.71
Stores and Spares	31.92	15.39	14.64
	1,700.24	**682.34**	**306.98**

(i) Refer note 47 for inventories hypothecated against borrowings from banks.
(ii) The cost of inventories recognised as an expense is Rs.3,909.53 millions during the year ended March 31, 2026 (Year ended March 31, 2025: Rs 3,792.23 millions; March 31, 2024: Rs 1,882.36 millions)
(iii) Write down of Inventories to Net Realisable Value amounted to Rs. 10.00 millions during the year ended March 31, 2026 (Year ended March 31, 2025: Rs. 9.61 millions; Year ended March 31, 2024:Rs. 5.15 millions) has been recognised as expense under the head 'Changes in inventories of finished goods and work-in-progress' in the Statement of Profit and Loss.

Note 8: Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Trade Receivables Considered Good-Secured	-	-	-
Trade Receivables Considered Good-Unsecured	1,063.52	700.19	596.84
Allowance for expected credit loss	(5.79)	(5.40)	(2.93)
	1,057.73	694.79	593.91
Trade Receivables-Credit impaired	0.70	0.70	1.33
Allowance for expected credit loss	(0.70)	(0.70)	(1.33)
	-	-	-
Trade Receivables which have significant increase in credit risk	5.20	23.73	8.24
Allowance for expected credit loss	(1.42)	(5.70)	(0.99)
	3.78	18.03	7.25
	1,061.51	**712.82**	**601.16**

There is no amount due from directors or other officer of the Company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member.

(Amount Rs. in millions unless otherwise stated)

Trade Receivables ageing schedule as on March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	Up to 6 months #	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade Receivables –considered good	1,063.52					1,063.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		5.20		-		5.20
(iii) Undisputed Trade Receivables – credit impaired			-	0.03	0.67	0.70
(iv) Disputed Trade Receivables– considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired						-
Total	1,063.52	5.20	-	0.03	0.67	1,069.42
Allowance for Expected Credit Loss	(5.79)	(1.42)	-	(0.03)	(0.67)	(7.91)
Trade Receivables (net off allowance for Expected Credit Loss)	**1,057.73**	**3.78**	**-**	**-**	**-**	**1,061.51**

Trade Receivables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Up to 6 months #	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade Receivables –considered good	700.19					700.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		23.73		-		23.73
(iii) Undisputed Trade Receivables – credit impaired			0.03		0.67	0.70
(iv) Disputed Trade Receivables– considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired						-
Total	700.19	23.73	0.03	-	0.67	724.62
Allowance for Expected Credit Loss	(5.40)	(5.70)	(0.03)	-	(0.67)	(11.80)
Trade Receivables (net off allowance for Expected Credit Loss) -	**694.79**	**18.03**	**-**	**-**	**-**	**712.82**

Trade Receivables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Up to 6 months #	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade Receivables –considered good	596.84					596.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		8.24		-		8.24
(iii) Undisputed Trade Receivables – credit impaired			0.66		0.67	1.33
(iv) Disputed Trade Receivables– considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired						-
Total	596.84	8.24	0.66	-	0.67	606.41
Allowance for Expected Credit Loss	(2.93)	(0.99)	(0.66)	-	(0.67)	(5.25)
Trade Receivables (net off allowance for Expected Credit Loss) -	**593.91**	**7.25**	**-**	**-**	**-**	**601.16**

includes not due balances as at the reporting date
Refer note 43 for classification of financial assets and credit risk and expected credit loss related to trade receivables.
Refer note 47 for information of trade receivables pledged as security by the Company against borrowings from banks..

(Amount Rs. in millions unless otherwise stated)

Note 9: Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Cash on hand (including imprest balances)	0.07	0.44	0.50
Balances with Banks			
-In Current Accounts	0.26	0.01	0.03
	0.33	**0.45**	**0.53**

Refer note 43 for classification of financial assets and information about credit risk and market risk in respect of cash and cash equivalents.

Note 10: Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Earmarked deposits with banks			
Balance in Unspent CSR account #	2.77	1.04	-
Balances in Fixed deposits*	126.29	97.40	57.31
Less: Fixed deposits having maturity period of more than 12 months from reporting date	(22.91)	(0.97)	(14.04)
	103.38	96.43	43.27
	106.15	**97.47**	**43.27**

pertains to amount transferred to separate bank account as per section 135(6) of the Companies act in respect of unspent amount for ongoing project under CSR (also refer note 37).
* includes fixed deposits under lien against bank loans, Letter of credit and Bank Gaurantee etc. issued by banks on behalf of Company
Refer note 43 for classification of financial assets and information about credit risk and market risk in respect of other bank balances.

Note 11: Loans (Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Unsecured			
Loans to Employees - Considered good	0.89	0.83	0.87
	0.89	**0.83**	**0.87**

There is no loan due from directors or other officer of the Company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member.
Refer note 43 for classification of financial assets and information about credit risk and market risk in respect of loans.

Note 12: Other Financial Assets (Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial assets at amortised cost			
Security deposits	0.80	1.26	0.90
Interest receivable	0.17	0.23	0.11
Grant receivable	12.76	3.44	3.22
	13.73	**4.93**	**4.23**

Refer note 43 for classification of financial assets and information about credit risk and market risk in respect of other financial assets.

Note 13: Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Unsecured considered good			
Balances with Government Authorities			
(i) Goods and service tax receivable	77.49	-	15.75
(ii) Custom duty receivable	3.55	1.23	0.91
(iii) VAT refund receivable	0.15	0.15	0.15
(iv) Deposit under protest	0.63	0.62	-
Prepaid Expenses	19.64	0.28	0.24
Advances to Suppliers #	8.61	6.97	5.54
Other Receivable	5.57	4.17	1.25
	115.64	**13.42**	**23.84**
# Advance due from directors or other officer of the Company or any of them either severally or jointly with any other person or debt due by firms or private companies respectively in which any director is a partner or a director or a member *	-	0.00	-

* Zero represents advance of Rs.1,800 as at March 31, 2025 which is below the rounding off norms adopted by the Company.

(Amount Rs. in millions unless otherwise stated)

Note 14: Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(a) Authorised Equity Share Capital:			
99,00,000 Equity Shares (March 31, 2025: 99,00,000 , March 31, 2024: 99,00,000) of face value of Rs.10/- each	99.00	99.00	99.00
	99.00	**99.00**	**99.00**
(b) Issued, Subscribed & Paid Up Capital:			
91,21,540 Equity Shares (March 31, 2025: 91,21,540 , March 31, 2024: 91,21,540) of face value of Rs.10/- each	91.22	91.22	91.22
	91.22	**91.22**	**91.22**

(c) Reconciliation of the number of Shares and share capital is set out below :

Particulars	Number of Shares	Amount
As at March 31, 2023	**85,49,040**	**85.49**
Movement during the period		
-Issued during the period#	5,72,500	5.73
As at March 31, 2024	**91,21,540**	**91.22**
Movement during the period		
-Issued during the period	-	-
As at March 31, 2025	**91,21,540**	**91.22**
Movement during the period		
-Issued during the period	-	-
As at March 31, 2026	**91,21,540**	**91.22**

1,77,500 equity shares alloted on June 20, 2023 and 3,95,000 equity shares alloted on August 08, 2023 @ Rs. 21.85/- per share including securities premium of Rs. 11.85/- per share.

(d) Terms/ Rights attached to equity shares.

(i) The Company presently has one class on equity shares having face value Re 10/-. Each holder of equity share is entitled to cast one vote per share.

(ii) The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by Board of Directors.

(iii) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shares in respect of each class of Company held by Holding Company or it's ultimate Holding Company

There is no holding company /ultimate holding company of the Company.

(f) Details of Shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2026	
	No of Shares	% of Total shares
Equity Shares of face value of Rs. 10/- each		
Mr. Sajiv Gopal	33,36,700	36.58%
Mrs. Malti Sood	25,15,420	27.58%
Mr. Varun Gopal	21,59,980	23.68%
Sajiv Gopal HUF	5,35,860	5.87%
Total	**85,47,960**	**93.71%**

As at March 31, 2025

Class of shares / Name of shareholder	No of Shares	% of Total shares
Equity Shares of face value of Rs. 10/- each		
Mr. Sajiv Gopal	33,36,700	36.58%
Mrs. Malti Sood	25,15,420	27.58%
Mr. Varun Gopal	21,59,980	23.68%
Sajiv Gopal HUF	5,35,860	5.87%
Total	**85,47,960**	**93.71%**

As at March 31, 2024

Class of shares / Name of shareholder	No of Shares	% of Total shares
Equity Shares of face value of Rs. 10/- each		
Mr. Sajiv Gopal	29,99,110	32.88%
Mrs. Malti Sood	21,65,420	23.74%
Mr. Varun Gopal	21,59,980	23.68%
Mrs. Sunita Sabharwal	6,65,440	7.30%
Sajiv Gopal HUF	5,35,860	5.87%
Total	**85,25,810**	**93.47%**

(g) Shares reserved for issue under Options or Contracts or Commitments-Nil

(h) No shares have been alloted without payment being received in cash or by way of bonus shares and there has been no buy back of shares during preceeding five years immediately preceding the reporting date.

(i) Securities issued by the Company which are convertible into Equity Shares- Nil

(j) Calls unpaid-Nil

(k) Forfeited Shares-Nil

(Amount Rs. in millions unless otherwise stated)

(l) Details of Shares held by the Promoters and Promoter group

Year ended March 31, 2026

Name	As at March 31, 2026		As at March 31, 2025		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Mr. Sajiv Gopal	33,36,700	36.58%	33,36,700	36.58%	0.00%
Mrs. Malti Sood	25,15,420	27.58%	25,15,420	27.58%	0.00%
Mr. Varun Gopal	21,59,980	23.68%	21,59,980	23.68%	0.00%
Sajiv Gopal HUF	5,35,860	5.87%	5,35,860	5.87%	0.00%
Mrs. Sugandha Sood	3,59,650	3.94%	3,59,650	3.94%	0.00%
Varun Gopal HUF	1,80,630	1.98%	1,80,630	1.98%	0.00%
Mrs. Priyanka Sood	33,300	0.37%	33,300	0.37%	0.00%
Total	**91,21,540**	**100.00%**	**91,21,540**	**100.00%**	**0.00%**

Year ended March 31, 2025

Name	As at March 31, 2025		As at March 31, 2024		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Mr. Sajiv Gopal	33,36,700	36.58%	29,99,110	32.88%	3.70%
Mrs. Malti Sood	25,15,420	27.58%	21,65,420	23.74%	3.84%
Mr. Varun Gopal	21,59,980	23.68%	21,59,980	23.68%	0.00%
Sajiv Gopal HUF	5,35,860	5.87%	5,35,860	5.87%	0.00%
Mrs. Sugandha Sood	3,59,650	3.94%	3,59,650	3.94%	0.00%
Varun Gopal HUF	1,80,630	1.98%	1,80,630	1.98%	0.00%
Mrs. Sunita Sabharwal	-	0.00%	6,65,440	7.30%	-7.30%
Mrs. Priyanka Sood	33,300	0.37%	33,300	0.37%	0.00%
Total	**91,21,540**	**100.00%**	**90,99,390**	**99.76%**	**0.24%**

Year ended March 31, 2024

Name	As at March 31, 2024		As at March 31, 2023		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Mr. Sajiv Gopal	29,99,110	32.88%	28,38,610	33.20%	-0.32%
Mrs. Malti Sood	21,65,420	23.74%	10,29,850	12.05%	11.69%
Mr. Varun Gopal	21,59,980	23.68%	12,86,070	15.04%	8.64%
Sajiv Gopal HUF	5,35,860	5.87%	4,80,860	5.62%	0.25%
Mrs. Sugandha Sood	3,59,650	3.94%	2,99,650	3.51%	0.44%
Varun Gopal HUF	1,80,630	1.98%	1,80,630	2.11%	-0.13%
Mrs. Sunita Sabharwal	6,65,440	7.30%	99,800	1.17%	6.13%
Mrs. Priyanka Sood	33,300	0.37%	33,300	0.39%	-0.02%
Total	**90,99,390**	**99.76%**	**62,48,770**	**73.09%**	**26.66%**

(m) The Board has not proposed any dividend to the equity shareholders till date

Note 15: Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Securities premium			
Balance as at the beginning of the year	27.08	27.08	20.30
Movement during the year	-	-	6.78
Balance as at the end of the year	27.08	27.08	27.08
Retained Earnings			
Balance as at the beginning of the year	489.96	216.49	139.62
Profit for the year	332.06	271.37	76.70
Other comprehensive income for the period- Remeasurement of defined benefit plans	0.85	2.10	0.17
Balance as at the end of the year	822.87	489.96	216.49
	849.95	**517.04**	**243.57**

Nature and purpose of reserves:

1) Securities Premium : Securities Premium is a reserve created when shares are issued at a premium, representing the excess of issue price over face value, and it can only be utilized for specific purposes as laid down in Companies act, 2013.

2) Retained Earnings : Retained earnings are the accumulated profits of a Company that are not distributed as dividends. It also includes balance of remeasurement of defined benefit plans (net of taxes).

(Amount Rs. in millions unless otherwise stated)

Note 16: Borrowings (Non-current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Financial liabilities at amortised cost			
(a) Secured			
(i) Term Loans from banks	220.40	100.01	90.09
(ii) Vehicle Loans from banks	1.35	2.76	1.70
	221.75	**102.77**	**91.79**
Less-Current Maturities of long term debt shown under 'Short term borrowings'	(45.72)	(27.36)	(27.08)
	176.03	**75.41**	**64.71**
(b) Unsecured			
From Related Parties	150.03	141.68	111.96
	150.03	**141.68**	**111.96**
	326.06	**217.09**	**176.67**

Notes:

Following are the details of terms and conditions of the borrowings:

(i) Details of Security for Term Loans from banks:

a. Primary security

The term loans of HDFC Bank , Axis Bank are secured by hypothecation of entire movable Property, Plant and Equipment of the Company (both present and future) and hypothecation of entire current assets of the Company (both present and future) on first pari passu charge basis.

The term loans of SIDBI are secured by hypothecation of entire movable Property, Plant and Equipment of the Company (both present and future) on first pari passu charge basis. Further, loans from SIDBI are also secured by hypothecation of fixed deposits of the Company.

b. Collateral Security

Loans from Axis bank are further secured by mortgage of :

1. Industrial property being triple storey industrial building measuring 1754.86 sq. yards (as per the title Deed) situated at Village Ratolan, Dhuri Road, Malerkotla, Distt. Sangrur owned by Mrs. Malti Sood W/o of Mr. Sajiv Gopal, director of the Company, which has been given on lease to the Company.
2. Industrial property measuring 5387.50 Sq. yards situated at wakia no. Village Ratolan adjoining Shiva Alloy Rolls, Tehsil Malerkotla, Distt. Sangrur owned by Mr. Varun Gopal S/o of Mr Sajiv Gopal, , director of the Company, which has been given on lease to the Company.
3. Industrial property measuring 2140 Sq. yards situated at Village ratolan adjoining Shiva Alloy Rolls, Tehsil Malerkotla, Distt. Sangrur owned by the Company
4. Industrial property measuring 4775 Sq. yards situated at Village Ratolan Dhuri road, Tehsil P.O. Malerkotla, Distt. Sangrur owned by the Company
5. Industrial property situated at Plot no A160, RICCO industrial area, Ghiloth the Neemrana taken on lease by the Company for a period of 94 years for which agreement has been executed on 17.04.2026

Loans from HDFC bank are further secured by mortgage of:

1. Plot No H-49, Gautam Budh Nagar, SurajPur Noida Up Site C, Surajpur Industrial Area, Greater Noida, Ghaziabad Uttar Pradesh 201012 taken on lease by the Company for a period of 62 years
2. Plot No. 7 Udl Survey No 117 118 Industrial Park Chinnapanduru Tirupati Andhra Pradesh 517502 owned by the Company
3. Plot No-B-331 Alwar Rajasthan 301002 taken on lease by the Company for period of 99 years

c. Personal Guarantees

Term Loans from SIDBI and Axis Bank are guaranteed by Mr. Sajiv Gopal, Mr. Varun Gopal, Mrs. Malti Sood, directors of the Company and also by Mrs. Sugandha Sood, relative of director of the Company, who was also a director of the Company till 30-08-2025.

Term Loans from HDFC bank are guaranteed by Mr. Sajiv Gopal, Mr. Varun Gopal, Mrs. Malti Sood, directors of the Company.

(ii) Details of Security for Vehicle Loans from banks:

The vehicle loans are secured against hypothecation of respective vehicles.

Vehicle Loan from HDFC bank are guaranteed by Mr. Varun Gopal, director of the Company.

Vehicle Loan from Federal bank is guaranteed by Mr. Sajiv Gopal, Mr. Varun Gopal, Mrs. Malti Sood, directors of the Company and also by Mrs. Sugandha Sood, relative of director of the Company, who was also a director of the Company till 30-08-2025.

(iii) Terms of repayment of term loans and vehicle loans from banks

Particulars of Loan			Outstanding Balance (Rs.in milions)			Tenure	Repayment Schedule	No. of Installments outstanding		
Particulars	Sanction Amount (Rs. in millions)	Rate of interest	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024			Installments outstanding as on 31.03.2026	Installments outstanding as on 31.03.2025	Installments outstanding as on 31.03.2024
Axis bank term loan	15.00	REPO + 2.65%	3.42	6.42	9.42	64 months	60 monthly installments	14.00	26.00	38.00
Axis bank term loan	5.10	REPO + 2.65%	1.13	2.83	4.53	60 months	36 monthly installments	8.00	20.00	33.00
Axis bank term loan	15.00	12 months MCLR + 1.20%	-	-	2.77	57 months	57 monthly installments	-	-	11.00
Axis bank term loan	10.20	REPO + 4.25%	-	-	1.70	48 months	36 monthly installments	-	-	6.00
Axis bank term loan	10.00	REPO + 2.65%	8.17	-	-	60 months	60 monthly installments	49.00		
Axis bank term loan	10.00	REPO + 2.65%	8.17	-	-	60 months	60 monthly installments	49.00		
HDFC term loan	48.00	REPO + 2.11 %	31.46	39.02	45.58	72 months	72 monthly installments	42.00	56.00	68.00
HDFC term loan	50.00	REPO + 2.50 %	44.39	36.06	-	84 months	84 monthly installments	73.00	85.00	-
HDFC term loan	40.00	REPO + 2.75 %	36.77	-	-	84 months	84 monthly installments	76.00		
HDFC term loan	43.00	REPO + 2.50 %	41.43	-	-	84 months	84 monthly installments	80.00		
HDFC term loan	50.00	REPO + 2.50 %	9.34	-	-	84 months	84 monthly installments	82.00		
SIDBI term loan	10.00	12 month MCLR + 0.60%	4.39	6.25	8.11	60 months	60 monthly installments	28.00	40.00	52.00
SIDBI term loan	2.99	6.00%	-	-	0.66	36 months	36 monthly installments	-	-	8.00
SIDBI term loan	5.45	12 month MCLR + 0.25%	1.36	3.18	5.00	60 months	36 monthly installments	9.00	21.00	33.00
SIDBI term loan	18.10	7.84%	-	3.06	7.09	60 months	54 monthly installments	-	9.00	21.00
SIDBI term loan	10.18	12 month MCLR + 0.91%	1.39	3.42	5.45	60 months	60 monthly installments	8.00	20.00	32.00
SIDBI term loan	30.00	12 month MCLR + 0.41%	29.31	-	-	60 months	54 monthly installments	53.00		
HDFC vehicle loan	1.50	9.00%	0.26	0.75	1.19	39 months	39 monthly installments	6.00	18.00	30.00
Federal Bank vehicle loan	2.80	REPO + 2.10%	1.09	2.02	-	36 months	36 monthly installments	13.00	25.00	-
HDFC vehicle loan	2.40	7.40%	-	-	0.51	48 months	48 monthly installments	-		9.00
Total			**222.09**	**103.00**	**92.01**					
Unamortised Processing charges			(0.34)	(0.23)	(0.22)					
Net Balance as on reporting date			**221.75**	**102.77**	**91.79**					

(iv) Details of unsecured Loans from related parties:

The unsecured loans from related parties carries interest @ 9% -12% p.a.

(v) Refer note 43 for classification of financial liabilities and information about liquidity risk and market risk in respect of borrowings.

(vi) Refer Note 47 for carrying amount of assets pledged as security for borrowings.

(Amount Rs. in millions unless otherwise stated)

Note 17: Lease Liabilities (Non- Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	12.82	2.68	0.98
	12.82	**2.68**	**0.98**

Refer note 42 for details in respect of lease liabilities
Refer note 43 for Classification of lease liabilities and information about liquidity risk and market risk in respect of lease liabilities.

Note 18: Provisions (Non-Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits:			
Provision for Gratuity (refer note 45)	8.82	7.10	9.13
Provision for Compensated absences (refer note 45)	3.21	2.01	1.74
	12.03	**9.11**	**10.87**

(Amount Rs. in millions unless otherwise stated)

Note 20: Borrowings (Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loans Repayable on demand from banks (Secured)			
Working Capital Loans			
- Cash credit loans	291.30	91.81	68.44
-Buyers credit loans (Foreign Currency loans)	573.12	322.49	100.61
Other Loans from banks (Unsecured)			
Bills discounted against trade receivables #	295.91	-	-
Current Maturities of Long-Term Debt			
From Banks (Secured)	45.72	27.36	27.08
	1,206.05	**441.66**	**196.13**

In case of discounted trade receivables, where the significant risks and rewards related to discounted trade receivables are not transferred, the Company continues to recognize the carrying amount of discounted trade receivables in current assets and the amount received from bank is recognized as unsecured borrowings.

Note: (i) Details of Security for Working Capital Loans:

a. Primary security

Hypothecation of entire current assets of the Company (both present and future) and entire movable Property, Plant and Equipment of the Company (both present and future) on first pari passu charge basis.

b. Collateral Security

Loans from Axis bank are further secured by mortgage of :

1. Industrial property being triple storey industrial building measuring 1754.86 sq. yards (as per the title Deed) situated at Village Ratolan, Dhuri Road, Malerkotla, Distt. Sangrur owned by Mrs. Malti Sood W/o of Mr. Sajiv Gopal, director of the Company.
2. Industrial property measuring 5387.50 Sq. yards situated at wakia no. Village Ratolan adjoining Shiva Alloy Rolls, Tehsil Malerkotla, Distt. Sangrur owned by Mr. Varun Gopal S/o of Mr Sajiv Gopal, , director of the Company.
3. Industrial property measuring 2140 Sq. yards situated at Village ratolan adjoining Shiva Alloy Rolls, Tehsil Malerkotla, Distt. Sangrur owned by the Company
4. Industrial property measuring 4775 Sq. yards situated at Village Ratolan Dhuri road, Tehsil P.O. Malerkotla, Distt. Sangrur owned by the Company
5. Industrial property situated at Plot no A160, RICCO industrial area, Ghiloth the Neemrana taken on lease by the Company for a period of 94 years for which agreement has been executed on 17.04.2026

Loans from HDFC bank are further secured by mortgage of:

1. Plot No H-49, Gautam Budh Nagar, SurajPur Noida Up Site C, Surajpur Industrial Area, Greater Noida, Ghaziabad Uttar Pradesh 201012 taken on lease by the Company for a period of 62 years
2. Plot No. 7 Udl Survey No 117 118 Industrial Park Chinnapanduru Tirupati Andhra Pradesh 517502 owned by the Company
3. Plot No-B-331 Alwar Rajasthan 301002 taken on lease by the Company for period of 99 years

c. Personal Guarantees

Loans from Axis Bank are guaranteed by Mr. Sajiv Gopal, Mr. Varun Gopal, Mrs. Malti Sood, directors of the Company and also by Mrs. Sugandha Sood, relative of director of the Company, who was also a director of the Company till 30-08-2025.

Loans from HDFC bank are guaranteed by Mr. Sajiv Gopal, Mr. Varun Gopal, Mrs. Malti Sood, directors of the Company.

(ii) Refer Note 43 for Classification of Financial Liabilities and information about liquidity risk and market risk in respect of borrowings.

(iii) Refer Note 47 for carrying amount of assets pledged as security for borrowings.

Note 21: Lease Liabilities (Current)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	3.89	0.26	0.10
	3.89	**0.26**	**0.10**

Refer note 42 for details in respect of lease liabilities

Refer note 43 for Classification of lease liabilities and information about liquidity risk and market risk in respect of lease liabilities.

(Amount Rs. in millions unless otherwise stated)

Note 22: Trade payables

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Total Outstanding dues of micro enterprises and small enterprises #	143.97	128.07	143.99
Total Outstanding dues of creditors other than micro enterprises and small enterprises *	1,036.07	433.82	496.78
	1,180.04	**561.89**	**640.77**

#The amount includes acceptance payable amounting to Rs. 17.35 millions as at March 31, 2026 (March 31 2025: Nil, March 31, 2024: Nil) for the bills discounted by the vendors through platforms under the Trade Receivables Discounting System for MSMEs as per the guidelines issued by RBI.

* The amount includes acceptance payable amounting to Rs. 55.68 millions as at March 31, 2026 (March 31 2025: Nil, March 31, 2024: Nil) for the bills discounted by the vendors through platforms under the Trade Receivables Discounting System for MSMEs as per the guidelines issued by RBI.

Particulars	**Outstanding as at March 31, 2026 from due date of payment**				
	Less than 1 year #	**1-2 years**	**2 to 3 years**	**More than 3 years**	**Total**
(i) MSME	143.76	0.04	0.13	0.04	143.97
(ii) Others	1,032.84	3.00	0.08	0.15	1,036.07
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**1,176.60**	**3.04**	**0.21**	**0.19**	**1,180.04**

Particulars	**Outstanding as at March 31, 2025 from due date of payment**				
	Less than 1 year #	**1-2 years**	**2 to 3 years**	**More than 3 years**	**Total**
(i) MSME	127.01	1.06	-	-	128.07
(ii) Others	433.43	0.19	0.20	-	433.82
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**560.44**	**1.25**	**0.20**	**-**	**561.89**

Particulars	**Outstanding as at March 31, 2024 from due date of payment**				
	Less than 1 year #	**1-2 years**	**2 to 3 years**	**More than 3 years**	**Total**
(i) MSME	143.99	-			143.99
(ii) Others	493.39	3.39	-	-	496.78
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**637.38**	**3.39**	**-**	**-**	**640.77**

 # includes unbilled and not due balances as at the reporting date

Refer Note 43 for Classification of Financial Liabilities and information about liquidity risk and market risk in respect of trade payables.

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified, on the basis of information and records available. The required information is as under :-

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
a) The amount remaining unpaid to any supplier at the end of each accounting year.			
i) Related to Trade payables			
- Principal	142.82	127.09	143.72
-Interest	1.15	0.98	0.27
ii) Related to Creditors for Capital purchases			
- Principal	1.73	2.86	1.69
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	0.15	0.70	0.27
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.02	0.01	0.00
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.32	0.15	0.70

(Amount Rs. in millions unless otherwise stated)

Note 23: Other Financial Liabilities (Current)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
At amortised cost			
Interest accrued but not due on borrowings	4.47	3.16	0.93
Dues to employees	39.87	30.08	26.13
Other Payables	0.10	-	0.04
Payable for property plant and equipment			
Total outstanding dues of micro enterprises and small enterprises	1.73	2.86	1.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	7.85	6.29	1.60
	54.02	**42.39**	**30.39**

Refer note 43 for classification of financial liabilities and information about credit risk and market risk in respect of other financial liabilities.

Note 24: Other Current Liabilities

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Statutory remittances	6.54	62.87	16.00
Corporate social responsibility expenses payable for ongoing projects	6.06	2.77	1.04
Advances from Customers	6.56	6.37	4.21
Other Payable	5.42	4.66	1.12
	24.58	**76.67**	**22.37**

Note 25: Provisions (Current)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Provision for Employee Benefits:			
Provision for Gratuity (refer note 45).	3.90	3.11	0.83
Provision for Compensated absences (refer note 45).	0.70	0.43	0.34
	4.60	**3.54**	**1.17**

(Amount Rs. in millions unless otherwise stated)

Note: 19 Deferred Tax Liabilities (Net)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Deferred tax liabilities (A)	30.43	27.78	19.66
Deferred tax assets (B)	4.30	4.85	2.75
Deferred tax Liabilities (net) (A)-(B)	**26.13**	**22.93**	**16.91**

Movement in deferred tax liabilities and assets:

i. Year ended March 31, 2026

Particulars	**Balance as at the beginning of the period**	**Recognized in the profit or loss**	**Recognized in other comprehensive income**	**Balance as at the end of the period**
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	27.71	2.63		30.34
Unamortized processing charges	0.07	0.02		0.09
Others	2.27	(0.40)		1.87
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax/ Provision for employee benefits	3.68	0.79	(0.29)	4.18
Allowance for expected Credit losses	3.44	(1.45)		1.99
Net Deferred tax Liabilities/(assets) (A)-(B)	**22.93**	**2.91**	**0.29**	**26.13**

ii. Year ended March 31, 2025

Particulars	**Balance as at the beginning of the period**	**Recognized in the profit or loss**	**Recognized in other comprehensive income**	**Balance as at the end of the period**
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	19.59	8.12		27.71
Unamortized processing charges	0.07	-		0.07
Others	2.29	(0.02)		2.27
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax/ Provision for employee benefits	3.51	1.03	(0.86)	3.68
Allowance for expected Credit losses	1.53	1.91		3.44
Net Deferred tax Liabilities/(assets) (A)-(B)	**16.91**	**5.16**	**0.86**	**22.93**

iii. Year ended March 31, 2024

Particulars	**Balance as at the beginning of the period**	**Recognized in the profit or loss**	**Recognized in other comprehensive income**	**Balance as at the end of the period**
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	9.55	10.04	-	19.59
Unamortized processing charges	0.03	0.04		0.07
Others	2.23	0.06	-	2.29
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax/ Provision for employee benefits	2.16	1.42	(0.07)	3.51
Allowance for expected Credit losses	0.80	0.73	-	1.53
Net Deferred tax Liabilities/(assets) (A)-(B)	**8.85**	**7.99**	**0.07**	**16.91**

There are no unrecognised deferred tax liabilities/assets. Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

(Amount Rs. in millions unless otherwise stated)

Note 26: Revenue from Operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
(a) Sales of Products	4,596.70	4,387.48	2,193.78
(b) Other Operating Revenue			
-Scrap Sales	670.75	443.94	205.60
	5,267.45	**4,831.42**	**2,399.38**

Note:
-The figure under sale of products in financial year ended March 31, 2025 includes High sea sales amounting to Rs. 221.57 millions.
-Refer note 48 for disclosures as per Ind AS 115 " Revenue from Contracts with Customers"

Note 27: Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest Income	7.05	5.61	2.93
(b) Gain on Sale of Property, Plant and Equipment	-	-	0.16
(c) Government Grant (also refer note 46)	9.33	0.72	2.09
(d) Gain on Foreign exchange fluctuation	-	-	9.50
(e) Gain on termination of lease	-	0.39	-
(f) Expected Credit Loss on trade receivables written back	3.89	-	-
(g) Miscellaneous income	6.04	0.23	0.10
	26.31	**6.95**	**14.78**

Note 28: Cost of Materials Consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock	341.71	176.49	100.70
Add: Purchases	4,746.05	3,981.85	1,886.00
Less: Closing Stock	(827.47)	(341.71)	(176.49)
Cost of Material Consumed	**4,260.29**	**3,816.63**	**1,810.21**

Note 29: Changes in Inventories of Finished Goods and Work-In-Progress

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year:			
Finished Goods	136.05	69.71	39.46
Work-In-Progress	189.19	46.14	45.36
	325.24	**115.85**	**84.82**
Inventories at the end of the year:			
Finished Goods	412.49	136.05	69.71
Work-In-Progress	428.36	189.19	46.14
	840.85	**325.24**	**115.85**
Net (Increase) / Decrease	**(515.61)**	**(209.39)**	**(31.03)**

(Amount Rs. in millions unless otherwise stated)

Note 30: Employee Benefits Expense

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Salaries and Wages	230.15	191.21	138.70
Contributions to Provident and Other Funds	14.07	14.45	10.80
Staff Welfare Expenses	11.79	7.41	3.21
	256.01	**213.07**	**152.71**

Note 31: Finance Costs

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
(i) Interest Expense on borrowings:			
- from banks	61.98	25.34	14.19
- from related parties	13.97	12.47	10.89
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans	9.09	2.73	0.98
(To the extent regarded as an adjustment to Interest Cost)			
(iii) Other borrowing costs			
- Interest on Lease Liabilities	0.75	0.28	0.11
- Interest on income tax	9.77	5.20	1.51
- Bank Charges	9.50	6.08	3.08
- Others	12.54	10.28	3.29
	117.60	**62.38**	**34.05**

Note 32: Depreciation and amortisation expense

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Depreciation of Property Plant and Equipment (Refer note 4A)	37.53	28.05	19.20
Depreciation of Right of use assets (Refer note 4C)	2.30	1.18	0.95
Amortisation of Intangible assets (Refer note 4D)	0.28	0.27	0.26
	40.11	**29.50**	**20.41**

Note 33: Other Expenses

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Consumption of Stores and Spares	139.63	154.83	80.78
Packing Expenses	25.22	30.16	22.40
Job Work Charges	29.35	28.53	23.00
Contract labour expense	212.53	139.46	53.24
Power and Fuel	36.75	32.14	19.97
Commission and Brokerage	6.71	12.32	8.27
Inward Freight and Forwarding expenses	49.97	54.27	45.48
Outward Freight and Forwarding expenses	51.41	49.60	23.74
Charity and Donation	0.49	-	0.31
Insurance Charges	3.03	2.34	1.81
Payment to auditors #	1.07	0.12	0.12
Professional and Consultancy Charges	4.16	2.38	2.44
Rent	2.60	2.58	1.70
Repair and Maintenance			
- Building	4.27	2.17	1.18
- Machinery	8.24	6.64	3.55
- Others	5.35	2.90	2.09
Travelling and Conveyance	9.33	5.75	4.07
Corporate social responsibility expense (refer note no.37)	3.84	1.73	1.04
Expected Credit Loss on Trade Receivables	-	6.55	2.38
Loss on Foreign exchange fluctuation	74.96	1.24	-
Miscelleneous expenses *	23.97	16.49	13.57
	692.88	**552.20**	**311.14**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

# Payments to the auditors comprises:			
Statutory Audit Fee	0.40	0.10	0.10
Tax Audit Fee	0.10	0.02	0.02
Reimbursement of expenses	0.57	-	-
	1.07	**0.12**	**0.12**

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 34: Tax expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
A) Tax expense recognised in statement of profit and loss			
Current tax	107.51	97.45	31.98
Deferred tax	2.91	5.16	7.99
Total	**110.42**	**102.61**	**39.97**
B) Tax expense recognised in other comprehensive income			
Current tax	-	-	-
Deferred tax	0.29	0.86	0.07
Total	**0.29**	**0.86**	**0.07**

Reconciliation of tax expense applicable to profit before tax as per the latest statutory enacted tax rate in India to tax expense reported is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	442.48	373.98	116.67
Income tax rate %	25.17	29.12	29.12
Tax as per accounting profit (A)	**111.36**	**108.90**	**33.97**
Add/(Less) :			
Effect of expenses that are not deductible for tax purpose	3.59	3.21	0.91
Effect of deductions allowed for tax purpose	(1.62)	(3.32)	(2.13)
Others	(2.91)	(6.18)	7.22
Total (B):	**(0.94)**	**(6.29)**	**6.00**
Tax Expense recognized for the period (A+B)	**110.42**	**102.61**	**39.97**

Note 35: Current Tax Liabilities/(Assets)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
I. Current Tax Assets (Net of Provision for taxation)	-	-	-
II. Current Tax Liabilities (Net of advance tax)			
Provision for taxation	107.51	97.44	31.98
Less: Advance tax (including TDS and TCS receivable)	(15.48)	(11.91)	(15.00)
	92.03	85.53	16.98
Net current Tax Liabilities/(assets) (I+II)	**92.03**	**85.53**	**16.98**

The current tax assets and current tax liabilities have been set off, to the extent, the Company :
(a) has a legally enforceable right to set off the recognised amounts; and
(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

(Amount Rs. in millions unless otherwise stated)

Note 36: Research and Development Expenses

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Research and Development Expenses	Nil	Nil	Nil

Note 37: Details of Corporate Social Responsibility expenditure:
As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The details in this respect are as below:

(i) Detail of Corporate social responsibility expenditure

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
(i) Amount required to be spent by the Company during the year	3.84	1.73	1.04
(ii) Amount of expenditure incurred*	0.55	-	-
(iii) Shortfall at the end of the year	3.29	1.73	1.04
(iv) Total of previous years shortfall	2.77	1.04	-
(v) Reason for shortfall	The Company entered into an ongoing project for which expense is yet to be incurred. The provision has been recognised in respective year in respect of shortfall related to ongoing project.		
(v) Nature of CSR activities	Actvities covered in schedule VII to the Companies act, 2013 (including ongoing project for which expense is yet to be incurred)		
(vi) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure	-	-	-

*The Company has undertaken CSR activities which included relief and rehabilitation , promotion of sports , development of Angadwadi infrastructure and healthcare assistance .

(ii) Detail of other than ongoing project

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Opening Balance	-	-	-
Amount deposited in Specified Fund of Sch.VII within 6 months	-	-	-
Amount required to be spent during the year	0.55	-	-
Amount spent during the year	0.55	-	-
Closing balance	-	-	-

(iii) Detail of ongoing project

Particulars		**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Opening Balance	With Company	1.73	1.04	-
	in Separate CSR Unspent A/c	1.04	-	-
Amount required to be spent during the year		3.29	1.73	1.04
Amount spent during the year	From Company's Bank a/c	-	-	-
	From Separate CSR Unspent a/c	-	-	-
Closing balance	With Company	3.29	1.73	1.04
	In Separate CSR Unspent A/c	2.77	1.04	-
Date of transfer to CSR Unspent Account		28/04/2026	22/04/2025	22/04/2024

Note 38: Contingent liabilities, Commitments and Bank Guarantees
1) Contingent Liabilities

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
a) Goods and service tax matters#	0.84	0.62	-
b) Income tax matters	2.19	3.93	2.42
c) Custom related matters	130.38	-	-
d) Employee related matters	0.05	0.05	0.05

The amount of Rs. 0.63 millions during the year ended March 31, 2026 (March 31, 2025: Rs 0.62 millions; March 31, 2024: Nil) has been deposited under protest against the said demand which has been shown under the head 'Balances with Government authorities' in Note 13 'Other current assets'.

(Amount Rs. in millions unless otherwise stated)

2) Commitments

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
A) Estimated amount of contracts remaining to be executed on capital account (net of advances)	141.79	62.01	1.25
B) Other Commitments	Nil	Nil	Nil

3) Bank guarantees

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Bank guarantees provided by banks to third parties on behalf of the Company	35.15	37.27	15.23

Note 39: Earnings per share

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Profit for the year attributable to equity shareholders of the Company	332.06	271.37	76.70
Weighted average number of equity shares for Basic EPS (in Nos) #	5,47,29,240	5,47,29,240	5,36,58,199
Weighted average number of equity shares for Diluted EPS (in Nos) #	5,47,29,240	5,47,29,240	5,36,58,199
Earnings per share #			
- Basic	6.07	4.96	1.43
- Diluted	6.07	4.96	1.43
Face value per equity share (in Rs.) #	5.00	5.00	5.00

On September 01, 2026 i.e. subsequent to the reporting date but before the approval of restated financial information, the Company has allotted bonus shares in the ratio of 2:1 i.e. 2 equity shares for 1 equity share held as approved by the board of directors in their meeting held on August 21, 2026 and approved by the shareholders of the Company in the extra-ordinary general meeting held on August 29, 2026. Further, 1 equity share of Rs. face value of 10/- each has been sub-divided into 2 equity shares of face value of Rs. 5/- each as approved by the board of directors in their meeting held on September, 01, 2026 and approved by the shareholders of the Company in the extra-ordinary general meeting held on September 03, 2026.
The weighted average number of shares, basic and diluted earnings per share and face value per equity share as reported above is after considering the impact of the said bonus and share split retrospectively for all the periods presented in accordance with Ind AS 33 'Earnings per Share'

Note 40: Segment reporting

The Company is primarily in the business of manufacturing of air conditioner components, fittings and parts. The Managing director of the Company has been identified as the Chief Operating Decision Maker (CODM), who evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Geographical Information

The Company has business operations only in India and does not hold any non-current asset outside India.

Information about major customers

Revenue from customers those contributes 10% or more of company's total revenue

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
No. of Customers	4	3	3
Revenue	3,701.13	2,989.94	1,508.60

Note 41: Impairment of Assets

In accordance with Ind AS-36 on "Impairment of Assets" the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment there is no such indication and therefore, formal estimate of recoverable amount has not been made. Accordingly, no impairment loss has been provided in the books of account.

(Amount Rs. in millions unless otherwise stated)

Note 42: Leases

Company as a lessee

(a) The depreciation expense on ROU assets of Rs. 2.30 millions during the year ended March 31, 2026 (March 31, 2025: Rs. 1.18 millions; March 31, 2024: Rs. 0.95 millions) is included under depreciation and amortization expense in the statement of Profit and Loss.

(b) Interest expense on the lease liabilities amounting to Rs. 0.75 millions during the year ended March 31, 2026 (March 31, 2025: Rs. 0.28 millions; March 31, 2024: Rs. 0.11 millions) has been included as component of finance cost in the statement of Profit and Loss.

(c) The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	3.89	0.26	0.10
Non Current lease liabilities	12.82	2.68	0.98
Total	**16.71**	**2.94**	**1.08**

(d) The following is the movement in lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the period	2.94	1.08	1.17
Additions during the period	15.11	2.14	-
Deletion during the period	-	(0.04)	-
Finance cost accrued during the period	0.75	0.28	0.11
Payment of lease liabilities	(2.09)	(0.52)	(0.20)
Balance at the end of the period	**16.71**	**2.94**	**1.08**

The incrementral borrowing rate applied to lease liability of the Company is 8.00%-9.25%.

Rental expenses recorded for short term leases is Rs. 2.60 millions during the year ended March 31, 2026 (March 31, 2025: Rs. 2.58 millions; March 31, 2024: Rs. 1.70 millions) has been shown under the head 'Other expenses' in the statement of Profit and Loss.

(e) The table below provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Not later than one year	5.19	0.52	0.20
Later than one year and not later than five years	10.68	1.91	0.69
Later than five years	6.34	2.01	1.13
Total Minimum lease payments	**22.21**	**4.44**	**2.02**
Less: Finance charges	5.50	1.50	0.94
Lease liabilities as on reporting date	**16.71**	**2.94**	**1.08**

(Amount Rs. in millions unless otherwise stated)

NOTE: 43A. CAPITAL MANAGEMENT

(a) Risk Management

The Company's objective when managing capital are to i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and (ii) Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paymant to shareholders, return capital to shareholders, issue new shares for cash or repay debt, put in place new debt facilities or undertakes other such restructuring activities as appropriate.

The Company monitors capital using a gearing ratio, which is 'Net debt' to 'Total Equity' (net debt include interest bearing borrowings including lease obligation less cash and cash equivalents)

The Company is not subject to any externally imposed capital requirements.

(i) The gearing ratio is as follows:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Debt (A)			
Total Debt including lease liabilities (refer note 16,17,20,21)	1,548.82	661.69	373.88
Less: Cash & Cash Equivalents (refer note 9)	0.33	0.45	0.53
Net Debt	**1,548.49**	**661.24**	**373.35**
Total Equity (B)			
Equity Share Capital (refer note 14)	91.22	91.22	91.22
Other Equity (refer note 15)	849.95	517.04	243.57
Total Equity	**941.17**	**608.26**	**334.79**
Net Debt to Equity Ratio (A/B)	**1.65**	**1.09**	**1.12**

There have been changes in the objectives, policies or processes for managing capital.

(b) Loan Covenants

In order to achieve overall objective of capital management, amongst other things, the management aims to ensure that it meets financial covenants attached to loans and borrowings from banks and financial institutions. The management carefully negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any loans and borrowing from banks and financial institutions.

(Amount Rs. in millions unless otherwise stated)

NOTE: 43B. FINANCIAL INSTRUMENTS- FAIR VALUE MEASUREMENT

A. Classification of financial Instruments

The following table present the carring value of each category of financial assets and liabilities :

Particulars	Carrying amount			Total Carrying Amount
	At Amortised cost	At fair value through OCI	At fair value through profit or loss	
As at March 31, 2026				
Financial *assets*				
Trade Receivables (refer note 8)	1,061.51	-	-	1,061.51
Cash and Cash Equivalents (refer note 9)	0.33	-	-	0.33
Bank balances other than cash & cash equivalent (refer note 10)	106.15	-	-	106.15
Loans (refer note 11)	0.89	-	-	0.89
Other financial assets (refer note 5 and 12)	42.13	-	-	42.13
Total Financial Assets	**1,211.01**	**-**	**-**	**1,211.01**
Financial Liabilities				
Borrowings (refer note 16 and 20)	1,532.11	-	-	1,532.11
Lease liabilities (refer note 17 and 21)	16.71	-	-	16.71
Trade Payables (refer note 22)	1,180.04	-	-	1,180.04
Other Financial Liabilities (refer note 23)	54.02	-	-	54.02
Total Financial Liabilities	**2,782.88**	**-**	**-**	**2,782.88**
As at March 31, 2025				
Financial *assets*				
Trade Receivables (refer note 8)	712.82			712.82
Cash and Cash Equivalents (refer note 9)	0.45			0.45
Bank balances other than cash & cash equivalent (refer note 10)	97.47			97.47
Loans (refer note 11)	0.83			0.83
Other financial assets (refer note 5 and 12)	9.59			9.59
Total Financial Assets	**821.16**	**-**	**-**	**821.16**
Financial Liabilities				
Borrowings (refer note 16 and 20)	658.75	-	-	658.75
Lease liabilities (refer note 17 and 21)	2.94	-	-	2.94
Trade Payables (refer note 22)	561.89	-	-	561.89
Other Financial Liabilities (refer note 23)	42.39	-	-	42.39
Total Financial Liabilities	**1,265.97**	**-**	**-**	**1,265.97**
As at March 31, 2024				
Financial *assets*				
Trade Receivables (refer note 8)	601.16			601.16
Cash and Cash Equivalents (refer note 9)	0.53	-	-	0.53
Bank balances other than cash & cash equivalent (refer note 10)	43.27	-	-	43.27
Loans (refer note 11)	0.87	-	-	0.87
Other financial assets (refer note 5 and 12)	21.67	-	-	21.67
Total Financial Assets	**667.50**	**-**	**-**	**667.50**
Financial Liabilities				
Borrowings (refer note 16 and 20)	372.80	-	-	372.80
Lease liabilities (refer note 17 and 21)	1.08	-	-	1.08
Trade Payables (refer note 22)	640.77	-	-	640.77
Other Financial Liabilities (refer note 23)	30.39	-	-	30.39
Total Financial Liabilities	**1,045.04**	**-**	**-**	**1,045.04**

(Amount Rs. in millions unless otherwise stated)

B. Fair value Measurement
Fair Value hierarchy
The fair value of the financial instruments are determined at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

The below is the fair value measurement hierarchy used by the Company to determine the fair value of financial instruments, grouped into Level 1 to Level 3 :-
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:-

Particulars	Carrying amount	Level 1	Level 2	Level 3
As at March 31, 2026				
Financial Assets		Nil		
Financial Liabilities		Nil		
As at March 31, 2025				
Financial Assets		Nil		
Financial Liabilities		Nil		
As at March 31, 2024				
Financial Assets		Nil		
Financial Liabilities		Nil		

Note: The carrying value of the financial assets and liabilities measured at amortised cost approximates its fair value.

(Amount Rs. in millions unless otherwise stated)

NOTE 43C. FINANCIAL RISK MANAGEMENT

This note explains the financial risks which Company is exposed to and policies and framework adopted by the Company to manage these risks.
The principal financial assets of the Company include trade and other receivables, loans and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Board of directors are regularly apprised of these risks and measures used to mitigation these risks.

(A) Market Risk:
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency risk, interest rate risk and investment risk.

(i) Foreign Currency Risk:
Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than Company's functional currency.The Company imports certain assets like machinery, raw material, spares and stores items etc. from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the Company is exposed to foreign currency risk and the results of the Company may be affected as the rupee appreciates/ depreciates against foreign currencies.

a) Particulars of foreign currency risk exposure
The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

Particulars	Foreign Currency (FC)	Amount in FC (in millions)	Amount in INR
As at March 31, 2026			
Financial Liabilities			
Borrowings (A)	USD	6.05	573.12
Trade payables/Capital Payable (B)	USD	7.33	693.45
Other payables (C)	USD	0.03	3.02
Total exposure to foreign currency risk (A+B+C)	**USD**	**13.41**	**1,269.59**
As at March 31, 2025			
Financial Liabilities			
Borrowings (A)	USD	3.77	322.49
Trade payables/Capital Payable (B)	USD	2.52	215.41
Other payables (C)	USD	0.03	2.52
Total exposure to foreign currency risk (A+B+C)	**USD**	**6.32**	**540.42**
As at March 31, 2024			
Financial Liabilities			
Borrowings (A)	USD	1.21	100.61
Trade payables/Capital Payable (B)	USD	3.80	316.80
Other payables (C)	USD	0.01	0.53
Total exposure to foreign currency risk (A+B+C)	**USD**	**5.02**	**417.94**

Note: The year end balance are not necessarily representative of average balances outstanding throughout the year.

The following are the exchange rates at the end of each reporting period:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
INR/USD	94.65	85.58	83.37

Foreign Currency senstivity
The impact on the Company's profit before tax on account of reasonably possible change in exchange rates (with all other variables held constant) will be as under:

Particulars	Impact on Profit before tax {Increase/(decrease)}		
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
USD Sensitivity			
Increase in exchange rate by 5%	(63.47)	(27.04)	(20.93)
Decrease in exchange rate by 5%	63.47	27.04	20.93

(Amount Rs. in millions unless otherwise stated)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will flctuate because of changes in market interest rates. As the Company has no significant interest -bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

(a) Interest Risk Exposure:

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	Weighted Average Interest Rate	Outstanding Balance	% of Total Loans
As at March 31, 2026			
Long term & short term borrowings from banks			
Variable Rate Borrowings	7.85%	513.05	37.12%
Fixed Rate Borrowings	5.91%	869.03	62.88%
Total Borrowings		**1,382.08**	**100.00%**
As at March 31, 2025			
Long term & short term borrowings			
Variable Rate Borrowings	8.46%	194.58	37.63%
Fixed Rate Borrowings	5.64%	322.49	62.37%
Total Borrowings		**517.07**	**100.00%**
As at March 31, 2024			
Long term & short term borrowings			
Variable Rate Borrowings	8.79%	160.23	61.43%
Fixed Rate Borrowings	6.36%	100.61	38.57%
Total Borrowings		**260.84**	**100.00%**

(b) Cash flow senstivity analysis for variable rate instruments

The below would be the impact on Profit before tax due to 50 basis point change in interest rate

Particulars	**Impact on Profit before tax {Increase/(decrease)}**		
	Year ended March 31, 2026	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Increase in interest rate by 50 basis points	(2.57)	(0.97)	(0.80)
Decrease in interest rate by 50 basis points	2.57	0.97	0.80

(iii) Security Price Risk Management:

Company has not made any investments hence it is not exposed to investment risk.

(B) Credit Risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies.The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company's maximum exposure to credit risk is the carrying value of the financial assets.

The following is the detail of revenue generated from top 5 customers of the company:

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Revenue from Top Five customers	3,969.33	3,586.23	1,806.03
% of total Sales	75.36%	74.23%	75.27%

(Amount Rs. in millions unless otherwise stated)

Expected Credit Loss for Financial Assets

(i) Financial assets to which loss allowance is measured using 12 months Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
As at March 31, 2026				
Loans (refer note 11)	0.89	-	-	0.89
Other financial assets (refer note 5 and 12)	42.13	-	-	42.13
As at March 31, 2025				
Loans (refer note 11)	0.83	-	-	0.83
Other financial assets (refer note 5 and 12)	9.59	-	-	9.59
As at March 31, 2024				
Loans (refer note 11)	0.87	-	-	0.87
Other financial assets (refer note 5 and 12)	21.67	-	-	21.67

(ii) Expected credit loss for trade receivable on simplified approach using lifetime Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
As at March 31, 2026				
Trade Receivables (refer note 8)	1,069.42	Refer table below	(7.91)	1,061.51
As at March 31, 2025				
Trade Receivables (refer note 8)	724.62	Refer table below	(11.80)	712.82
As at March 31, 2024				
Trade Receivables (refer note 8)	606.41	Refer table below	(5.25)	601.16

Probability of Default in case of Trade Receivables

Overdue period	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
0-90 days	0.30%	0.30%	0.20%
91-180 days	3.50%	3.20%	2.60%
181-270 days	11.20%	12.30%	11.60%
271-365 days	43.10%	49.40%	48.80%
More than 1 year	100.00%	100.00%	100.00%

Movement in Allowance for Expected credit loss

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
As at the beginning of period	11.80	5.25	2.87
Provided during the period	-	6.55	2.38
Reversal during the period	(3.89)	-	-
As at the end of the period	7.91	11.80	5.25

(C) Liquidity Risk:

Liquidity risk arises from the Company"s inability to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The financial liabilities of the company include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The Company's management is responsible for liquidity and funding arrangements. In addition, processes and policies related to such risks are overseen by board of directors. Management monitors the Company's net liquidity position on the basis of expected cash flows in near future. This includes maintaining sufficient availability of standby funding through an adequate line up committed credit facilities to meet financial obligations as and when due.

The following table presents maturitiy analysis for the Company's financial liabilites and financial assets based on contractually agreed undiscounted cash flows along with its carrying value as at the reporting date :

(Amount Rs. in millions unless otherwise stated)

Particulars	Carrying Amount	Less than 12 months	More than one year and less than five year	More than five Years	Total
As at March 31, 2026					
Financial Liabilities					
Borrowings	1,532.11	1,206.05	292.73	33.33	1,532.11
Trade payables	1,180.04	1,180.04	-		1,180.04
Lease liabilities	16.71	3.89	8.47	4.35	16.71
Other financial liabilities	54.02	54.02	-		54.02
Total	**2,782.88**	**2,444.00**	**301.20**	**37.68**	**2,782.88**
Financial Assets					
Trade receivables	1,061.51	1,061.51	-	-	1,061.51
Cash and Cash Equivalents	0.33	0.33	-	-	0.33
Bank balances other than cash & cash equivalents	106.15	106.15	-	-	106.15
Loans	0.89	0.89	-	-	0.89
Others financial assets	42.13	13.73	21.91	6.49	42.13
Total	**1,211.01**	**1,182.61**	**21.91**	**6.49**	**1,211.01**
As at March 31, 2025					
Financial Liabilities					
Borrowings	658.75	441.66	199.65	17.44	658.75
Trade payables	561.89	561.89	-	-	561.89
Lease liabilities	2.94	0.26	1.13	1.55	2.94
Other financial liabilities	42.39	42.39	-	-	42.39
Total	**1,265.97**	**1,046.20**	**200.78**	**18.99**	**1,265.97**
Financial Assets					
Trade receivables	712.82	712.82	-	-	712.82
Cash and Cash Equivalents	0.45	0.45	-	-	0.45
Bank balances other than cash & cash equivalents	97.47	97.47	-	-	97.47
Loans	0.83	0.83	-	-	0.83
Others financial assets	9.59	4.93	0.97	3.69	9.59
Total	**821.16**	**816.50**	**0.97**	**3.69**	**821.16**
As at March 31, 2024					
Financial Liabilities					
Borrowings	372.80	196.13	170.80	5.87	372.80
Trade payables	640.77	640.77			640.77
Lease liabilities	1.08	0.10	0.39	0.59	1.08
Other financial liabilities	30.39	30.39	-	-	30.39
Total	**1,045.04**	**867.39**	**171.19**	**6.46**	**1,045.04**
Financial Assets					
Trade receivables	601.16	601.16			601.16
Cash and Cash Equivalents	0.53	0.53	-		0.53
Bank balances other than cash & cash equivalents	43.27	43.27	-		43.27
Loans	0.87	0.87	-		0.87
Others financial assets	21.67	4.23	14.04	3.40	21.67
Total	**667.50**	**650.06**	**14.04**	**3.40**	**667.50**

Financing arrangements
The Company has access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Expiring within one year (Cash credit and other facilities)	270.58	40.70	115.95

Note: Calculated on the basis of sanctioned working capital limit and utilized at each reporting date. There is no restriction on the use of these facilities

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 44:Related Party Transactions:

1) Related Parties and their relationship:

a) Key Management Personnel (KMPs)

Mr. Sajiv Gopal (Whole Time Director and Chairman) (Designation effective from 30-09-2025)
Mrs. Malti Sood (Whole Time Director) (Designation effective from 30-09-2025)
Mr. Varun Gopal (Managing Director and CEO) (Designation effective from 30-09-2025)
Mrs. Sugandha Sood (Director) (up to 31.08.2025)
Mrs. Kangan Dhamija (Company Secretary) (w.e.f. 20.08.2025)
Mr. Vikas Verma (Chief Financial Officer) (w.e.f. 18.05.2026)

b) Relatives of Key Managerial Personnel

Mrs. Priyanka Sood
Mrs. Sugandha Sood

c) Enterprises over which KMP and / or their relatives are able to exercise significant influence

Sajiv Gopal HUF
Varun Gopal HUF
KPM India Limited (Formerly known as KPM International) #
Koolking Foundation

KPM International converted to KPM India Limited on 09.05.2025

2) Transactions with related parties:

Nature of transaction #	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of Goods and services			
KPM India Limited (Formerly known as KPM International)	28.57	39.98	6.71
Sale of Goods and Services			
KPM India Limited (Formerly known as KPM International)	2.65	16.14	9.47
Remuneration Paid			
(i) Key Management Personnel (KMPs)			
Mr. Sajiv Gopal	2.16	2.16	2.16
Mrs. Malti Sood	1.90	1.90	1.90
Mr. Varun Gopal	2.16	2.16	2.16
Mrs. Sugandha Sood	0.63	1.52	1.52
Mrs. Kangan Dhamija	0.74	-	-
(ii) Relatives of Key Management Personnel			
Mrs. Sugandha Sood	0.89	-	-
Rent paid			
Key Management Personnel (KMPs)			
Mrs. Malti Sood	0.14	0.12	0.12
Mr. Varun Gopal	0.08	0.01	0.01
Interest Paid			
(i) Key Management Personnel (KMPs)			
Mrs. Malti Sood	2.57	1.99	1.52
Mr. Varun Gopal	4.08	3.39	1.54
Mrs. Sugandha Sood	-	0.31	1.42
Mr. Sajiv Gopal	1.91	1.89	1.79
(ii) Relatives of Key Management Personnel			
Mrs. Priyanka Sood	1.39	1.34	1.25
Mrs. Sugandha Sood	0.16	-	-
(iii) Enterprises over which KMP and / or their relatives are able to exercise significant influence			
Sajiv Gopal HUF	2.08	1.91	1.79
Varun Gopal HUF	1.78	1.66	1.59

(Amount Rs. in millions unless otherwise stated)

Unsecured Loans Received/(Repaid) (net)			
(i) Key Management Personnel (KMPs)			
Mrs. Malti Sood	2.08	7.93	(0.13)
Mr. Varun Gopal	(0.87)	28.51	(5.24)
Mrs. Sugandha Sood	-	(15.69)	0.05
Mr. Sajiv Gopal	(4.82)	(0.12)	(1.12)
(ii) Relatives of Key Management Personnel			
Mrs. Priyanka Sood	(0.53)	(0.22)	(0.38)
Mrs. Sugandha Sood	0.62	-	-
(iii) Enterprises over which KMP and / or their relatives are able to exercise significant influence			
Sajiv Gopal HUF	(0.35)	(0.68)	(0.12)
Varun Gopal HUF	(0.34)	(1.23)	(0.03)
Purchase of Property plant and equipment (Freehold Land)			
Enterprises over which KMP and / or their relatives are able to exercise significant influence			
Koolking Foundation	4.99	-	-
Issue of equity shares			
(i) Key Management Personnel (KMPs)			
Mr. Varun Gopal	-	-	3.78
Mrs. Sugandha Sood	-	-	1.31
Mrs. Malti Sood	-	-	2.71
Mr. Sajiv Gopal	-	-	3.51
(ii) Enterprises over which KMP and / or their relatives are able to exercise significant influence			
Sajiv Gopal HUF	-	-	1.20

The transactions with related parties reported above are exclusive of indirect taxes, wherever applicable.

3) Amount outstanding at the end of year:

Nature	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade Payables/(Advance to Suppliers)			
(i) Enterprises over which KMP and / or their relatives are able to exercise significant influence			
KPM India Limited (Formerly known as KPM International)	5.79	14.37	-
(ii) Key Management Personnel (KMPs)			
Mrs. Malti Sood	0.01	0.01	0.01
Mr. Varun Gopal*	0.02	(0.00)	0.00
Trade Receivables			
Enterprises over which KMP and / or their relatives are able to exercise significant influence			
KPM India Limited (Formerly known as KPM International)	-	-	7.61
Unsecured Loans payable			
(i) Key Management Personnel (KMPs)			
Mrs. Malti Sood	32.03	27.63	17.91
Mr. Varun Gopal	48.43	45.63	14.07
Mr. Sajiv Gopal	19.11	22.21	20.64
Mrs. Sugandha Sood	-	1.61	17.02
(ii) Relatives of Key Management Personnel			
Mrs. Priyanka Sood	12.99	12.27	11.28
Mrs. Sugandha Sood	2.37	-	-
(iii) Enterprises over which KMP and / or their relatives are able to exercise significant influence			
Sajiv Gopal HUF	18.97	17.45	16.41
Varun Gopal HUF	16.15	14.89	14.63

(Amount Rs. in millions unless otherwise stated)

Salary payable			
(i) Key Management Personnel (KMPs)			
Mrs. Malti Sood	0.10	0.10	0.14
Mr. Sajiv Gopal	0.11	0.11	0.16
Mrs. Sugandha Sood	-	0.08	0.11
Mr. Varun Gopal	0.10	0.11	0.09
(ii) Relatives of Key Management Personnel			
Mrs. Sugandha Sood	0.08	-	-

* Zero represents advance of Rs.1,800 as at March 31, 2025 and payable of Rs.900 as at March 31, 2024 which is below the rounding off norms adopted by the Company.

4) Detail of remuneration paid to Key Managerial Personnel

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
(i) Short term Employee Benefits			
Mr. Sajiv Gopal	2.04	2.04	2.04
Mrs. Malti Sood	1.80	1.80	1.80
Mr. Varun Gopal	2.04	2.04	2.04
Mrs. Sugandha Sood (up to 31.08.2025)	0.60	1.44	1.44
Mrs. Kangan Dhamija	0.72	-	-
(ii) Contribution to Employee Benefit Funds			
Mr. Sajiv Gopal	0.12	0.12	0.12
Mrs. Malti Sood	0.10	0.10	0.10
Mr. Varun Gopal	0.12	0.12	0.12
Mrs. Sugandha Sood (up to 31.08.2025)	0.03	0.08	0.08
Mrs. Kangan Dhamija	0.01	-	-

Notes:

1. Managerial remuneration does not include provisions made for Gratuity and Compensated absence amounts as these are determined on actuarial basis for the Company as a whole.

2.Terms and conditions of transactions with related parties
All related party transactions entered during the year were in ordinary course of the business are on terms equivalent to those that prevail in arm's length transactions. The outstanding balances at the year-end are unsecured and settlement occurs in cash.

3.There have been no guarantees provided/received to/from any related party except personal guarantees provided by the directors in respect of term loans and other financing arrangements taken by the Company as mentioned in note 16 and 20.

4. The Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties.

(Amount Rs. in millions unless otherwise stated)

Note 45: Employee benefits
(A) Defined Contribution Plans
The Company makes Contribution to Provident fund, Employee State Insurance and Labour welfare fund for eligible employees under the scheme and is recognised as expense and included in the Note 30 Employee Benefits under the head "Contribution to provident and other funds". The details are as under:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to Provident Fund	10.37	10.57	7.96
Employer's contribution to Employee State Insurance Corporation	3.52	3.70	2.69
Employer's Contribution to Labour Welfare Fund	0.18	0.18	0.15

(B) Defined Benefit Plan
The Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan (unfunded) is provided based on acturial valuation as at the end of the financial year. Future expected payments have been discounted adopting the Projected unit credit method.

This plan typically exposes the Company to actuarial risks such as salary risk, interest rate risk and longevity risk.

(i) Salary risk
The present value of defined benefit plan is calculated with the assumption of salary increase of participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(ii) Interest risk
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

(iii) Longevity risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plans liability.

The following tables sets out the status of gratuity plan and amounts recognised along with other disclosures as required under Ind AS 19 'Employee benefits':

I. Amounts recognized in the statement of assets and liabilities and statement of profit and loss in respect of defined benefit plan:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
I. Movement in the present value of defined benefit obligation:			
Present Value of Defined benefit obligation at the beginning of the period	10.21	9.96	6.28
Past Service Cost	0.02	-	-
Current Service Cost	2.91	2.61	3.45
Interest Cost	0.72	0.72	0.47
Benefits paid	-	(0.12)	-
Actuarial Changes (Gain)/Loss	(1.14)	(2.96)	(0.24)
Present Value of Defined benefit obligation at the end of the period	**12.72**	**10.21**	**9.96**
II. Net Assets/(liability) recognized in Balance Sheet:			
Present value of defined benefit obligation	12.72	10.21	9.96
Fair Value on Plan Assets	-	-	-
Surplus/(Deficit)	(12.72)	(10.21)	(9.96)
Net Assets/(Liability) recognized in balance sheet	**(12.72)**	**(10.21)**	**(9.96)**
III Amount recognized in Statement of Profit and Loss			
Current Service Cost	2.91	2.61	3.45
Past Service Cost	0.02	-	-
Net Interest expense on net defined benefit liability / (asset)	0.72	0.72	0.47
Net Cost	**3.65**	**3.33**	**3.92**
The above amount has been included in Note-30 "Employee benfit expenses" under the head "Salaries and wages" in the statement of Profit and loss.			
IV Amount recognized in Other Comprehensive Income			
Actuarial Gain/ (Loss) on Obligation	1.14	2.96	0.24
Net Income/(Expense) for the period Recognised in Other Comprehensive Income	**1.14**	**2.96**	**0.24**
V. Bifurcation of Actuarial Gain/(Loss) on obligation.			
1. Actuarial changes arising from changes in experience adjustments (Gain/ (Loss))	0.73	2.27	0.43
2. Actuarial changes arising from difference in present value of obligations (Gain/ (Loss))	0.41	0.69	(0.19)

(Amount Rs. in millions unless otherwise stated)

II. Assumptions used for the purpose of acturial valuation

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Discount Rate (per annum)	7.88%	7.02%	7.24%
Salary escalation (per annum)	10.00%	10.00%	10.00%
Retirement age	58/75*	58/75*	58/75*
Mortality Rate during employment	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate

*Others: 58/ Management: 75 Years

III. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 1.00% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis. The Quantitative sensitivity analysis for significant assumptions is as below

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
a) Impact of the change in discount rate			
Impact due to increase of 1.00%-Increase(Decrease) in obligation	(0.43)	(0.37)	(0.62)
Impact due to decrease of 1.00%-Increase(Decrease) in obligation	0.48	0.43	0.70
b) Impact of the change in salary increase			
Impact due to increase of 1.00%-Increase(Decrease) in obligation	0.37	0.29	0.67
Impact due to decrease of 1.00%-Increase(Decrease) in obligation	(0.39)	(0.28)	(0.61)

IV. Bifurcation of Present Value of Obligations at the end of the period is as under:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Current liability	3.90	3.11	0.83
Non-current liability	8.82	7.10	9.13

V. The expected cash flows in future years are as under:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Within 1 year	4.03	3.20	0.85
2-5 years	7.49	5.92	4.76
6-10 years	2.18	1.63	4.63
Beyond 10 years	5.75	5.56	7.76
Total expected payments	**19.45**	**16.31**	**18.00**

(C) Other long term employee benefits (Compensated absences)

(i) Amount recognized towards compensated absences in statement of profit and loss in Note no. 30 "Employee Benefit Expense" under the head "salaries and wages" is Rs. 1.46 millions during year ended March 31, 2026 (March 31, 2025: Rs. 0.36 millions; March 31, 2024: Rs. 0.62 millions)

(ii) Liability towards compensated absences as at the end of the period is as under:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Current liability	0.70	0.43	0.34
Non-current liability	3.21	2.01	1.74

(Amount Rs. in millions unless otherwise stated)

Note 46: Detail of Government Grants

Particulars	**Grants recognised**		
	Year ended March 31, 2026	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Government grant shown as other income			
Exemption of electricity duty in accordance with industrial and business development policy of Government of Punjab	-	0.50	2.09
Reimbursement of electricity duty in accordance with Industrial development policy of Government of Andhra Pradesh	0.09	0.12	-
Reimbursement of interest in accordance with Industrial development policy of Government of Andhra Pradesh	0.15	0.10	-
Reimbursement of SGST in accordance with Industrial development policy of Government of Andhra Pradesh	9.09	-	-
Total	**9.33**	**0.72**	**2.09**

Also government grant in respect of capital subsidy of Property, plant and equipment amounting to Rs. 2.00 millions and grant in respect of stamp duty reimbursement of Right-of-use asset amounting to Rs. 1.22 millions has been reduced from Property, plant and equipment and Right-of-use asset respectively during the financial year ended 31.03.2024.

Note 47: Carrying Amount of pledged Assets

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Current Assets			
Financial assets			
Trade receivables (Gross of allowance for expected credit loss)	1,069.42	724.62	606.41
Non-Financial Assets			
Inventories	1,700.24	682.34	306.98
Total (A)	**2,769.66**	**1,406.96**	**913.39**
Non Current Assets			
Property, plant and equipment (including capital work-in-progress)	755.93	490.11	369.50
Total (B)	**755.93**	**490.11**	**369.50**
Total (A+B)	**3,525.59**	**1,897.07**	**1,282.89**

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 48: Disclosures as per Ind As 115 " Revenue From Contracts With Customers"

(i) Disaggregation of revenue from contracts with customers
(a) Type of goods

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Sale of Products			
Air conditioner components, fittings and parts	4,477.77	3,964.88	2,113.27
Raw material and consumables	118.93	422.60	80.51
Total (A)	**4,596.70**	**4,387.48**	**2,193.78**
Other Operating Revenue			
-Scrap sales	670.75	443.94	205.60
Total (B)	**670.75**	**443.94**	**205.60**
Revenue from operations as per statement of profit and loss (A+B)	**5,267.45**	**4,831.42**	**2,399.38**

(b) Geographical

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Customers based in India	5,267.45	4,831.42	2,399.38
Revenue from Customers based outside India	-	-	-
Total	**5,267.45**	**4,831.42**	**2,399.38**

(c) Timing of revenue recognition

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from goods transferred to customers at a point in time	5,267.45	4,831.42	2,399.38
Revenue from goods transferred to customers over time	-	-	-
Total	**5,267.45**	**4,831.42**	**2,399.38**

(ii) Reconciliation of revenue from contract with customers (adjustmets between contract price and revenue recognised)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from sale of products (Gross)	4,693.77	4,448.67	2,222.31
Adjustments on account of :-			
Debit and credit notes for Discount / Rebate / Sales Return / Rate difference etc.	(97.06)	(61.19)	(28.53)
Other Operating Revenue i.e. Scrap Sale (Gross)	674.01	455.51	210.24
Adjustments on account of :-			
Debit and credit notes for Discount / Rebate / Sales Return / Rate difference etc.	(3.27)	(11.57)	(4.64)
Revenue from operations	**5,267.45**	**4,831.42**	**2,399.38**

(iii) Trade receivables and Contract Balances
The Company classifies the right to consideration that are unconditional in exchange for deliverables as trade receivable. Trade receivables are presented net of impairment.
The balances of trade receivables and advance from customers at the beginning and end of each reporting period have been disclosed at note 8 and 24 respectively.

The revenue recognised against advances from customers as at the beginning of the period is Rs. 6.37 millions during the year ended March 31, 2026 (March 31, 2025: 4.21 millions; March 31, 2024: 1.63 millions)

The revenue of Rs. Nil has been recognised during the year ended March 31, 2026 (March 31, 2025: Nil; March 31, 2024: Nil) against performance obligations satisfied (or partially satisfied) in previous periods.

(iv) Remaining performance obligations
The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
The aggregate value of performance obligations that are completely or partially unsatisfied	Nil	Nil	Nil

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 49: Reconciliation of liabilities arising from financing activities and material non-cash investing and financial transactions

Particulars	Non-current borrowings	Current borrowings	Lease liabilities (including interest on lease liabiliies)	Interest accrued but not due on borrowings
Year ended March 31, 2026				
As at the beginning of the period	**217.09**	**441.66**	**2.94**	**3.16**
Changes during the period				
i) changes from cash flows	127.44	723.23	(2.09)	(115.65)
ii) Interest and other financial charges incurred for the year			0.75	116.85
iii) Net effect of classification of current maturities as current borrowings	(18.36)	18.36		
iv) New leases during the period			15.11	
v) Effect of changes in foreign exchange rates		22.80		
vi) Leases terminated during the period				
vii) Effect of unamortized processing charges (net)	(0.11)			0.11
As at the end of the period	**326.06**	**1,206.05**	**16.71**	**4.47**
Year ended March 31, 2025				
As at the beginning of the period	176.67	196.13	1.08	0.93
Changes during the period				
i) changes from cash flows	40.71	247.91	(0.52)	(59.88)
ii) Interest and other financial charges incurred for the year			0.28	62.10
iii) Net effect of classification of current maturities as current borrowings	(0.28)	0.28		
iv) New leases during the period			2.14	
v) Effect of changes in foreign exchange rates		(2.66)		
vi) Leases terminated during the period			(0.04)	
vii) Effect of unamortized processing charges (net)	(0.01)			0.01
As at the end of the period	**217.09**	**441.66**	**2.94**	**3.16**
Year ended March 31, 2024				
As at the beginning of the period	**146.12**	**54.06**	**1.17**	**0.13**
Changes during the period				
i) changes from cash flows	39.60	134.11	(0.20)	(33.24)
ii) Interest and other financial charges incurred for the year			0.11	33.94
iii) Net effect of classification of current maturities as current borrowings	(8.95)	8.95		
iv) New leases during the period			-	
v) Effect of changes in foreign exchange rates		(0.99)		
vi) Leases terminated during the period				
vii) Effect of unamortized processing charges (net)	(0.10)			0.10
As at the end of the period	**176.67**	**196.13**	**1.08**	**0.93**

There are no significant non-cash investing and financial transactions other than those disclosed in above reconciliation.

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 50: Key Financial Ratios
Year ended March 31, 2026

Particulars	Numerator	Denominator	As at and Year ended March 31, 2026	As at and Year ended March 31, 2025	Variance	Reasons for variance more than 25%
Current Ratio (in times)	Current assets	Current liabilities	1.17	1.25	-6.32%	
Debt – Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.63	1.08	50.31%	The variance is on account of increase in working capital loans.
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	3.13	4.05	-22.62%	
Return on Equity (ROE) (in %)	Profit after Tax	Average Shareholder's Equity	42.86%	57.55%	-25.52%	The variance is on account of decrease in margins.
Inventory turnover ratio (in times)	Revenue from sale of goods	Average inventory	3.86	8.87	-56.50%	The variance is on account of increase in inventory
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average Trade Receivable	5.94	7.35	-19.26%	
Trade payables turnover ratio (in times)	Purchases of goods and services	Average Trade Payables	5.65	6.93	-18.42%	
Net capital turnover ratio (in times)	Revenue from sale of goods	Working Capital	14.36	25.89	-44.52%	The variance is on account of increase in working capital.
Net profit ratio (in %)	Profit after Tax	Revenue from operations	6.30%	5.62%	12.23%	
Return on capital employed (ROCE) (in %)	Earnings before interest and tax	Capital Employed	29.41%	43.24%	-31.98%	The variance is on account of decrease in margins.
Return on Investment(ROI) (in %)	Income generated from investments	Average investments	NA	NA	NA	

Year ended March 31, 2025

Particulars	Numerator	Denominator	As at and Year ended March 31, 2025	As at and Year ended March 31, 2024	Variance	Reasons for variance more than 25%
Current Ratio (in times)	Current assets	Current liabilities	1.25	1.08	15.50%	
Debt – Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.08	1.11	-2.74%	
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	4.05	2.38	70.33%	The variance is on account of increase in profits.
Return on Equity (ROE) (in %)	Profit after Tax	Average Shareholder's Equity	57.55%	26.44%	117.68%	The variance is on account of increase in profits.
Inventory turnover ratio (in times)	Revenue from sale of goods	Average inventory	8.87	8.85	0.22%	
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average Trade Receivable	7.35	4.25	72.87%	The variance is on account of quick realization from debtors as compared to last year.
Trade payables turnover ratio (in times)	Purchases of goods and services	Average Trade Payables	6.93	3.36	106.32%	The variance is on account of quick payments to vendors as compared to last year
Net capital turnover ratio (in times)	Revenue from sale of goods	Working Capital	25.89	27.45	-5.69%	
Net profit ratio (in %)	Profit after Tax	Revenue from operations	5.62%	3.20%	75.71%	The variance is on account of increase in margins.
Return on capital employed (ROCE) (in %)	Earnings before interest and tax	Capital Employed	43.24%	25.52%	69.42%	The variance is on account of increase in margins.
Return on Investment(ROI) (in %)	Income generated from investments	Average investments	NA	NA	NA	

(1) Earning available for debt service = Profit after tax + non-cash operating expenses like depreciation and other amortisations + interest + other adjustments i.e. loss on sale of property plant and equipment etc (if any)

(2) Debt service = Interest & lease payments + principal repayments due within one year
(3) Capital Employed = Tangible net worth + total debt + deferred tax liabilities

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited" and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information

(Amount Rs. in millions unless otherwise stated)

Note 51: Disclosure on Bank / Financial Institutions Compliances

The quarterly statements filed by the Company with banks/financial institutions are not in agreement with the books of accounts. The summary of differences and reasons thereof are as below:

Particulars	For the quarter ended	Amount as per books of account	Amount as reported to Banks	Amount of difference	Reason of difference
Inventories and Trade receivable (net of Trade payable) #	Mar-26	1,589.61	712.41	877.20	The figures as per books of account are on higher side as the statement is submitted to the banks considering the expected working capital requirement only.
Inventories and Trade receivable (net of Trade payable) #	Dec-25	1,243.77	1,233.64	10.12	
Inventories and Trade receivable (net of Trade payable) #	Sep-25	502.17	330.97	171.20	
Inventories and Trade receivable (net of Trade payable) #	Jun-25	824.95	802.36	22.59	
Inventories and Trade receivable (net of Trade payable) #	Mar-25	845.07	738.15	106.92	
Inventories and Trade receivable (net of Trade payable) #	Dec-24	579.94	114.00	465.94	
Inventories and Trade receivable (net of Trade payable) #	Sep-24	386.57	293.60	92.97	
Inventories and Trade receivable (net of Trade payable) #	Jun-24	335.15	222.70	112.45	
Inventories and Trade receivable (net of Trade payable) #	Mar-24	272.62	118.70	153.92	
Inventories and Trade receivable (net of Trade payable) #	Dec-23	138.37	89.90	48.47	
Inventories and Trade receivable (net of Trade payable) #	Sep-23	162.36	138.60	23.76	
Inventories and Trade receivable (net of Trade payable) #	Jun-23	135.94	166.00	(30.06)	The difference is primarily due to provisional figures reported to banks prior to finalization of periodic accounts.

The figures of trade receivable reported above are without considering impact of allowance for expected loss, if any

(Amount Rs. in millions unless otherwise stated)

Note 52: Additional regulatory information

(i) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Company has not been declared a wilful defaulter by any bank or financial Institution or other lender..

(iii) Utilisation of Borrowed funds and share premium:
(I) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(II) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(v) The Company has not traded or invested in crypto currency or virtual currency.

(vi) The Company has used the borrowings from banks for the specific purpose for which it was taken.

(vii) There are no amounts that are due to be transferred to the Investor Education Protection Fund in accordance with relevant provisions of the Companies Act 2013 and rules made thereunder.

(viii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

(ix) The Company has not granted any loans or advances in the nature of loans to Promoters, Directors, Key Managerial Personnel (KMPs) and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(x) The title deeds of all the immovable properties are held in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) except below:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Plot No. UDL-7, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	32.22	Andhra Pradesh Industrial Infrastructure Corporation Limited	NA	Since March, 2025	The sale deed shall be executed after fulfilment of terrns and conditions as per agreement for sale of land dated June 30, 2025
Plot No. UDL-8A, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	60.85	Andhra Pradesh Industrial Infrastructure Corporation Limited	NA	Since December, 2025	The sale deed shall be executed after fulfilment of terrns and conditions as per agreement for sale of land dated November 28, 2025

(xi) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(xii) There is no charges or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

Note 53: With effect from November 21, 2025, the Government of India notified four new labour codes namely 'The Code on Wages, 2019', 'The Industrial Relations Code, 2020', 'The Code on Social Security, 2020' and 'The Occupational Safety, Health and Working Conditions Code, 2020' subsuming 29 existing labour related legislations. The Company has assessed and accounted for the impact of these changes, which is not material to the financial statements, in accordance with the guidance provided by the Institute of Chartered Accountants of India and FAQs issued by Ministry of Labour & Employment. Further, the Company continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications basis such developments/ guidance.

 (Amount Rs. in millions unless otherwise stated)

Note 54: Statement of restatement adjustments and transition to Ind AS

The Restated Financial Information have been compiled from (i) the Audited financial statements as at and for the year ended March 31, 2026 and (ii) the Audited Special Purpose Ind AS financial statements as at and for the year ended March 31, 2025 and March 31, 2024 (refer 'Basis of preparation' under Note 2.1 of the Restated Financial Information).

There is no difference between Restated Financial Information and such Audited financial statements, Audited Special Purpose Ind AS financial statements as referred above. However, the below is the detail of adjustments on account of rectification of errors and transition to Ind AS as considered in the Audited Special Purpose Ind AS financial statements referred above, which have been used for compilation of Restated Financial Information and therefore, having impact in the Restated Financial Information vis-a-vis Previous GAAP financial statements audited by the previous auditors as referred in 'Basis of preparation' under Note 2.1 of the Restated Financial Information.

Exemptions applied on transition to Ind AS

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has, accordingly, applied following exemptions:

a) The Company has elected to consider carrying amount of all items of property, plant and equipments measured as per previous GAAP, as deemed cost under Ind AS.
b) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly has applied the fair value measurement of financial assets or liabilities prospectively.
c) As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at respective dates. The Company's estimates under Ind AS are consistent with the above requirement. The key estimates considered under Ind AS that were not required under the Previous GAAP are:
(i) Fair values of Financial Assets & Financial Liabilities; (ii) Impairment of financial assets based on expected credit loss model; (iii) Discount rates

Reconciliation of the assets, liabilites and equity as at March 31, 2025 and March 31, 2024

	As at March 31, 2025				As at March 31, 2024			
Particulars	**As per Previous GAAP financial statements #**	**Impact of prior period errors**	**Impact of transition to Ind AS**	**As per Restated financial information**	**As per Previous GAAP financial statements #**	**Impact of prior period errors**	**Impact of transition to Ind AS**	**As per Restated financial information**
I - ASSETS								
(1)- Non-Current Assets								
(a) Property, Plant and Equipment	522.51	0.43	(47.38)	475.56	448.83	(1.63)	(77.70)	369.50
(b) Capital Work-in-Progress	14.55	-	-	14.55	-	-	-	-
(c) Right of Use Assets	-	-	45.76	45.76	(0.00)	-	74.77	74.77
(d) Other Intangible assets	0.62	0.18	-	0.80	0.62	0.45	-	1.07
(e) Financial Assets	-				-			
(i) Other Financial Assets	5.02	-	(0.36)	4.66	17.80	-	(0.36)	17.44
(f) Other Non-Current Assets	18.42	-	-	18.42	4.47	-	-	4.47
Total Non-Current Assets	**561.12**	**0.61**	**(1.98)**	**559.75**	**471.72**	**(1.18)**	**(3.29)**	**467.25**
(2) - Current Assets								
(a) Inventories	683.25	(0.91)	-	682.34	326.16	(19.18)	-	306.98
(b) Financial Assets								
(i) Trade Receivables	723.92	-	(11.10)	712.82	605.71	-	(4.55)	601.16
(ii) Cash and Cash Equivalents	0.45	-	-	0.45	0.53	-	-	0.53
(iii) Bank balances other than cash and cash equivalents	97.47	-	-	97.47	43.27	-	-	43.27
(iv) Loans	0.83	-	-	0.83	0.87	-	-	0.87
(v) Other Financial Assets	1.48	3.45	-	4.93	1.01	3.22	-	4.23
(c) Other Current Assets	13.42	-	-	13.42	23.84	-	-	23.84
Total Current Assets	**1,520.82**	**2.54**	**(11.10)**	**1,512.26**	**1,001.39**	**(15.96)**	**(4.55)**	**980.88**
Total Assets	**2,081.94**	**3.15**	**(13.08)**	**2,072.01**	**1,473.11**	**(17.14)**	**(7.84)**	**1,448.13**
II - EQUITY AND LIABILITIES								
Equity								
(a) Equity Share Capital	91.22	-	-	91.22	91.22	-	-	91.22
(b) Other Equity	519.19	12.74	(14.89)	517.04	264.61	(11.31)	(9.73)	243.57
Total Equity	**610.41**	**12.74**	**(14.89)**	**608.26**	**355.83**	**(11.31)**	**(9.73)**	**334.79**
Liabilities								
(1)- Non-Current Liabilities								
(a) Financial Liabilities								
(i) Borrowings	217.32	-	(0.23)	217.09	176.54	0.35	(0.22)	176.67
(ii) Lease Liabilities	-	-	2.68	2.68	-	-	0.98	0.98
(b) Provisions	10.48	(1.37)	-	9.11	13.25	(2.38)	-	10.87
(c) Deferred Tax Liabilities (Net)	27.04	(3.21)	(0.90)	22.93	17.20	(1.32)	1.03	16.91
Total Non-Current Liabilities	**254.84**	**(4.58)**	**1.55**	**251.81**	**206.99**	**(3.35)**	**1.79**	**205.43**
(2)- Current liabilities								
(a) Financial Liabilities								
(i) Borrowings	444.33	(2.67)	-	441.66	197.12	(0.99)	-	196.13
(ii) Lease Liabilities	(0.00)	-	0.26	0.26	0.00	-	0.10	0.10
(iii) Trade Payables								
(a) Total outstanding dues of micro enterprises and small enterprises	128.07	-	-	128.07	143.99	-	-	143.99
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	438.10	(4.28)	-	433.82	499.32	(2.54)	-	496.78
(iv) Other Financial Liabilities	43.79	(1.40)	-	42.39	30.24	0.15	-	30.39
(b) Other Current Liabilities	73.90	2.77	-	76.67	21.33	1.04	-	22.37
(c) Provisions	3.92	(0.38)	-	3.54	1.29	(0.12)	-	1.17
(d) Current Tax Liabilities (Net)	84.58	0.95	-	85.53	17.00	(0.02)	-	16.98
Total Current Liabilities	**1,216.69**	**(5.01)**	**0.26**	**1,211.94**	**910.29**	**(2.48)**	**0.10**	**907.91**
Total Liabilities	**1,471.53**	**(9.59)**	**1.81**	**1,463.75**	**1,117.28**	**(5.83)**	**1.89**	**1,113.34**
Total Equity and Liabilities	**2,081.94**	**3.15**	**(13.08)**	**2,072.01**	**1,473.11**	**(17.14)**	**(7.84)**	**1,448.13**

The figures as per Previous GAAP financial statements reported above have been reclassified/regrouped to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 and grouping/classification followed for the year ended March 31, 2026.

Koolking Industries India Limited
(formerly known as "Koolking Industries India Private Limited"
and as "Koolking Udhyog Private Limited")
CIN: U28129PB2008PLC031668
Notes to the Restated Financial Information
(Amount Rs. in millions unless otherwise stated)
Reconciliation of Total Comprehensive Income for the year ended March 31, 2025 and March 31, 2024

	Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
		As per Previous GAAP financial statements #	Impact of prior period errors	Impact of transition to Ind AS	As per Restated financial information	As per Previous GAAP financial statements #	Impact of prior period errors	Impact of transition to Ind AS	As per Restated financial information
	Income								
I.	Revenue from operations	4,831.42	-	-	4,831.42	2,399.38	-	-	2,399.38
II	Other income	6.34	0.22	0.39	6.95	9.40	5.38	-	14.78
III	**Total income (I+II)**	**4,837.76**	**0.22**	**0.39**	**4,838.37**	**2,408.78**	**5.38**	**-**	**2,414.16**
IV	**Expenses**								
	Cost of materials consumed	3,834.13	(17.50)	-	3,816.63	1,809.09	1.12	-	1,810.21
	Purchases of Stock-In-Trade	-	-	-	-	-	-	-	-
	Changes in inventories of finished goods and work-in-progress	(215.90)	6.51	-	(209.39)	(43.35)	12.32	-	(31.03)
	Employee benefits expense	209.36	0.75	2.96	213.07	156.78	(4.31)	0.24	152.71
	Finance costs	63.26	(1.16)	0.28	62.38	33.92	0.13	-	34.05
	Depreciation and amortization expense	30.11	(1.79)	1.18	29.50	21.07	(1.61)	0.95	20.41
	Other expenses	555.86	(9.68)	6.02	552.20	302.00	6.97	2.17	311.14
	Total Expense (IV)	**4,476.82**	**(22.87)**	**10.44**	**4,464.39**	**2,279.51**	**14.62**	**3.36**	**2,297.49**
V	**Profit/ (Loss) before Exceptional Items and Tax (III-IV)**	**360.94**	**23.09**	**(10.05)**	**373.98**	**129.27**	**(9.24)**	**(3.36)**	**116.67**
VI	**Exceptional Items**								
VII	**Profit before Tax (V-VI)**	**360.94**	**23.09**	**(10.05)**	**373.98**	**129.27**	**(9.24)**	**(3.36)**	**116.67**
VIII	**Tax Expense:**								
	-Current tax	96.52	0.93	-	97.45	32.00	(0.02)	-	31.98
	-Current tax adjustment related to earlier years	-	-	-	-	(0.42)	0.42	-	-
	-Deferred tax	9.84	(1.89)	(2.79)	5.16	3.76	4.92	(0.69)	7.99
	Total tax expense	**106.36**	**(0.96)**	**(2.79)**	**102.61**	**35.34**	**5.32**	**(0.69)**	**39.97**
IX	**Profit for the period (VII-VIII)**	**254.58**	**24.05**	**(7.26)**	**271.37**	**93.93**	**(14.56)**	**(2.67)**	**76.70**
X	**Other Comprehensive Income**								
	Items that will not be reclassified to Profit or Loss								
	Remeasurement of defined benefit plans	0.00	-	2.96	2.96	-	-	0.24	0.24
	Income tax relating to items that will not be reclassified to Profit or Loss	-	-	(0.86)	(0.86)	-	-	(0.07)	(0.07)
	Other Comprehensive Income for the period (net of tax)	**0.00**	**-**	**2.10**	**2.10**	**-**	**-**	**0.17**	**0.17**
XI	**Total Comprehensive Income for the period (IX+X)**	**254.58**	**24.05**	**(5.16)**	**273.47**	**93.93**	**(14.56)**	**(2.50)**	**76.87**

The figures as per Previous GAAP financial statements reported above have been reclassified/regrouped to confirm to presentation requirements of Division II of Schedule III of Companies Act, 2013 and grouping/classification followed for the year ended March 31, 2026.

Notes to the reconciliation of assets, liabilities, equity and total comprehensive income

A. Impact of prior period errors

i. Provision of interest expense

The Provision for interest expense has been made in the year to which the expense relates. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	1.40	(0.50)
Other Financial Liabilities (current)	(1.40)	0.15
Borrowings (non-current)	-	0.35

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Finance costs	(1.87)	(0.14)

ii. Translation of foreign currency monetary items

The foreign currency monetary items have been translated using the closing rate as per Ind AS 21. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	7.92	3.79
Borrowings (current)	(2.66)	(0.99)
Trade payables	(5.25)	(2.80)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Other expenses	(4.13)	
Other income	-	5.25

Notes to the Restated Financial Information (Amount Rs. in millions unless otherwise stated)

iii. Provision of CSR expense

The Provision of CSR expense has been made in the year to which the expense relates. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	(2.77)	(1.04)
Other Current Liabilities	2.77	1.04

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Other expenses	1.73	1.04

iv. Expense of capital nature charged to statement of profit and loss and vis-a-versa

The expense of capital nature charged to statement of profit and loss and vis-a-versa has been rectified. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	0.37	0.37
Property, Plant and Equipment	(0.45)	(0.45)
Other Intangible assets	0.83	0.83

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Other expenses	-	0.21

v. Depreciation of property plant and equipment, Other intangible assets

The depreciation of property plant and equipment, Other intangible assets has been recomputed based on the policy of the Company. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	3.30	1.64
Property, Plant and Equipment	3.94	2.01
Other Intangible assets	(0.64)	(0.37)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation and amortization expense	(1.66)	(1.58)
Other income	-	0.14

vi. Valuation of inventories

The valuation of inventories have been recomputed based on the policy of the Company. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	(0.91)	(19.18)
Inventories	(0.91)	(19.18)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Cost of materials consumed	(17.50)	1.12
Changes in inventories of finished goods and work-in-pı	6.51	12.32
Other expenses	(7.28)	5.74

vii. Provision for gratuity and compensated absences

The provision for gratuity and compensated absences have been provided as per revised actuarial report based on the policy of the Company. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	1.75	2.50
Provisions (current)	(0.38)	(0.12)
Provisions (non-current)	(1.37)	(2.38)

Notes to the Restated Financial Information (Amount Rs. in millions unless otherwise stated)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Employee benefits expense	0.75	(4.31)

viii. Interest on delay payments to micro enterprises and small enterprises

The interest has been provided for delay payments to micro enterprises and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	(0.98)	(0.27)
Trade payables	0.98	0.27

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Finance costs	0.71	0.27

ix. Grant income

The grant income has been recognized as per the policy of the Company. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	0.37	0.03
Property, Plant and Equipment	(3.07)	(3.19)
Other Financial Assets (current)	3.44	3.22

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation and amortization expense	(0.13)	(0.03)
Other income	0.22	-

x. Income tax expense

The Income tax expense has been recognized as per the tax liability for the respective year. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	(0.94)	0.02
Current Tax Liabilities (Net)	0.94	(0.02)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense	0.93	(0.02)
Current tax adjustment related to earlier years	-	0.42

xi. Deferred tax on prior period errors

The prior period errors reported above have also led to change in deferred tax. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	3.21	1.32
Deferred Tax Liabilities	(3.21)	(1.32)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax expense	(1.89)	4.92

Notes to the Restated Financial Information (Amount Rs. in millions unless otherwise stated)

B. Impact of transition to Ind AS

i. Leases

Under Ind AS, all lease contracts, with limited exceptions for short-term and low value assets, are recognized by way of "Right of use assets" and corresponding "Lease liabilities" with adjustment in Property plant and equipment, if any. The rental expenses recognized in the statement of profit and loss under Previous GAAP has been replaced by the recognition of amortization expense on ROU assets and interest expense on lease liabilities. The refundable security deposit on such leases is discounted, is shown at its present value and the difference between the present value of deposit and the amount of deposit paid forms the part of Right of use asset and is depreciated over the lease term. The gain/loss on relating to the termination of the leases is recognised in statement of profit or loss. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	**As at March 31, 2024**
Other Equity	(4.92)	(4.37)
Lease Liabilities (current)	0.26	0.10
Lease Liabilities (non-current)	2.68	0.98
Property, Plant and Equipment	(47.38)	(77.70)
Right of Use Assets	45.76	74.77
Other Financial Assets (non-current)	(0.36)	(0.36)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	**Year ended March 31, 2024**
Finance costs	0.28	0.11
Depreciation and amortization expense	1.18	0.95
Other expenses	(0.52)	(0.20)
Other income	0.39	0.00

ii. Financial liabilities held at amortised cost

Under Ind AS, certain financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies costs that are an integral part of the effective interest rate of a financial liability.The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the financial liability. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	**As at March 31, 2024**
Other Equity	0.23	0.22
Borrowings (non-current)	(0.23)	(0.22)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	**Year ended March 31, 2024**
Finance costs	(0.01)	(0.11)

iii. Expected Credit Loss

Under Ind AS, the Company is required to apply Expected credit loss model (ECL) for recognizing loss allowance for trade receivables, loans and other financial assets. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	**As at March 31, 2024**
Other Equity	(11.10)	(4.55)
Trade Receivables	(11.10)	(4.55)

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	**Year ended March 31, 2024**
Other expenses	6.55	2.38

iv. Remeasurement of net defined benefit plans

Under Previous GAAP, actuarial gain/losses arising on remeasurement of net defined benefit liability in respect of gratuity were recognised under the head "Employee benefit expenses". However, under Ind AS, the such gain/losses are required to be recognised under "Other Comprehensive Income" instead of Statement of profit and loss. Further, such actuarial gain/losses will not be reclassified subsequently to profit and loss. There is no impact of such adjustment in Other equity, assets and liabilities. The related impact on the statement of profit and loss is given below:

Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	**Year ended March 31, 2024**
Employee benefits expense	2.96	0.24
Other Comprehensive income- Remeasurement of defined benefit plans	2.96	0.24

v. Deferred tax on Ind AS adjustments

The various transitional adjustments has also led to recognition of deferred tax on new temporary differences. The related impact on other equity, assets, liabilities and statement of profit and loss is given below:

a. Impact on Other equity, assets and liabilities- Increase/(decrease)

	As at March 31, 2025	As at March 31, 2024
Other Equity	0.90	(1.03)
Deferred tax Liabilities	(0.90)	1.03

b. Impact on Statement of profit and loss- Increase/(decrease)

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax expense - Statement of profit and loss	(2.79)	(0.69)
Deferred tax expense - Other comprehensive income	0.86	0.07

C. Impact of Audit Qualifications/Observations/Remarks/Comments in Auditor’s Report on Financial Statements

The below are the comments/remarks in Auditor’s Report on the audited financial statements for the year ended March 31, 2026 which requires no corrective adjustments in Restated Financial Information:

a) Comments/ remarks on the matters to be reported under section 143(3) of the Act

(i) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

(ii) The reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

b) Comments/ remarks on Other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended

Based on our examination, which included test checks and according to the information and explanations given to us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same has been partly enabled and operated at application level throughout the year and has not been enabled at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with to the extent enabled. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

c) Comments/ remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act

(i) At para (i) (c)

The title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements under Property, Plant and Equipment are held in the name of the Company except below:

Description of property	Gross carrying value (Rs. in millions)	Held in name of	Whether promoter, director or their relative	Period held	Reason for not being held in name of company
Plot No. UDL-7, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	32.22	Andhra Pradesh Industrial Infrastructure Corporation Limited	NA	Since March, 2025	The sale deed shall be executed after fulfilment of terms and conditions as per agreement for sale of land dated June 30, 2025
Plot No. UDL-8A, Industrial Park, Chinnapanduru Village, Tirupati District, Andhra Pradesh-517502	60.85	Andhra Pradesh Industrial Infrastructure Corporation Limited	NA	Since December, 2025	The sale deed shall be executed after fulfilment of terms and conditions as per agreement for sale of land dated November 28, 2025

(ii) At para (ii) (b)

The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e., current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The details of the same have been appropriately disclosed in note 51 to the financial statements

(iii) At para (vii) (a)

The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues provided in books of account, to the appropriate authorities except delay in a few cases.

Note 55: Material Regrouping

Appropriate regroupings/reclassifcations have been made in the Restated Statement of Assets and Liabilities, Statement of Profit and Loss and Statement of Cash Flow , wherever required, by regrouping/reclassifications of the corresponding items of income, expenses, assets, liabilities and cash flows, for the incorrect groupings/classifcations and in order to bring them in line with the grouping/classification as per the Audited financial statements of the Company for the year ended March 31 2026 as per the requirements of Ind AS 1, other applicable accounting principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations; 2018, as amended.

Note 56: Events after Reporting date

On September 01, 2026 i.e. subsequent to the reporting date but before the approval of restated financial information, the Company has allotted bonus shares in the ratio of 2:1 i.e. 2 equity shares for 1 equity share held as approved by the board of directors in their meeting held on August 21, 2026 and approved by the shareholders of the Company in the extra-ordinary general meeting held on August 29, 2026. Further, 1 equity share of Rs. face value of 10/- each has been sub-divided into 2 equity shares of face value of Rs. 5/- each as approved by the board of directors in their meeting held on September, 01, 2026 and approved by the shareholders of the Company in the extra-ordinary general meeting held on September 03, 2026.

The weighted average number of shares, basic and diluted earnings per share and face value per equity share as reported in note 39 'Earnings per share' is after considering the impact of the said bonus and share split retrospectively for all the periods presented in accordance with Ind AS 33 'Earnings per Share'

As per our Report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Registration no. 000235N/N500089

Sd-

(Sanjiv Mohan)

Partner
M. No. 086066

For and on behalf of the Board of Directors of Koolking Industries India known as "Koolking Industries India Private Limited" and as "Koolking Limited")

Sd-
Sajiv Gopal
Whole Director and Chairman

DIN 01842390

Sd-
Varun Gopal
Managing Director and CEO

DIN 01999194

Sd-
Vikas Verma
Chief Financial Officer
PAN: AFKPV0753L

Sd-
Kangan Dhamija
Company Secretary
M. No: 30672

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the Fiscals 2026, 2025 and 2024 (collectively, the "**Audited Financial Statements**") are available on our website https://kpmgroupindia.com/financial-results.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the Book Running Lead Manager or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Accounting ratios derived from the Restated Financial Information

The accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled "***Risk Factors***", "***Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", beginning on pages 23, 368 and 428, respectively:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Earnings per Equity Share (basic)[1] (in ₹)	6.07	4.96	1.43
Earnings per Equity Share (diluted)[2] (in ₹)	6.07	4.96	1.43
Return on Net worth[3] (in %)	35.28	44.61	22.91
Net Asset Value per Equity Share (in ₹)[4]	17.20	11.11	6.12
Reported EBITDA [5] (₹ in million)	573.88	458.91	156.35

Notes:

1. *Basic EPS (in ₹)- Basic earnings per share have been calculated by dividing the restated profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the year in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *Diluted EPS (in ₹)- Diluted earnings per share have been calculated by dividing the restated profit attributable to equity shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the period in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
3. *Return on net worth/ RoNW (%) has been calculated as restated profit for the year divided by the Net Worth of the Company as at the end of the year.*
4. *NAV per equity share has been computed as the Net Worth divided by the total number of shares outstanding, as at March 31 of respective financial year.*
5. *Reported EBITDA is calculated as profit before tax for the Fiscal plus finance costs and depreciation and amortisation expense, less other income.*

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Draft Red Herring Prospectus, are as set out below:

The following table sets forth our EBITDA and EBITDA Margin, which are non-GAAP financial measures, for the fiscal years indicated:

(*₹ in million, except percentages*)

Particulars	As of/ for the		
	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Profit before Tax	442.48	373.98	116.67
Add: Finance Costs	117.60	62.38	34.05
Add: Depreciation and Amortization Expenses	40.11	29.50	20.41
Less: Other Income	(26.31)	(6.95)	(14.78)

Particulars	As of/ for the		
	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Reported EBITDA (A)	**573.88**	**458.91**	**156.35**
Revenue from Operations (B)	5,267.45	4,831.42	2,399.38
Reported EBITDA Margin (%) (A / B)	**10.89**	**9.50**	**6.52**

The following table sets forth our Return on Equity, which is a non-GAAP financial measure, for the fiscal years indicated:

(*₹ in million, except percentages*)

Particulars	As of/ for the		
	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Reported PAT (A)	332.06	271.37	76.70
Opening Total Equity (B)	608.26	334.79	245.41
Closing Total Equity (C)	941.17	608.26	334.79
Average Total Equity [D = (B + C) / 2]	774.71	471.53	290.10
Reported Return on Equity (%) (A / D)	**42.86**	**57.55**	**26.44**

The following table sets forth our PAT Margin, which is a non-GAAP financial measure, for the fiscal years indicated:

(*₹ in million, except percentages*)

Particulars	As of/ for the		
	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Reported PAT (A)	332.06	271.37	76.70
Revenue from Operations (B)	5,267.45	4,831.42	2,399.38
Reported PAT Margin (%) (A / B)	6.30	5.62	3.20

The following table sets forth our Return on Capital Employed, which is a non-GAAP financial measure, for the fiscal years indicated:

(*₹ in million, except percentages*)

Particulars	As of/ for the		
	Financial year ended March 31, 2026	Financial year ended March 31, 2025	Financial year ended March 31, 2024
Opening			
Non-Current Borrowings	217.09	176.67	147.44
Current Borrowings	441.66	196.13	49.63
Non-Current Lease Liabilities	2.68	0.98	1.08
Current Lease Liabilities	0.26	0.10	0.09
Total Equity	608.26	334.79	245.41
Opening Capital Employed (A)	**1,269.95**	**708.67**	**443.66**
Closing			
Non-Current Borrowings	326.06	217.09	176.67
Current Borrowings	1,206.05	441.66	196.13
Non-Current Lease Liabilities	12.82	2.68	0.98
Current Lease Liabilities	3.89	0.26	0.10
Total Equity	941.17	608.26	334.79
Closing Capital Employed (A)	**2,489.99**	**1,269.95**	**708.67**
Average Capital Employed [C = (A + B) / 2]	1879.97	989.31	576.17
Reported EBITDA	573.88	458.91	156.35
Less: Depreciation and Amortization Expenses	40.11	29.50	20.41
Reported EBIT (D)	**533.77**	**429.41**	**135.94**

Particulars	As of/ for the		
	Financial year ended March 31, 2026	**Financial year ended March 31, 2025**	**Financial year ended March 31, 2024**
Reported Return on Capital Employed (D / C) (%)	**28.39**	**43.40**	**23.59**

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for Fiscals 2026, 2025 and 2024, read with the SEBI ICDR Regulations, and as reported in the Restated Financial Information, see "***Restated Financial Information – Note 44 – Related Party Transactions***" on page 407.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is derived from our Restated Financial Information as of and for the Fiscals 2026, 2025 and 2024 as included in this Draft Red Herring Prospectus. The following discussion of our financial condition and results of operations should be read in conjunction with "**Restated Financial Information**" beginning on page 368.*

*This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "**Forward-Looking Statements**" beginning on page 21. Also read "**Risk Factors**" beginning on page 23 and "**– Significant Factors Affecting our Results of Operations**" on page 428, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*We have included various key operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. For further details, see "**Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable**" on page 73.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the industry report titled "Industry Research Report on Electronics System Design and Manufacturing" dated September, 2026 (the "**CARE Report**"), prepared and released by CARE, which has been exclusively commissioned and paid for by our Company pursuant to an engagement letter dated October 29, 2025, for the purpose of understanding the industry in connection with this Offer. A copy of the CARE Report is available on the website of our Company at https://kpmgroupindia.com/industry-reports. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant financial year. See "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**" and "**Risk Factors – Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing**" on pages 20 and 69, respectively.*

Unless otherwise stated, references in this section to "we", "our", "us", "the Company" or "our Company" refers to Koolking Industries India Limited on a standalone basis.

OVERVIEW

For details in relation to our business overview, competitive strengths, business strategies and business operations, please see "***Our Business***" beginning on page 293.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATION

The results of our operations and our financial conditions are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "***Our Business***" and "***Risk Factors***", beginning on pages 293 and 23, respectively.

Please see below a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

Manufacturing efficiency, capacity utilisation and operational excellence

Our operational performance and profitability are significantly influenced by manufacturing efficiency, capacity utilization rates, and our ability to implement operational best practices across our Manufacturing Facilities. As on the date of this Draft Red Herring Prospectus, we operate five strategically located Manufacturing Facilities in Punjab, Andhra Pradesh, Rajasthan and Uttar Pradesh.

As on date of this Draft Red Herring Prospectus, each of our Manufacturing Facilities is equipped with automated production systems as detailed below:

Manufacturing facility	Product verticals manufactured
Punjab Manufacturing Facility Unit I	• IDU components • ODU components • Other HVAC components
Punjab Manufacturing Facility Unit II	• IDU components • ODU components • Other HVAC components • Refrigeration components
Noida Manufacturing Facility	• IDU components • ODU components • Refrigeration components
Ghiloth Manufacturing Facility	• IDU components • ODU components • Other HVAC components • Refrigeration components
Sricity Manufacturing Facility	• IDU components • ODU components • Other HVAC components

For further details, see "***Our Business – Manufacturing Facilities and warehouse***" on page 312, respectively.

Our Manufacturing Facilities have a total installed capacity of 419.26 million units per annum across a wide range of products, as on March 31, 2026 and have been operating at or over 62.83%, 70.22% and 53.28% utilisation Fiscals 2026, 2025 and 2024, respectively. Our manufacturing operations involve a degree of automation, including, automatic tube cutting machine, thereby reducing the margin of error and inefficiencies typically associated with manufacturing processes operated manually, and our extensive equipment and degree of automation have helped us to maintain cost efficiency.

We have implemented a company-wide ERP system, used to manage and co-ordinate all resources, information and functions of the business on a real-time basis. Further, we have also implemented comprehensive quality systems covering manufacturing, supply chain, and product delivery and conduct regular internal audits to ensure compliance with local regulations. For further details, see "***Our Business – Information technology***" and "***Our Business – Quality control***" on page 319 and 318, respectively. Factors affecting our manufacturing efficiency including demand fluctuations, capital requirements for expansion and automation, integration of acquired facilities and availability of labour, could impact our margins and competitiveness.

Procurement and availability of raw materials

The procurement, pricing, and availability of key raw materials represent critical factors affecting our cost of production, gross margins, and overall financial performance. As of July 31, 2026, we sourced raw materials from 79 suppliers, comprising 69 domestic suppliers and 10 suppliers outside India, including South Korea, China and Thailand.

The primary raw ingredients required for the manufacturing of our products are brass and copper tubes. For further details, see "***Our Business – Raw materials***" on page 317.

The cost of raw materials contributed towards the following for the periods as indicated below:

Raw Materials	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Domestic	2,227.45	45.91	2,060.08	46.14	945.99	41.17
Imported	2,518.60	51.92	1,921.77	43.05	940.01	40.91
Total	**4,746.05**	**97.83**	**3,981.85**	**89.19**	**1,886.00**	**82.08**

We have significance dependence on our top 10 suppliers for supply of raw materials, with whom we do not have long-term contracts for the purchase of raw materials. We procure raw materials primarily pursuant to individual purchase orders and have not entered into long-term supply agreements at fixed prices with most of our suppliers. Further, for our imported raw materials we rely on third party transportation and logistics providers for procurement from the port to our Manufacturing Facilities and we do not have exclusive long-term contractual arrangements with such third-party transportation and logistics providers.

Our operations are exposed to challenges such as maintaining inventory without firm long-term customer commitments, exposure to raw material price volatility due to absence of fixed-price contracts, and dependence on third-party logistics for transportation, which could lead to excess inventory, higher costs, delivery delays, and disruptions from strikes or unavailability of service providers, adversely affecting our working capital, margins and customer relationships.

Working capital requirements

Our business is working capital intensive and requires substantial working capital to finance our day-to-day operations, including procurement of raw materials, maintenance of inventory, manufacturing processes, trade receivables and other operational requirements. Any inability to source the required amount of working capital could result in increases in our trade receivables and/or write-offs of trade receivables and may also require us to avail short-term borrowings in the future.

Set out below are details of our working capital requirements for the years indicated:

Particulars	Fiscal		
	2026	2025	2024
Current assets (₹ million)	2,891.12	1,413.51	936.21
Current liabilities (₹ million)	1,258.64	680.95	693.53
Revenue from operations (₹ million)	5,267.45	4,831.42	2,399.38
Working capital requirements (₹ million)	1,632.48	732.56	242.68

The nature of our operations requires us to maintain adequate levels of inventory and extend credit to customers, which results in significant capital being tied up in working capital. Further, procurement of raw materials from our international suppliers generally involves advance payments, letters of credit, or other credit arrangements. Accordingly, there may be a lag between cash outflows for procurement and cash inflows from customers, which may result in increased working capital requirements.

In addition, fluctuations in international prices, foreign exchange rates, freight charges, port handling costs, and shipping timelines also result in higher working capital requirements. Delays in shipment arrivals, customs clearance, or transportation may also lead to increased inventory holding periods and higher funding requirements. Accordingly, we are required to fund the working capital requirements for any delayed payments by drawing our working capital credit facilities, which may require us to bear higher interest costs.

Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition.

Foreign exchange fluctuations

Our financial statements are prepared in Indian Rupees. However, given that we source a significant portion of raw materials directly from international suppliers, a significant portion of our business transactions is denominated in foreign currency. Accordingly, our financial statements may be affected by exchange rate fluctuations.

Our exposure to foreign currency fluctuations may also be affected by the timing difference between the purchase of raw materials and components, recognition of the corresponding trade payable and settlement of such payable. Any adverse movement in foreign exchange rates during such period could increase the Indian Rupee value of our outstanding foreign currency denominated payables and result in foreign exchange losses.

Although the impact of exchange rate fluctuations has in the past been partially mitigated by our hedging strategies, including, booking forward contracts through banks from current financial year, we may not be able to hedge all of our foreign currency exposures and, consequently, a portion of such exposures may remain unhedged. For more details, see "***Restated Financial Information – Note 43C(A)(i) – Foreign Currency Risk***" on page 403. Our results of operations have historically been affected by exchange rate fluctuations, and there can be no assurance that such strategies will be effective in eliminating or reducing the adverse impact of future fluctuations.

Competition and pricing pressure

We operate in a highly competitive and fragmented industry involving several producers of varying size serving certain segments or sub-segments of our customer base from both organised and unorganised sectors. General competitive factors in the market, which may affect the level of competition over the short and medium term, include vulnerability to overall macroeconomic factors, time to market, availability of after-sale and logistics support, product features, design, quality, price, delivery, warranty, general customer experience and relationships between producers and their customers. The success of our operations is heavily reliant on our ability to effectively compete, particularly by leveraging our unique capabilities.

Some of our competitors possess greater financial resources, broader supplier relationships, better access to working capital, larger sales and marketing teams, advanced processing technology, integrated operations, or stronger customer relationships than us. Certain competitors may also benefit from cost advantages in their operations, diversified geographic presence, or long-term supply contracts. As a result, they may offer a broader product range, adapt to changes in the metal industries, innovate with new products, enabling them to appeal to a wider range of customers.

Our ability to remain competitive and achieve desired margins is influenced by both domestic and international competition.

MATERIAL ACCOUNTING POLICIES TO RESTATED FINANCIAL INFORMATION

1. Revenue Recognition

1.1. (a) Sale of goods or services

Revenue from the sale of goods or services is recognized at the point in time on satisfaction of distinct performance obligations when control is transferred to the customer and the amount of revenue can be measured reliably and recovery of consideration is probable.

Revenue is measured based on the transaction price (net of variable consideration) which is consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers, there is no financing component in the contract.

1.2. (b) Interest Income

Interest Income from financial asset is recognized when it is probable that economic benefits will flow to the company and amount of income can be measured reliably. Interest income is accrued on time basis, by reference to principal outstanding and at effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount on initial recognition.

1.3. (c) Other Income

Insurance claims are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities/parties.

2. Employee Benefits

2.1. (a) Short term Employee Benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The amount of short-term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

2.2. (b) Post-Employment benefit plans

2.2.1. (a) Defined Contribution Plan:

Contribution towards Provident fund and employee state insurance is classified as defined contribution scheme as the Company has no obligation, other than the contribution made to the fund. The Company recognizes contribution payable to such schemes as an expense, when an employee renders the related service.

2.2.2. (b) Defined Benefit Plan:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee, based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability/asset is determined using projected unit credit method, through actuarial valuation carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains / losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. These are recognized as a part of in retained earnings in the statement of changes in equity and in the balance sheet.

2.2.3. (c) Other long term employee benefits- Compensated absences

Compensated absences, which are not expected to occur within twelve months after the end of the period in which the employee renders the related service, are recognised at the present value of the obligation based on actuarial valuation as on the reporting date, performed by an independent actuary using projected unit credit method.

The expense related to other long term employee benefits including re-measurements as a result of past experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

2.3. Property, plant and equipment:

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold land is carried at cost. All other items of Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. The cost directly attributable to acquisition are capitalised until the property plant and equipment are ready for use as intended by the management.

The cost of an item of Property, plant and equipment comprises of:

(i) Purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

(ii) Any expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

(iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditures relating to property, plant and equipment are included in the asset's carrying value or recognised as separate assets as appropriate, only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Property, plant and equipment (including directly attributable expenditure) which are not ready for intended use at each balance sheet date are disclosed as "Capital work-in-progress".

De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The cost and the related accumulated depreciation are eliminated upon disposal or retirement of the asset and any gain or loss arising thereon is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.4. Intangible Assets

Intangible assets are recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow and the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

De-recognition of intangible assets

An intangible asset is derecognised upon disposal or retirement of the asset. The cost and the related accumulated amortization are eliminated upon disposal or when no future economic benefits are expected from its use or disposal and resultant gains or losses are recognized in the statement of Profit and Loss when the asset is derecognized.

2.5. Depreciation and amortization

Depreciation

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciation is provided on Property, plant and equipment on straight line method on the basis of useful lives of such assets specified in Schedule II to the Act. Assets costing upto ₹5,000 are fully depreciated in the year of purchase.

Depreciation method and useful lives are reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis.

Amortization

Intangible assets are amortized on straight line method over the estimated useful life. The amortization method and useful life are reviewed at each financial year end. The estimated useful life is based on number of factors including effect of obsolescence and other economic factors and is as under:

Assets description	Useful Life
Computer Software	5 Years

2.6. Inventories

Inventories are valued at cost or net realizable value, whichever is lower except production waste which is valued at net realizable value. The raw materials and other supplies held for use in the production are valued at net realisable value only if the finished products in which they are to be incorporated are expected to be sold below cost. The cost in respect of the various items of inventory is computed as under:

(i) In case of raw materials and stores and spares at first-in first-out (FIFO) basis. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(ii) In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

(iii) In case of finished goods at raw material cost plus conversion costs, and other overheads incurred to bring the goods to their present location and condition.

Net Realisable Value is the estimated selling price in ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sales.

2.7. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8. Earnings per Share

Basic earnings per share is computed by dividing the profit for the period attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

2.9. Income Taxes

Income tax expense comprises current tax and deferred tax.

Income tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Current tax is the tax payable/receivable on the taxable profit/loss for the year using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

A deferred tax asset is recognized to the extent, it is probable that future taxable profit will be available against where the deductible temporary differences and tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

2.10. Government Grants

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in the statement of profit and loss profit or loss on a systematic over the expected useful lives of the related assets by way of reduced depreciation.

When the grants relates to an expense item, it is recognised in the statement of profit and loss by way of reduction from the related cost, which the grants are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving financial support to the Company with no related costs is recognised in the Statement of profit or loss of the period in which it becomes receivable under 'Other operating income'/'Other income' based on the nature of grant.

2.11. Foreign Currency translations

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees using the exchange rate prevailing at the date of transactions.

Monetary items denominated in foreign currency are reported using the exchange rate prevailing at the end of reporting period.

The exchange difference arising on the settlement or reporting of monetary items at rates different from rates at which these were initially recorded / reported in previous period, are recognised in the statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency and measured at historical cost are recorded at the exchange rate prevalent at the date of transaction. Non-monetary items that are measured in term of historical cost in foreign currency are not retranslated.

2.12. Dividends

Final dividends on shares are recorded as a liability after approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.13. Leases

Company as a lessee

The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“**ROU**”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for which underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee’s incremental borrowing rate.

Lease Liability and Right-of-Use Asset have been separately presented in the Balance Sheet. The interest expense on the lease liability has been separately presented as a component of finance costs in the statement of profit and loss. The payments of principal portion and interest portion of lease liability have been classified under financing activities in the statement of cash flows.

The payments for short-term leases and leases of low-value assets have been recognized in the statement of profit and loss have been classified under operating activities in the statement of cash flows.

2.14. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.14.1. (a) Initial Recognition and measurement

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets and or issue of financial liabilities that are not recognized at fair value through profit or loss, are added to or reduced from the fair value of the financial assets or financial liabilities, as appropriate. Transaction cost directly attributable to the acquisition of financial assets and financial liabilities recognized at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

2.14.2. (b) Subsequent measurement

For the purposes of subsequent measurement, financial instruments are classified as follows:

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value movements are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the profit and loss.

Financial assets at fair value through profit or loss

A financial asset is subsequently measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. Such financial assets are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Dividend and interest income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss.

Financial liabilities

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at Fair Value Through Profit & Loss (FVTPL).

All other financial liabilities are subsequently measured at amortized cost using the effective interest method unless at initial recognition, they are classified as measured at fair value through profit and loss.

Financial liabilities carried at fair value through profit or loss, are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

2.14.3. (c) De-recognition of financial instrument

a) A financial asset (or, a part of a financial asset) is primarily derecognized when the contractual right to the cash flows from the financial asset expires, or the company transfers its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

   On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

b) A financial liability (or a part of financial liability) is derecognized when obligation specified in the contract is discharged or cancelled or expires.

   On de-recognition of a financial liability, the difference between the carrying amount of the financial liability de-recognised and the consideration paid/payable is recognised in profit or loss.

2.14.4. (d) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

2.14.5. (e) Impairment of Financial Assets

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

For trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of Ind AS 115 and Ind AS 116, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

For all other financial assets, expected credit losses are measured at an amount equal to the 12- months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

2.14.6. (f) Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

2.15. Impairment of Non-financial assets

Property, plant and equipment and other intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The assets that are impaired are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however that the increased carrying amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years. The reversal of an impairment loss is recognised in the statement of profit and loss.

Impairment is reviewed periodically including at the end of each financial year.

2.16. Cash and cash equivalents

The Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with the original maturity period of three months or less, which are subject to an insignificant risk of changes in value and all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.17. Statement of Cash flows

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.18. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Company settles the obligation. The reimbursement is treated as a separate asset. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

(ii) A contingent liability is not recognised, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognised of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognised, however, is disclosed, where an inflow of economic benefits is probable.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.19. Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

(1) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

(2) Income and Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Income and Expenses not allocable to segments are included under unallocable expenditure.

(3) Segment results includes margin on inter segment sales.

(4) Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

RECONCILIATION OF NON-GAAP MEASURES

For further details, please see "***Other Financial Information – Reconciliation of non-GAAP measures***" on page 425.

KEY COMPONENTS OF OUR STATEMENT OF RESTATED PROFIT AND LOSS

Total Income

Total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations comprises (i) sale of products and (ii) other operating revenue (scrap scales).

Other income

Our other income comprises (i) interest income; (ii) gain on sale of property, plant and equipment; (iii) government grant; (iv) gain on foreign exchange fluctuation; (v) gain on termination of lease; (vi) expected credit loss on trade receivables written back; and (vii) miscellaneous income.

Expense

Total expense

Our total expenses comprise (i) cost of materials consumed; (ii) changes in inventories of finished goods and work-in-progress; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortization expense; and (vi) other expenses.

Cost materials consumed

Our cost of material consumed comprises opening inventory and purchases of raw materials as reduced by the closing inventory of raw materials.

Changes in inventories of finished goods and work-in-progress

The total change in inventory comprises difference between the closing and the opening inventory of finished goods and work-in-progress.

Employee benefits expense

Our employee benefits expense comprises (i) salaries and wages; (ii) contributions to provident and other funds; and (iii) staff welfare expenses.

Finance costs

Our finance costs comprises (i) interest expense on borrowing including (a) from banks; and (b) from related parties; (ii) foreign exchange fluctuation on foreign currency loans; and (iii) other borrowing costs including (a) interest on lease liabilities; (b) interest on income tax; (c) bank charges; and (d) others.

Depreciation and amortization expense

Our depreciation and amortization expense comprises (i) depreciation on property, plant and equipment; (ii) amortisation of right of use asset; and (iii) amortisation of intangible assets.

Other expenses

Our other expense comprises (i) consumption of stores and spares; (ii) packing expenses; (iii) job work charges; (iv) contract labour expense; (v) power and fuel; (vi) commission and brokerage; (vii) inward freight and forwarding expenses; (viii) outward freight and forwarding expenses; (ix) charity and donation; (x) insurance charges; (xi) payment to auditors; (xii) professional and consultancy charges; (xiii) rent; (xiv) repair and maintenance including (a) building; (b) machinery; and (c) others; (xv) travelling and conveyance; (xvi) corporate social responsibility expense; (xvii) expected credit loss on trade receivables; (xviii) loss on foreign exchange fluctuation; and (xix) miscellaneous expenses.

Tax expense

Our tax expense comprises (i) current tax; and (ii) deferred tax.

RESULTS OF OUR OPERATIONS FROM OUR STATEMENT OF RESTATED PROFIT AND LOSS

The following table sets forth select financial information for the Fiscals 2026, 2025 and 2024, the components of which are also expressed as a percentage of total income on a restated basis for such years indicated:

	Particulars	For the Financial Year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount (₹ in million)	% of total income	Amount (₹ in million)	% of total income	Amount (₹ in million)	% of total income
	Income						
I.	Revenue from operations	5,267.45	99.50	4,831.42	99.86	2,399.38	99.39
II.	Other income	26.31	0.50	6.95	0.14	14.78	0.61
III.	**Total income (I+II)**	**5,293.76**	**100.00**	**4,838.37**	**100.00**	**2,414.16**	**100.00**
IV.	**Expenses**						
	Cost of materials consumed	4,260.29	80.48	3,816.63	78.88	1,810.21	74.98
	Changes in inventories of finished goods and work-in-progress	(515.61)	(9.74)	(209.39)	(4.33)	(31.03)	(1.29)
	Employee benefits expenses	256.01	4.84	213.07	4.40	152.71	6.33
	Finance cost	117.60	2.22	62.38	1.29	34.05	1.41
	Depreciation and amortization expenses	40.11	0.76	29.50	0.61	20.41	0.85
	Other expenses	692.88	13.09	552.20	11.41	311.14	12.89
	Total expenses (IV)	**4,851.28**	91.64	**4,464.39**	92.27	**2,297.49**	95.17
V.	**Profit/ (Loss) before tax (III-IV)**	**442.48**	8.36	**373.98**	7.73	**116.67**	4.83
VI.	**Tax expenses**						
	Current tax	107.51	2.03	97.45	2.01	31.98	1.32
	Deferred tax	2.91	0.06	5.16	0.11	7.99	0.33
	Total tax expense	**110.42**	2.09	**102.61**	2.12	**39.97**	1.66

	Particulars	For the Financial Year ended					
		March 31, 2026		March 31, 2025		March 31, 2024	
		Amount (₹ in million)	% of total income	Amount (₹ in million)	% of total income	Amount (₹ in million)	% of total income
VII.	**Profit/ (Loss) for the period/ year (V-VI)**	**332.06**	6.27	**271.37**	5.61	**76.70**	3.18
IX.	**Other comprehensive income**						
	Items that will not be reclassified to profit or loss						
	- Remeasurement of defined benefit plans	1.14	0.02	2.96	0.06	0.24	0.01
	- Income tax relating to items that will not be reclassified to Profit or Loss	(0.29)	(0.01)	(0.86)	(0.02)	(0.07)	0.00
	Total other comprehensive income for the period/ year	**0.85**	0.02	**2.10**	0.04	**0.17**	0.01
	Total comprehensive income/ (loss) for the period/ year (VII + VIII)	**332.91**	6.29	**273.47**	5.65	**76.87**	3.18

FISCAL 2026 COMPARED TO FISCAL 2025

Income

Total Income

Our total income increased by 9.41% to ₹ 5,293.76 million in Fiscal 2026 from ₹ 4,838.37 million in Fiscal 2025, primarily due to the reasons discussed below:

Revenue from operations

Our revenue from operations increased by 9.02% to ₹ 5,267.45 million in Fiscal 2026 from ₹ 4,831.42 million in Fiscal 2025, primarily due to:

<u>An increase in sales of products</u>: attributable to an increase in sales of IDU components to ₹ 2,208.20 million in Fiscal 2026 from ₹ 1,959.83 million in Fiscal 2025 and an increase in sales of ODU components to ₹ 2,111.67 million in Fiscal 2026 from ₹ 1,843.93 million in Fiscal 2025.

<u>An increase in other operating revenue</u>: attributable to an increase in sales of scrap to ₹ 670.75 million in Fiscal 2026 from ₹ 443.94 million in Fiscal 2025.

Other income

Our other income increased by 278.56% to ₹ 26.31 million in Fiscal 2026 from ₹ 6.95 million in Fiscal 2025, primarily due to an increase in interest income, increase in government grants, increase in expected credit loss on trade receivable written back and a one-time increase in miscellaneous income.

Expense

Total expense

Our total expense increased by 8.67% to ₹ 4,851.28 million in Fiscal 2026 from ₹ 4,464.39 million in Fiscal 2025, primarily due to the reasons discussed below:

Cost of materials consumed

Our cost of material consumed increased by 11.62% to ₹ 4,260.29 million in Fiscal 2026 from ₹ 3,816.63 million in Fiscal 2025. This increase was primarily driven by higher purchase of raw materials, particularly, copper and brass, coupled with scaling up of production of our products to support increased customer demand. Additionally, there was an increase in the cost of materials during this period due to upward price movements of copper and brass, which are our key raw materials, which are subject to volatility driven by global supply-demand dynamics, supply chain constraints, and trade-related factors.

Changes in inventories of finished goods and work-in-progress

The total change in inventories of finished goods and work-in-progress increased by 146.24% to ₹ (515.61) million in Fiscal 2026 from ₹ (209.39) million in Fiscal 2025, primarily to scaling up of production of our products to cater to the demand of customers during the peak-season.

Employee benefits expense

Our employee benefits expense increased by 20.15% to ₹ 256.01 million in Fiscal 2026 from ₹ 213.07 million in Fiscal 2025, primarily due to increase in salaries and wages to ₹ 230.15 million in Fiscal 2026 from ₹ 191.21 million Fiscal 2025 and increase in staff welfare expenses to ₹ 11.79 million in Fiscal 2026 from ₹ 7.41 million in Fiscal 2025

Finance costs

Our finance costs increased by 88.52% to ₹ 117.60 million in Fiscal 2026 from ₹ 62.38 million in Fiscal 2025, primarily due to increase in interest expenses on borrowings from banks to ₹ 61.98 million in Fiscal 2026 from ₹ 25.34 million in Fiscal 2025 and an increase in foreign exchange fluctuation on foreign currency loans to ₹ 9.09 million in Fiscal 2026 from ₹ 2.73 million in Fiscal 2025.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 35.97% to ₹ 40.11 million in Fiscal 2026 from ₹ 29.50 million in Fiscal 2025, primarily due to purchase of additional machines and construction of factory building to support increased demand for our products.

[***The remainder of this page has intentionally been left blank***]

Other expenses f

Our other expense increased by 25.48% to ₹ 692.88 million in Fiscal 2026 from ₹ 552.20 million in Fiscal 2025. The key movements in other expenses are set out below:

Particulars	**Fiscal 2026**		**Fiscal 2025**		**% change between (A) and (B)**	**Primary reasons for change**
	Amount (A)	**% of the total income**	**Amount (B)**	**% of the total income**		
	₹ in million	**%**	**₹ in million**	**%**		
Contract labour expense	212.53	4.01	139.46	2.89	52.39	The increase is mainly on account of increase in the number of contract labour employees which have increased to 1,257 in Fiscal 2026 from 883 in Fiscal 2025 and an increase in cost of existing labour.
Power and Fuel	36.75	0.70	32.14	0.67	14.34	The increase is mainly on account of higher production levels during Fiscal 2026 at the Ghiloth Manufacturing Facility and Sricity Manufacturing Facility.
Repair and maintenance of building	4.27	0.08	2.17	0.04	96.77	Other than in the ordinary course of business, the increase was mainly on account of additional maintenance activity undertaken at our Manufacturing Facilities to support the enhanced product capacity and ensure uninterrupted operation at the upgraded scale.
Professional and Consultancy Charges	4.16	0.08	2.38	0.05	74.79	The increase is mainly on account of higher professional and consultancy services availed in connection with the capital expenditure undertaken by our Company during the Fiscal as well as for future proposed capital expenditure.
Loss on foreign exchange fluctuation	74.96	1.42	1.24	0.03	5,945.16	The increase is mainly on account of unhedged foreign currency exposure arising from raw material imports. With the depreciation of the Indian Rupee against the US Dollar, the Company incurred foreign exchange fluctuation losses during the period.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 18.32% to ₹ 442.48 million in Fiscal 2026 from ₹ 373.98 million in Fiscal 2025.

Tax expense

Our tax expense increased by 7.62% to ₹ 110.42 million in Fiscal 2026 from ₹ 102.61 million in Fiscal 2025 primarily due to increase in current tax to ₹ 107.51 million in Fiscal 2026 from ₹ 97.45 million in Fiscal 2025 and deferred tax decrease to ₹ 2.91 million in Fiscal 2026 from ₹ 5.16 million in Fiscal 2025.

Profit for the year

As a result of the foregoing, our profit after tax increased by 22.36% to ₹ 332.06 million in Fiscal 2026 from ₹ 271.37 million in Fiscal 2025.

FISCAL 2025 COMPARED TO FISCAL 2024

Income

Total Income

Our total income increased by 100.42% to ₹ 4,838.37 million in Fiscal 2025 from ₹ 2,414.16 million in Fiscal 2024, primarily due to the reasons discussed below:

Revenue from operations

Our revenue from operations increased by 101.36% to ₹ 4,831.42 million in Fiscal 2025 from ₹ 2,399.38 million in Fiscal 2024, primarily due to:

<u>An increase in sales of products</u>: attributable to an increase in sales of IDU components to ₹ 1,959.83 million in Fiscal 2025 from ₹ 1,169.65 million in Fiscal 2024 and an increase in sales of ODU components to ₹ 1,843.93 million in Fiscal 2025 from ₹ 867.89 million in Fiscal 2024.

<u>An increase in other operating revenue</u>: attributable to an increase in sales of scrap to ₹ 443.94 million in Fiscal 2025 from ₹ 205.60 million in Fiscal 2024.

Other income

Our other income decreased by 52.98% to ₹ 6.95 million in Fiscal 2025 from ₹ 14.78 million in Fiscal 2024, primarily due to a decrease in government grants and gain on foreign exchange fluctuation.

Expense

Total expense

Our total expense increased by 94.32% to ₹ 4,464.39 million in Fiscal 2025 from ₹ 2,297.49 million in Fiscal 2024 primarily due to the reasons discussed below:

Cost of materials consumed

Our cost of material consumed increased by 110.84% to ₹ 3,816.63 million in Fiscal 2025 from ₹ 1,810.21 million in Fiscal 2024. This increase was primarily driven by higher purchase of raw materials, particularly, copper and brass, coupled with scaling up of production of our products to support increased customer demand. Additionally, there was an increase in the cost of materials during this period due to upward price movements of copper and brass, which are our key raw materials, which are subject to volatility driven by global supply-demand dynamics, supply chain constraints, and trade-related factors.

Changes in inventories of finished goods and work-in-progress

The total change in inventories of finished goods and work-in-progress increased by 574.80% to ₹ (209.39) million in Fiscal 2025 from ₹ (31.03) million in Fiscal 2024, primarily to scaling up of production of our products to cater to the demand of customers during the peak-season.

Employee benefits expense

Our employee benefits expense increased by 39.52% to ₹ 213.07 million in Fiscal 2025 from ₹ 152.71 million in Fiscal 2024, primarily due to increase in salaries and wages to ₹ 191.21 million Fiscal 2025 from ₹ 138.70 million in Fiscal 2024 and increase in staff welfare expenses to ₹ 7.41 million in Fiscal 2025 from ₹ 3.21 million in Fiscal 2024.

Finance costs

Our finance costs increased by 83.20% to ₹ 62.38 million in Fiscal 2025 from ₹ 34.05 million in Fiscal 2024, primarily due to increase in interest expenses on borrowings from banks to ₹ 25.34 million in Fiscal 2025 from ₹ 14.19 million in Fiscal 2024 and an increase in foreign exchange fluctuation on foreign currency loans to ₹ 2.73 million in Fiscal 2025 from ₹ 0.98 million in Fiscal 2024.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 44.54% to ₹ 29.50 million in Fiscal 2025 from ₹ 20.41 million in Fiscal 2024, primarily due to purchase of additional machines and factory building construction to support increased demand for our products.

[***The remainder of this page has intentionally been left blank***]

Other expenses

Our other expense increased by 77.48% to ₹ 552.20 million in Fiscal 2025 from ₹ 311.14 million in Fiscal 2024. The key movements in other expenses are set out below:

Particulars	Fiscal 2025		Fiscal 2024		% change between (A) and (B)	Primary reasons for change
	Amount (A)	% of the total income	Amount (B)	% of the total income		
	₹ in million	%	₹ in million	%		
Consumption of stores and spares	154.83	3.20	80.78	3.35	91.67	The increase is mainly on account of higher production levels during Fiscal 2025 as compared to Fiscal 2024.
Contract labour expense	139.46	2.89	53.24	2.21	161.95	The increase is mainly on account of increase in the number of contract labour employees which have increased to 883 in Fiscal 2025 from 363 in Fiscal 2024.
Power and Fuel	32.14	0.65	19.97	0.83	60.94	The increase is mainly on account of higher production levels during Fiscal 2025 as compared to Fiscal 2024.
Outward freight and forwarding expenses	49.60	1.03	23.74	0.99	108.93	The increase is mainly on account of higher volume of sales during Fiscal 2025 as compared to Fiscal 2024.
Loss on foreign exchange fluctuation	1.24	0.03	Nil	Nil	124.00	The increase is mainly on account of unhedged foreign currency exposure arising from raw material imports. With the depreciation of the Indian Rupee against the US Dollar, the Company incurred foreign exchange fluctuation losses during the period.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 220.55% to ₹ 373.98 million in Fiscal 2025 from ₹ 116.67 million in Fiscal 2024.

Tax expense

Our tax expense increased by 156.72% to ₹ 102.61 million in Fiscal 2025 from ₹ 39.97 million in Fiscal 2024 primarily due to increase in current tax to ₹ 97.45 million in Fiscal 2025 from ₹ 31.98 million in Fiscal 2024 and deferred tax decrease to ₹ 5.16 million in Fiscal 2025 from ₹ 7.99 million in Fiscal 2024.

Profit for the year

As a result of the foregoing, our profit after tax increased by 253.81% to ₹ 271.37 million in Fiscal 2025 from ₹ 76.70 million in Fiscal 2024.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the period/ years indicated:

Particulars	**Fiscal 2026**	**Fiscal 2025**	**Fiscal 2024**
	(₹ in million)		
Net cash generated from/ (used in) operating activities	(430.08)	(66.47)	37.40
Net cash used in investing activities	(302.97)	(161.83)	(189.96)
Net cash generated from financing activities	732.93	228.22	152.78
Net increase/ (decrease) in cash and cash equivalents	(0.12)	(0.08)	0.22
Cash and cash equivalents at the end of the period	0.33	0.45	0.53

Operating Activities

Fiscal 2026

Our net cash flow used in operating activities was ₹ 430.08 million. While our profit before tax in Fiscal 2026 was ₹ 442.48 million, our operating profit before working capital changes stood at ₹ 633.64 million in Fiscal 2026 after taking into account the adjustments primarily for unrealized loss on foreign exchange fluctuation of ₹ 44.24 million, depreciation and amortization expense of ₹ 40.11 million and finance costs of ₹ 117.60 million. Working capital adjustments included an (i) increase in trade receivables of ₹ 344.94 million, (ii) increase in other receivables of ₹ 159.21 million; (iii) increase in inventories of ₹ 1,017.90 million; (iv) increase in trade payables of ₹ 596.42 million; (v) decrease in other payables of ₹ 42.20 million; and (vi) increase in provisions of ₹ 5.12 million.

Fiscal 2025

Our net cash flow used in operating activities was ₹ 66.47 million. While our profit before tax in Fiscal 2025 was ₹ 373.98 million, our operating profit before working capital changes stood at ₹ 460.46 million in Fiscal 2025 after taking into account the adjustments primarily for expected credit loss on trade receivable of ₹ 6.55 million, depreciation and amortization expense of ₹ 29.50 million and finance costs of ₹ 62.38 million. Working capital adjustments included an (i) increase in trade receivables of ₹ 118.76 million, (ii) decrease in other receivables of ₹ 9.40 million; (iii) increase in inventories of ₹ 375.36 million; (iv) decrease in trade payables of ₹ 75.09 million; (v) increase in other payables of ₹ 58.21 million; and (vi) increase in provisions of ₹ 3.57 million.

Fiscal 2024

Our net cash flow generated from operating activities was ₹ 37.40 million. While our profit before tax in Fiscal 2024 was ₹ 116.67 million, our operating profit before working capital changes stood at ₹ 167.73 million in Fiscal 2024 after taking into account the adjustments primarily for depreciation and amortization expense of ₹ 20.41 million and finance costs of ₹ 34.05 million. Working capital adjustments included an (i) increase in trade receivables of ₹ 77.12 million, (ii) increase in other receivables of ₹ 21.25 million; (iii) increase in inventories of ₹ 118.19 million; (iv) increase in trade payables of ₹ 92.76 million; (v) increase in other payables of ₹ 14.59 million; and (vi) increase in provisions of ₹ 4.54 million.

Investing Activities

Fiscal 2026

Net cash flow used in investing activities in Fiscal 2026 was ₹ 302.97 million, which primarily comprised purchase of purchase of property, plant and equipment and intangible assets (including adjustment for capital advances and payable for property plant and equipment) of ₹ 324.98 million and payment for right-of-use asset of ₹ 0.24 million, partially offset by decrease in bank balance other than cash and cash equivalents of ₹ 15.20 million and interest received of ₹ 7.05 million.

Fiscal 2025

Net cash flow used in investing activities in Fiscal 2025 was ₹ 161.83 million, which primarily comprised purchase of purchase of property, plant and equipment and intangible assets (including adjustment for capital advances and payable for property plant and equipment) of ₹ 126.11 million, payment for right-of-use asset of ₹ 0.20 million and increase in bank balance other than cash and cash equivalents of ₹ 41.13 million, partially offset by, interest received of ₹ 5.61 million.

Fiscal 2024

Net cash flow used in investing activities in Fiscal 2024 was ₹ 189.96 million, which primarily comprised purchase of purchase of property, plant and equipment and intangible assets (including adjustment for capital advances and payable for property plant and equipment) of ₹ 176.51 million, payment for right-of-use asset of ₹ 0.27 million and increase in bank balance other than cash and cash equivalents of ₹ 16.47 million, partially offset by, interest received of ₹ 2.93 million and proceeds from sale of property, plant and equipment of ₹ 0.36 million.

Financing Activities

Fiscal 2026

Net cash flow generated from financing activities in Fiscal 2026 was ₹ 732.93 million, which primarily comprised proceeds from long term borrowings from banks of ₹ 154.55 million and proceeds from short term borrowings (net) of ₹ 723.23 million, partially offset by interest and other financial charges paid of ₹ 115.65 million and repayment of long-term borrowings from banks of ₹ 35.46 million.

Fiscal 2025

Net cash flow generated from financing activities in Fiscal 2025 was ₹ 228.22 million, which primarily comprised proceeds from short term borrowings (net) of ₹ 247.91 million, partially offset by interest and other financial charges paid of ₹ 59.88 million and repayment of long-term borrowings from banks of ₹ 28.47 million.

Fiscal 2024

Net cash flow used from financing activities in Fiscal 2024 was ₹ 152.78 million, which primarily comprised proceeds from issuance of share capital (including securities premium) of ₹ 12.51 million and proceeds from short term borrowings (net) of ₹ 134.11 million, partially offset by interest and other financial charges paid of ₹ 33.24 million and repayment of long-term borrowings from banks of ₹ 21.88 million.

INDEBTEDNESS

As of March 31, 2026, March 31, 2025, and March 31, 2024, we had total outstanding borrowings of ₹ 1,532.11 million, ₹ 658.75 million and ₹ 372.80 million on a restated basis, respectively. For further details see, "***Financial Indebtedness***" beginning on page 458. Our debt-to-equity ratio, on a restated basis, was 1.63 times as of March 31, 2026.

CONTINGENT LIABILITIES AND COMMITMENTS

As of March 31, 2026, our contingent liabilities as per Ind AS 37 and the Restated Financial Information were as follows:

(₹ in million)

Particulars	As at March 31, 2026
a) Goods and service tax matters#	0.84
b) Income tax matters	2.19
c) Custom related matters	130.38
d) Employee related matters	0.05
Total	**133.46**

 # The amount of ₹ 0.63 million has been deposited under protest against the said demand which has been shown under the head 'Balances with Government authorities' in 'Other current assets'.

As of March 31, 2026, our commitments as per the Restated Financial Information were as follows:

(₹ in million)

Particulars	As at March 31, 2026
A) Estimated amount of contracts remaining to be executed on capital account (net of advances)	141.79
C) Other Commitments	Nil
Total	141.79

As of March 31, 2026, our bank guarantees as per the Restated Financial Information were as follows:

(₹ in million)

Particulars	As at March 31, 2026
Bank guarantees provided by banks to third parties on behalf of the Company	35.15
Total	35.15

For further information of our contingent liabilities and commitments as at March 31, 2026 as per Ind AS 37, see "***Restated Financial Information – Note 38 – Contingent liabilities, Commitments and Bank Guarantees***" on page 397.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

There are no significant changes that materially affect or are likely to affect income from continuing operations, except as described in ***"– Significant Factors Affecting our Results of Operations***" on page 428 and in the sections titled "***Risk Factors***" and "***Our Business***" beginning on pages 23 and 293, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "– ***Significant Factors Affecting our Results of Operations***" on page 428 and the uncertainties described in "***Risk Factors***" beginning on page 23. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FINANCIAL RISK MANAGEMENT

The Company is exposed to market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Board of directors are regularly apprised of these risks and measures used to mitigation these risks, which are summarized below.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency risk, interest rate risk and investment risk.

(b) Foreign Currency Risk

Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than Company's functional currency. The Company imports certain assets like machinery, raw material, spares and stores items etc. from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the Company is exposed to foreign currency risk and the results of the Company may be affected as the rupee appreciates/ depreciates against foreign currencies.

a) Particulars of foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

Particulars	Foreign Currency (FC)	Amount in FC (in millions)	Amount in INR
As at 31st March 2026			
Financial Liabilities			
Borrowings (A)	USD	6.05	573.12
Trade payables/Capital Payable (B)	USD	7.33	693.45
Other payables (C)	USD	0.03	3.02
Total exposure to foreign currency risk (A+B+C)	**USD**	**13.41**	**1,269.59**
As at 31st March 2025			
Financial Liabilities			
Borrowings (A)	USD	3.77	322.49
Trade payables/Capital Payable (B)	USD	2.52	215.41
Other payables (C)	USD	0.03	2.52
Total exposure to foreign currency risk (A+B+C)	**USD**	**6.32**	**540.42**
As at 31st March 2024			
Financial Liabilities			
Borrowings (A)	USD	1.21	100.61
Trade payables/Capital Payable (B)	USD	3.80	316.80
Other payables (C)	USD	0.01	0.53
Total exposure to foreign currency risk (A+B+C)	**USD**	**5.02**	**417.94**

Note: The year-end balance are not necessarily representative of average balances outstanding throughout the year.

The following are the exchange rates at the end of each reporting period:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
INR/USD	94.65	85.58	83.37

Foreign Currency sensitivity

The impact on the Company's profit before tax due to change in the fair value of monetary assets and liabilities on account of reasonably possible change in exchange rates (with all other variables held constant) will be as under:

Particulars	Impact on Profit before tax {Increase/(decrease)}		
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
USD Sensitivity			
Increase in exchange rate by 5%	(63.47)	(27.04)	(20.93)
Decrease in exchange rate by 5%	63.47	27.04	20.93

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest -bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

(a) Interest Risk Exposure:

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	Weighted Average Interest Rate	Outstanding Balance	% of Total Loans
As at 31st March 2026			
Long term & short term borrowings from banks			
Variable Rate Borrowings	7.85%	513.05	37.12%
Fixed Rate Borrowings	5.91%	869.03	62.88%
Total Borrowings		**1,382.08**	**100.00%**
As at 31st March 2025			
Long term & short term borrowings			
Variable Rate Borrowings	8.46%	194.58	37.63%
Fixed Rate Borrowings	5.64%	322.49	62.37%
Total Borrowings		**517.07**	**100.00%**
As at 31st March 2024			
Long term & short term borrowings			
Variable Rate Borrowings	8.79%	160.23	61.43%
Fixed Rate Borrowings	6.36%	100.61	38.57%
Total Borrowings		**260.84**	**100.00%**

(b) Cash flow sensitivity analysis for variable rate instruments

The below would be the impact on Profit before tax due to 50 basis point change in interest rate:

Particulars	Impact on Profit before tax {Increase/(decrease)}		
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Increase in interest rate by 50 basis points	(2.57)	(0.97)	(0.80)
Decrease in interest rate by 50 basis points	2.57	0.97	0.80

(iii) Security Price Risk Management:

Company has not made any investments hence it is not exposed to investment risk.

(B) Credit Risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company’s maximum exposure to credit risk is the carrying value of the financial assets.

The following is the detail of revenue generated from top 5 customers of the company:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Top Five customers	3,969.33	3,586.23	1,806.03
% of total Sales	75.36%	74.23%	75.27%

Expected Credit Loss for Financial Assets

(i) Financial assets to which loss allowance is measured using 12 months Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
As at 31st March 2026				
Loans (refer note 11)	0.89	-	-	0.89
Other financial assets (refer note 5 and 12)	42.13	-	-	42.13
As at 31st March 2025				
Loans (refer note 11)	0.83	-	-	0.83
Other financial assets (refer note 5 and 12)	9.59	-	-	9.59
As at 31st March 2024				
Loans (refer note 11)	0.87	-	-	0.87
Other financial assets (refer note 5 and 12)	21.67	-	-	21.67

(ii) Expected credit loss for trade receivable on simplified approach using lifetime Expected Credit Loss:

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
As at 31st March 2026				
Trade Receivables (refer note 8)	1,069.42	Refer table below	(7.91)	1,061.51
As at 31st March 2025				
Trade Receivables (refer note 8)	724.62	Refer table below	(11.80)	712.82
As at 31st March 2024				
Trade Receivables (refer note 8)	606.41	Refer table below	(5.25)	601.16

Probability of Default in case of Trade Receivables

Overdue period	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
0-90 days	0.30%	0.30%	0.20%
91-180 days	3.50%	3.20%	2.60%
181-270 days	11.20%	12.30%	11.60%
271-365 days	43.10%	49.40%	48.80%
More than 1 year	100.00%	100.00%	100.00%

Movement in Allowance for Expected credit loss

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
As at the beginning of period	11.80	5.25	2.87
Provided during the period	-	6.55	2.38
Reversal during the period	(3.89)	-	-
As at the end of the period	7.91	11.80	5.25

(C) Liquidity Risk:

Liquidity risk arises from the Company's inability to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The financial liabilities of the company include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The Company's management is responsible for liquidity and funding arrangements. In addition, processes and policies related to such risks are overseen by board of directors. Management monitors the Company's net liquidity position on the basis of expected cash flows in near future. This includes maintaining sufficient availability of standby funding through an adequate line up committed credit facilities to meet financial obligations as and when due.

The following table presents the Company's remaining contractual maturities for its financial liabilities with agreed repayment period. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying Amount	Less than 12 months	More than one year and less than five year	More than five Years	Total
As at 31st March, 2026					
Financial Liabilities					
Borrowings	1,532.11	1,206.05	292.73	33.33	1,532.11
Trade payables	1,180.04	1,180.04	-		1,180.04
Lease liabilities	16.71	3.89	8.47	4.35	16.71
Other financial liabilities	54.02	54.02	-		54.02
Total	**2,782.88**	**2,444.00**	**301.20**	**37.68**	**2,782.88**
Financial Assets					
Trade receivables	1,061.51	1,061.51	-	-	1,061.51
Cash and Cash Equivalents	0.33	0.33	-	-	0.33
Bank balances other than cash & cash equivalents	106.15	106.15	-	-	106.15
Loans	0.89	0.89	-	-	0.89
Others financial assets	42.13	13.73	21.91	6.49	42.13
Total	**1,211.01**	**1,182.61**	**21.91**	**6.49**	**1,211.01**
As at 31st March, 2025					
Financial Liabilities					
Borrowings	658.75	441.66	199.65	17.44	658.75
Trade payables	561.89	561.89	-	-	561.89
Lease liabilities	2.94	0.26	1.13	1.55	2.94
Other financial liabilities	42.39	42.39	-	-	42.39
Total	**1,265.97**	**1,046.20**	**200.78**	**18.99**	**1,265.97**
Financial Assets					
Trade receivables	712.82	712.82	-	-	712.82
Cash and Cash Equivalents	0.45	0.45	-	-	0.45
Bank balances other than cash & cash equivalents	97.47	97.47	-	-	97.47
Loans	0.83	0.83	-	-	0.83

Others financial assets	9.59	4.93	0.97	3.69	9.59
Total	**821.16**	**816.50**	**0.97**	**3.69**	**821.16**
As at 31st March, 2024					
Financial Liabilities					
Borrowings	372.80	196.13	170.80	5.87	372.80
Trade payables	640.77	640.77			640.77
Lease liabilities	1.08	0.10	0.39	0.59	1.08
Other financial liabilities	30.39	30.39	-	-	30.39
Total	**1,045.04**	**867.39**	**171.19**	**6.46**	**1,045.04**
Financial Assets					
Trade receivables	601.16	601.16			601.16
Cash and Cash Equivalents	0.53	0.53	-		0.53
Bank balances other than cash & cash equivalents	43.27	43.27	-		43.27
Loans	0.87	0.87	-		0.87
Others financial assets	21.67	4.23	14.04	3.40	21.67
Total	**667.50**	**650.06**	**14.04**	**3.40**	**667.50**

Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Expiring within one year (Cash credit and other facilities)	270.58	40.70	115.95

Note: Calculated on the basis of sanctioned working capital limit and utilized at each reporting date. There is no restriction on the use of these facilities

RELATED PARTY TRANSACTIONS

We have entered into transactions with a number of related parties. For details of our related party transactions, see "***Restated Financial Information – Note 44 – Related party transactions***" on page 407.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "***Risk Factors***", "***Our Business***" beginning on pages 23 and 293, respectively, and above in "***– Significant Factors Affecting our Results of Operations***" on page 428, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

SIGNIFICANT DEPENDENCE ON A SINGLE OR FEW CUSTOMERS OR SUPPLIERS

We derive a significant portion of our revenues from our top 10 customers. For further information, see "***Risk Factors – We derive a significant portion of our revenue from a limited number of key customers. Our top 10 customers contributed towards 89.71%, 89.36% and 88.38% of our revenue from operations during Fiscals 2026, 2025 and 2024, respectively, and the loss of any of these customers, deterioration of their financial conditions or prospects, any reduction in their requirements for our products or a reduction in business from them, may adversely affect our business, results of operations, financial condition and cash flow.***" on page 24.

We rely on our top 10 suppliers for supply of the materials. For further information, see "***Risk Factors* – *We depend on a limited number of third parties for the supply of raw materials. Our top 10 suppliers contributed towards 79.33%, 71.38% and 70.70% of total purchases during Fiscals 2026, 2025 and 2024, respectively, and failure by our suppliers to meet their obligations may cause change in availability and cost of raw materials which may adversely affect our business, financial condition, results of operations and prospects.***" on page 25.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT

Our Company monitors the operating results of our business as one segment, namely, business of manufacturing of air conditioner components, fittings and parts and there are no other primary reportable segments, there is no reportable segment as per Ind AS 108 "*Operating Segments*". For further information, see "***Restated Financial Information – Note 40 – Segment Reporting***" on page 398.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is significantly dependent on demand for HVAC systems and components. The HVAC components industry is inherently cyclical. Such seasonality/ cyclicality may result in fluctuations in our quarterly operating results and make them difficult to predict. Demand for our products is influenced by seasonal trends in the end-users that we serve. As a result of these seasonal patterns, we have historically generated a larger portion of our revenue from operations in the second half of a fiscal year. We may continue to experience similar seasonal fluctuations in our operating results in the future. For further details, please see "***Risk Factors – Our business is subject to cyclical demand in the heating, ventilation and air conditioning ("HVAC") components industry and any downturn in the industries we serve may adversely affect our business, results of operations and financial condition.***" on page 33.

COMPETITIVE CONDITIONS

We expect competition in our industry from existing and potential competitors to intensify. For further details, please refer to the discussions of our competition in the sections "***Risk Factors***" and "***Our Business***" beginning on pages 23 and 293, respectively, of this Draft Red Herring Prospectus.

QUALIFICATIONS, RESERVATIONS AND ADVERSE REMARKS

There are no qualifications from the Statutory Auditors which have not been given effect to in the Restated Financial Information.

There are certain matters of emphasis and CARO matters which do not require any adjustment in Restated Financial Information. For further details, please see "***Risk Factors – Our Statutory Auditors have included certain emphasis of matters and other matters in their audit report for the audited financial statements for Fiscal 2026 and for the audited special purpose financial statements for Fiscals 2025 and 2024.***" on page 59.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31. 2026

Except as otherwise disclosed in this Draft Red Herring Prospectus, to our knowledge and belief, no circumstances have arisen since the date of the last financial information contained in this Draft Red Herring Prospectus which materially affect, or are likely to affect, the business and profitability of our Company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2026, on the basis of our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "***Risk Factors***", "***Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 23, 368 and 428 respectively.

(*₹ in million, except ratio*)

Particulars	Pre-Offer as at March 31, 2026	As adjusted for the Offer#
Borrowings		
Current borrowings * (A)	1,160.33	[●]
Non-current borrowings (including current maturity) * (B)	371.78	[●]
Total borrowings (C=A+B)	**1,532.11**	[●]
Equity		
Equity share capital *	91.22	[●]
Other equity *	849.95	[●]
Total Equity (D)	**941.17**	[●]
Total Borrowings and Equity (F=C+D)	**2,473.28**	[●]
Ratios:		
Non-current borrowings (including current maturity and interest accrued and due on borrowings)/ Total equity (B/D) (in times)	0.40	[●]
Total Borrowings/ Total Equity (C/D) (in times)	1.63	[●]

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026

**These terms shall carry the meaning as per Schedule III of the Companies Act, 2013, as amended.*

#To be updated post finalisation of the Offer Price.

Notes:

1) *The amounts mentioned in pre-Offer column as at March 31, 2026, in the above statement are based on the Restated Financial Information of our Company.*

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for purposes such as, meeting our working capital requirements or business requirements. For details of the borrowing powers of our Board, see "***Our Management – Borrowing Powers***" on page 349.

Set forth below is a summary of our aggregate outstanding borrowings, amounting to ₹ 1,778.11 million, as on July 31, 2026:

(in ₹ million)

Category of Borrowing	Sanctioned Amount as on July 31, 2026	Amount outstanding as on July 31, 2026[$]
A. Secured Loan (A)		
I. Fund based facilities		
Term loans	524.56	414.85
Vehicle loans	4.30	0.85
Working Capital Loans (Cash credit loan)	490.00	402.12
Working Capital Loans {Cash credit loan (sub-limit of letter of credit)}	(340.00)*	10.60
Working Capital Loans {Buyer credit loans (sub-limit of letter of credit)}	(645.00) *	546.12
Total	**1,018.86^**	**1,374.54**
II. Non-fund based facilities		
Letter of credit	645.00	27.36
Total	**645.00**	**27.36**
B. Unsecured Loan (B)		
I. Fund based facilities		
Working Capital Loans (Bills discounted against trade receivables)	315.00	212.90
Loans from related parties	N.A.	157.25
Total	**315.00**	**370.15**
II. Non-fund based facilities		
Bank Guarantees provided by banks on behalf of the Company #	10.00	6.06
Total	**10.00**	**6.06**
Grand Total (secured and unsecured facilities) (A+B)	**1,988.86**	**1,778.11**

[$] *As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*
** the facility has been sanctioned as a sub-limit within the overall Letter of Credit (LC) limit of ₹ 645.00 million sanctioned by the banks and does not constitute any additional limit over and above the sanctioned LC limit.*
^ does not include sanctioned amount of cash credit loan and buyer credit loan, sanctioned as a sub-limit within the overall LC limit.
 # does not include bank guarantees from Axis bank amounting to ₹ 29.42 million outstanding as on 31.07.2026, which is against 100% cash margin

Key terms of borrowings availed by our Company are disclosed below:

- ***Tenor***: The tenor of the facilities typically varies from six months to 84 months or until the bank intimates the withdrawal of the same

- ***Interest rate***: The interest rate for a majority of the facilities typically varies from 7.35% to 9.00% per annum

- ***Security***: The facilities sanctioned are typically secured by way of hypothecation on the fixed assets and current assets i.e. stocks, book debts, certain fixed deposits and mortgage on specified immovable properties owned/ leased by our Company and its Shareholders and personal guarantees of certain Shareholders.

  The nature of securities described herein is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by the Company.

- ***Repayment***: Our Company may repay all amounts of the facilities on the due dates for payment. Certain of the loans are repayable on demand and are renewed annually.

- ***Prepayment:*** The facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed.

- ***Penal interest:*** The terms of certain facilities availed by our Company prescribe penalties for default in the repayment obligations of the Company, delay in creation of the stipulated security or in case of events of default. The penalty typically ranges from 1% to 2% per annum.

- ***Restrictive covenants:*** the facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:

  (i) any change in capital structure;

  (ii) amend or modify any of constitutional documents, which have a material adverse effect;

  (iii) material change in the shareholding pattern;

  (iv) any scheme of amalgamation or merger or reconstruction; and

  (v) change in the directors or management set-up of Company.

- ***Events of Default:*** Borrowing arrangements entered into by our Company contain standard events of default, including, *inter alia*:

  (i) happening of any change in the constitution or management without previous written consent of the lenders or upon the management of the Borrower ceasing to enjoy the confidence of the lender;

  (ii) default in payment of any monies in respect of the facilities on the due dates;

  (iii) winding up, insolvency/ bankruptcy or dissolution; and

  (iv) commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/ effect.

- ***Consequences of occurrence of events of default:*** In terms of the borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby the lenders may:

  (i) declare the securities created, to be enforceable in terms of the transaction documents;

  (ii) take possession of the hypothecated assets, sell them, and apply the proceeds towards outstanding amounts; and

  (iii) the guarantors i.e. the Promoters and shareholders become obligated to pay the outstanding amounts on demand

This is an indicative list of the terms and conditions of the outstanding facilities and there may be additional terms including those that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above. We have obtained the necessary consent required under the relevant loan documentation for undertaking activities in relation to the Offer for its borrowings in relation to the Offer, including for undertaking activities such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "***Risk Factors – We may incur additional indebtedness in the future and will be required to comply with restrictive covenants and conditions under our financing arrangements. Any failure to comply with such covenants or conditions may result in acceleration of repayment obligations, enforcement of security interests and suspension of further drawdowns, which may adversely affect our business, financial condition, cash flows and results of operations***" on page 58.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no other outstanding (i) criminal proceedings (including first information reports and any notices received for such criminal proceedings), involving our Company, our Directors, our Promoters (collectively, the "**Relevant Parties**"), Key Managerial Personnel or Senior Management; (ii) actions taken by regulatory and statutory authorities involving the Relevant Parties, Key Managerial Personnel or Senior Management; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals including outstanding action; (iv) claims for any direct or indirect tax liabilities involving the Relevant Parties (disclosed in a consolidated manner giving the total number of claims and total amounts involved); or (v) details of any other pending litigation or arbitration proceedings (other than proceedings covered under (i) to (iv) above) which have been determined to be material pursuant to the Materiality Policy, involving the Relevant Parties.*

In relation to (v) above, in terms of the Materiality Policy adopted by our Board in its meeting held September 12, 2026 any pending litigation involving the Relevant Parties, has been considered "material" for the purposes of disclosure in this Draft Red Herring Prospectus, if:

*a) Monetary threshold: pending civil cases involving the Relevant Parties in which the monetary amount of claim by or against the Relevant Parties in any such pending proceeding to the extent quantifiable, is: a) two percent of turnover, for the most recent financial year as per the Restated Financial Information; or (b) two percent of net worth, as at the end of the most recent financial year as per the Restated Financial Information, except in case the arithmetic value of the net worth is negative; or (c) five percent of the average of absolute value of profit or loss after tax of the Company on a consolidated basis, as per the last three financial years of the Restated Financial Information, included in this Draft Red Herring Prospectus, whichever is lower ("**Monetary Threshold**").*

Accordingly, ₹ 11.33 million, which is 5% of the average profit or loss after tax for the last three fiscals has been considered as the Materiality Threshold for the Relevant Parties.

b) Subjective threshold: any monetary liability is not quantifiable, or does not fulfil the threshold as specified in paragraph (a) above, as applicable, but the outcome of which could, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, results of operations, performance, cash flows, prospects, financial position or reputation of the Company, as decided by the Board.

c) Tax matters: In the event any tax matters involve an amount exceeding the monetary threshold proposed in (i) above, in relation to the Relevant Parties, individual disclosures of such tax matters will be included

d) Additional threshold: any findings or observations arising out of any of the inspections by the SEBI or by any other regulator in or outside India, involving the Company, which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision, shall also be disclosed.

Further, pre-litigation notices received by the Relevant Parties, Key Managerial Personnel or Senior Management from third parties (excluding those notices issued by statutory/ regulatory/ tax/ judicial/ quasi-judicial/ administrative authorities or notices threatening legal proceedings) shall, unless otherwise decided by the Board, not be considered as material litigation, until such time that a Relevant Party, Key Managerial Personnel or Senior Management are impleaded as a defendant or respondent in any proceedings before any judicial/ quasi judicial/ arbitral forum or governmental authority or unless decided otherwise by the Board of Directors, not be considered as litigation and accordingly not be disclosed in this Draft Red Herring Prospectus until such time that Relevant Parties, Key Managerial Personnel or Senior Management, as applicable, are impleaded as parties in litigation proceedings before any judicial forum.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Further, in terms of the Materiality Policy, a creditor of our Company shall be considered 'material' if the amount due to such creditor equals or exceeds 5% of the total restated trade payables of our Company as at the end of the latest period included in the Restated Financial Information. The total restated trade payables of our Company *as on March 31, 2026, was ₹ 1,180.04 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor equals or exceeds ₹ 59.00 million as on March 31, 2026.*

*Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

A. Litigation against our Company

Outstanding criminal litigation against our Company

Nil

Material civil litigation against our Company

Nil

Material tax litigation against our Company

i. A show cause notice dated April 22, 2025 ("Show Cause Notice") was issued by the Principal Commissioner of Customs, Ludhiana ("Principal Commissioner") to our Company in relation to certain exemption aggregating to ₹ 130.38 million under the ASEAN-India Free Trade Agreement ("AIFTA"). Our Company replied to the Show Cause Notice on May 9, 2025 and attended a personal hearing before the Principal Commissioner on November 19, 2025. Subsequently, our Company filed a writ petition dated December 16, 2025 ("Writ Petition") before the High Court of Delhi ("High Court"), challenging the Show Cause Notice along with a letter issued by the Commissioner of Customs (Preventive), Jodhpur Commissionerate dated July 05, 2023. The High Court by way of its order dated April 28, 2026 ("Order") dismissed the Writ Petition and directed our Company to raise all legal pleas before the adjudicating authority, being the Principal Commissioner. Aggrieved by the Order, our Company filed a special leave petition dated May 29, 2026 ("Special Leave Petition") before the Hon'ble Supreme Court. The matter is currently pending.

ii. A notice in Form GST ASMT-10 dated July 2, 2026 ("**ASMT-10 Notice**") was issued by the Joint Commissioner, Rajasthan to our Company under Section 61 of the Rajasthan Goods and Services Tax Act, 2017 ("**RGST Act**"), intimating discrepancies aggregating to ₹ 6.34 million in the returns filed by our Company under its GST registration in Rajasthan for the Financial Year 2022-23, on account of excess outward tax reflected in the e-way bills as compared to the tax reported in Form GSTR-3B. Our Company replied to the ASMT-10 Notice on July 22, 2026. Subsequently, the Deputy Commissioner, Circle – Neemrana, Zone – Bhiwadi, Commercial Tax Department, Rajasthan ("**Deputy Commissioner**") issued a show cause notice in Form GST DRC-01 dated September 15, 2026, along with a summary thereof in Form GST DRC-01 dated September 16, 2026 (together, the "**Show Cause Notice**"), under Section 73(1) of the RGST Act read with the Central Goods and Services Tax Act, 2017, stating that the discrepancy remained unreconciled and directing our Company to show cause as to why tax of ₹ 6.70 million should not be determined and recovered from it, along with interest of ₹ 4.71 million and penalty of ₹ 0.67 million should not be imposed, aggregating to ₹ 12.08 million. Our Company is required to reply to the Show Cause Notice by October 15, 2026. The matter is currently pending.

Actions taken by regulatory or statutory authorities against our Company

Our Company has received a notice dated July 14, 2017 ("**Notice**") from Jatinder Kumar under Industrial Disputes Act, 1947 alleging that our Company has committed unfair labour practices including, among other things, illegal termination of his services. Our Company has submitted its replies to the Notice on August 7, 2018. Subsequently, the matter was referred to the Industrial Tribunal, Patiala on January 2, 2018 (the "**Tribunal**"). The Tribunal, by way of its order date February 9, 2021 ("**Tribunal Order**") directed our Company to pay compensation of ₹ 40,000 and litigation expenses of ₹ 5,000. Aggrieved by the Tribunal Order, our Company filed a writ petition dated July 13, 2021 ("**Writ Petition**") before the Hon'ble Punjab & Haryana High Court ("**High Court**"). The High Court by way of its order dated August 9, 2021 ("**High Court Order**") has granted a stay of the enforcement of the Tribunal Order. The matter is currently pending.

B. Litigation by our Company

Outstanding criminal litigation by our Company

iii. Our Company has filed a first information report dated April 23, 2015 ("**FIR**") before the Police Station City-1, Malerkotla, District Sangrur, Punjab for alleged violation of Sections 419, 420 and 120-B of the Indian Penal Code, 1860 and Sections 66, 66B, 66C and 66D of the Information Technology Act, 2000 against unknown persons. The Sub-Divisional Judicial Magistrate, Malerkotla by way of its order dated November 28, 2016 ("**Order**") has instructed the concerned Station House Officer to re-investigate the matter. The matter is currently pending.

iv. Our Company filed a first information report dated February 17, 2025 ("**FIR**") for the Police Station Amargarh, District Malerkotla, Punjab, for alleged violation of Sections 331(4), 305 and 306 of the Bharatiya Nyaya Sanhita, 2023, in relation to alleged theft and embezzlement of finished goods of our Company against Amrik Singh, Pargat Singh, Taranjit Singh, Gurpreet Singh, Sandeep Singh, Mandeep Singh, Jagrup Singh and Mandeep Singh being workers/ transport staff of our Company. The matter is currently under investigation.

v. Our Company filed a first information report dated September 4, 2026 ("**FIR**") in the Police Station, Sri City UPS, Tirupathi for alleged violation of Section 306 read with Section 3(5) of the Bharatiya Nyaya Sanhita, 2023, in relation to alleged theft of 45kgs of copper of our Company against Parthiban and Ganapathi being the employees of our Company. The matter is currently under investigation.

Material civil litigation by our Company

Nil

II. Litigation involving our Promoters

A. Litigation against our Promoters

Outstanding criminal litigation against our Promoters

Nil

Material civil litigation against our Promoters

Nil

Actions taken by regulatory or statutory authorities against our Promoters

Nil

Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years preceding the date of this Draft Red Herring Prospectus including outstanding actions

Nil

B. Litigation by our Promoters

Outstanding criminal litigation by our Promoters

Nil

Material civil litigation by our Promoters

Nil

III. Litigation involving our Directors

A. Litigation against our Directors

Outstanding criminal litigation against our Directors

Nil

Material civil litigation against our Directors

Nil

Actions taken by regulatory or statutory authorities against our Directors

Nil

B. Litigation by our Directors

Outstanding criminal litigation by our Directors

Nil

Material civil litigation by our Directors

Nil

IV. Litigation involving our Key Managerial Personnel and Senior Management

A. Litigation involving our Key Managerial Personnel and Senior Management

Outstanding criminal litigation involving our Key Managerial Personnel and Senior Management

Nil

Actions taken by regulatory or statutory authorities involving our Key Managerial Personnel and Senior Management

Nil

V. Litigations involving our Group Company

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which has a material impact on our Company

VI. Tax proceedings involving our Company, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of proceedings	Number of proceedings	Amount involved^ (in ₹ million)
Direct Tax		
Company	1	2.21
Promoters	Nil	Nil
Directors (excluding the Promoters)	Nil	Nil

Indirect Tax		
Company	4	143.30
Promoters	Nil	Nil
Directors (excluding the Promoters)	Nil	Nil

As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.
^ to the extent quantifiable

Outstanding dues to creditors

As of March 31, 2026, our Company had 452 creditors, and the aggregate outstanding dues to these creditors by our Company were ₹ 1,180.04 million. As per the Materiality Policy, a creditor of our Company has been considered to be material if the amounts due to such creditor exceed 5% of the total restated trade payables of our Company as at the end of the most recent financial period covered in the Restated Financial Information (i.e., to whom our Company owes an amount having a monetary value exceeding an amount ₹ 59.00 million as of March 31, 2026).

Details of outstanding dues owed to micro small and medium enterprises creditors, material creditors and other creditors as of March 31, 2026, are set out below:

Type of creditors*	Number of creditors	Amount involved (in ₹ million)
Dues to MSME creditors	138	250.37
Dues to material creditors	3	639.82
Dues to other creditors	311	289.85
Total	**452**	**1,180.04**

** As certified by SCV & Co. LLP, with FRN: 000235N/ N500089, by way of their certificate dated September 23, 2026.*

The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at https://kpmgroupindia.com/material-creditors.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, https://kpmgroupindia.com/material-creditors, would be doing so at their own risk.

Material Developments since the last balance sheet date

Except as disclosed in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 428, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our liability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations and permits obtained by our Company, as applicable, for the purposes of undertaking their respective businesses and operations ("**Material Approvals**"). For details in connection with the regulatory and legal framework within which our Company operates, please see "**Key Regulations and Policies**" beginning on page 325. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. Except as disclosed in this section, no further material approvals are required for carrying on the present business operations of our Company. Unless otherwise stated, these material approvals are valid as on the date of this Draft Red Herring Prospectus.*

*We have also disclosed below the material approvals for which fresh applications/ renewal applications have been made. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "**Risk Factors – We are required to obtain, renew and maintain certain statutory and regulatory permits, licences and approvals for our operations, and any delay or inability in obtaining, renewing or maintaining such approvals may adversely affect our business, financial condition and results of operations**" on page* 49.

Pursuant to the conversion of our Company into a public limited company and the consequent change in name of our Company, our Company is in the process of changing our name as it appears on various Material Approvals.

*For Offer related approvals, see the section titled "**Other Regulatory and Statutory Disclosures – Authority for the Offer**" on page 474 and for incorporation details of our Company, please see "**History and Certain Corporate Matters – Brief history of our Company**" on page 336.*

*Further, for approvals related to the objects of the Offer, please see "**Objects of the Offer**" beginning on page 133.*

I. Incorporation details of our Company

For incorporation details regarding our Company, see "***History and Certain Corporate Matters – Brief History of our Company***" beginning on page 336.

II. Tax related approvals

(i) The permanent account number of our Company is AADCK3979J issued by the Income Tax Department, Government of India.

(ii) The tax deduction and collection account number of our Company is PTLK11806E issued by the Income Tax Department, Government of India. [(#)]

(iii) Our Company has also obtained and importer-exporter code ("**IEC**") from the Ministry of Commerce and Industry, Government of India under IEC number 3009012314.

(iv) Legal Entity Identifier registration number of our Company is 9845009FC13771CB7C77 issued by Legal Entity Identifier India Limited.

(v) Our Company has obtained goods and services tax identification numbers under the applicable provisions of the goods and services tax legislations applicable in the states where our Manufacturing Facilities/ warehouses and godown/ office are located.

(vi) Our Company has obtained professional tax-payer enrolment and registration certificates under the relevant State Tax on Professions, Trades, Callings and Employments Rules, 1979, as applicable in the states where our Manufacturing Facilities/ warehouses and godown/ office are located.[#]

[#]While our Company has made applications for change in name, however, as on date of this DRHP, this approval is in the erstwhile name of our Company, being Koolking Udhyog Private Limited.

III. Labour/ employment related approvals

We have obtained registrations in the ordinary course of business under various employee and labour related laws including:

Sr. No.	Particulars	Issuing Authority	Date of issue/ renewal	Date of expiry
Ghiloth Manufacturing Facility				
1.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour, Government of Rajasthan	September 12, 2026	-
2.	Provident fund code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952(#)	Employees' Provident Fund Organization, India	April 2, 2022	-
3.	Registration under the Employees' State Insurance Act, 1948	Employees State Insurance Corporation	April 1, 2022	-
Noida Manufacturing Facility				
4.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970(#)	Office of the Labour Commissioner, Labour Department, Uttar Pradesh	November 5, 2025	-
5.	Registration under the Employees' State Insurance Act, 1948	Employees State Insurance Corporation	April 18, 2019	-
6.	Provident fund code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952(#)	Employees' Provident Fund Organization, India	April 24, 2019	-
Punjab Manufacturing Facility Unit I				
7.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970	Government of Punjab	August 18, 2026	-
8.	Provident fund code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952(#)	Employees' Provident Fund Organization, India	April 27, 2018	-
9.	Registration under the Employees' State Insurance Act, 1948	Employees State Insurance Corporation	January 11, 2010	-
Punjab Manufacturing Facility Unit II				
10.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970	Government of Punjab	August 20, 2026	-
11.	Provident fund code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952(#)	Employees' Provident Fund Organization, India	April 28, 2018	-
12.	Registration under the Employees' State Insurance Act, 1948	Employees State Insurance Corporation	June 24, 2019	-
Sricity Manufacturing Facility				
13.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970	Labour Department, Government of Andhra Pradesh	August 23, 2024	-
14.	Provident fund code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952(#)	Employees' Provident Fund Organization, India	March 21, 2024	-
15.	Registration under the Employees' State Insurance Act, 1948	Employees State Insurance Corporation	March 16, 2024	-

16.	Registration under the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979	Labour Department, Government of Andhra Pradesh	August 24, 2024	-
Noida Warehouse				
17.	Registration certificate under Uttar Pradesh Shops and Commercial Establishments Act, 1962	Labour Department, Government of Uttar Pradesh	March 25, 2026	-

 # While our Company has made applications for change in name, however, as on date of this DRHP, this approval is in the erstwhile name of our Company, being Koolking Udhyog Private Limited.

IV. Material Approvals in relation to the business of our Company

As of March 31, 2026, our Company has one office, five operating Manufacturing Facilities across the country and one Noida Warehouse. Our Company is required to obtain certain material approvals, licenses and registrations under several central or state level acts, rules and regulations to undertake our operations in our Manufacturing Facilities and Noida Warehouse, including:

(i) Udyam registration certificate for registration as a as a micro, small or medium enterprise issued by Ministry of Micro, Small & Medium Enterprises.

Material approvals in relation to the operations at our Manufacturing Facilities and our Noida Warehouse

Sr. No.	Particulars	Issuing Authority	Date of issue/ renewal	Date of expiry
Ghiloth Manufacturing Facility				
1.	Registration and License to work a factory (#)	Chief Inspector of Factories and Boilers, Rajasthan, Jaipur	August 18, 2025	March 31, 2029
2.	BIS Product Certificate License (CM/L-8400273216) for wrought copper tubes for refrigeration and air-conditioning purposes (#)	Bureau of Indian Standards, Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Government of India	May 20, 2025*	April 4, 2027
3.	Certificates of verification under the Legal Metrology Act, 2009(#)	Department of Consumer Affairs, Legal Metrology Cell, Government of Rajasthan	August 17, 2026	August 16, 2027
4.	Fire No Objection Certificate (#)	Municipal Council, Behror	September 5, 2025	September 4, 2027
5.	Grant of licence under Static and Mobile Pressure Vessels (Unfired) Rules, 2016(#)	Petroleum and Explosives Safety Organization, Ministry of Commerce and Industry	December 3, 2025	September 30, 2030
6.	Authorization under Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016(#)	Rajasthan Pollution Control Board	November 13, 2025	October 31, 2030
7.	Consent to operate under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981(#) (**)	Rajasthan State Pollution Control Board	May 9, 2022	April 30, 2032
8.	Certificate of exemption for ground water withdrawal (#)	Central Ground Water Authority	February 3, 2022	-
9.	Grant of permission under Central Electricity Authority (Measures relating to safety and electric supply) Regulations 2023 (#)	Office of the Electrical Inspectorate, Government of Rajasthan	May 6, 2026	March 2031
10.	Certificate of stability under the Factories Act, 1948 (#)	Manoj Garg, Structural Engineer and Authorized Competent Person	July 26, 2025	-

Noida Manufacturing Facility				
11.	Registration and License to work a factory (#)	Labour Department, Government of Uttar Pradesh	January 30, 2023^	February 14, 2028
12.	Certificate of verification under the Legal Metrology Act, 2009(#)	Office of the Controller, Legal Metrology, Government of Uttar Pradesh	January 16, 2026	January 16, 2028@
13.	No objection certificate for pollution for Non-Obnoxious and Non-Hazardous Industry (#)	Office of the Deputy Commissioner Industries, Gautam Nagar	December 1, 2017	-
14.	Consolidated consent to operate and authorisation under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981(#)	Uttar Pradesh Pollution Control Board	September 4, 2026	March 31, 2027
15.	Certificate of registration of user for abstraction of ground water (#)	Ground Water Department, Government of Uttar Pradesh	December 17, 2025	-
16.	Fire and Life Safety Certificate (#)	Deputy Director, Uttar Pradesh Fire and Emergency Services	January 30, 2025	January 30, 2028
17.	Certificate of stability under the Factories Act, 1948(#)	Prakash Verma, Structural Engineer, Approved Competent Person	July 3, 2020	-
18.	Certificate of Standing Orders under the Industrial Employment (Standing Orders), 1946(#)	Certifying Officer for Standing Orders, Labour Commissioner, Gautam Budh Nagar Region	May 28, 2019	-
19.	Certificate confirming compliance with regulations of Central Electricity Authority (Measures Relating to Safety and Electrical Supply) Regulation, 2010	Assistant Director, Directorate of Electrical Safety, Gautam Buddha Nagar, Government of Uttar Pradesh	July 30, 2026	Valid for three years
Punjab Manufacturing Facility Unit I				
20.	Registration and License to work a factory (#)	Chief Inspector of Factories, Department of Labour, Punjab	June 26, 2024	December 31, 2027
21.	Fire Safety Certificate (#)	Punjab Fire and Emergency Services (Malerkotla)	March 3, 2026	March 2, 2031
22.	Grant of licence under Static and Mobile Pressure Vessels (Unfired) Rules, 2016. (#)	Petroleum and Explosives Safety Organization, Ministry of Commerce and Industry	August 19, 2024	September 30, 2028
23.	Authorization under Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016(#)	Punjab Pollution Control Board	July 16, 2025	December 31, 2029
24.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981(#)	Punjab Pollution Control Board	September 18, 2026	June 30, 2031
25.	Consent to operate under Water (Prevention and Control of Pollution) Act, 1974(#)	Punjab Pollution Control Board	September 18, 2026	June 30, 2031
26.	Registration Certificate for importer under Plastic Waste (Management) Rules, 2016(#)	Punjab Pollution Control Board	May 14, 2023	-
27.	Permission for extraction of groundwater(#)	Punjab Water Regulation and Development Authority	February 20, 2026	February 19, 2029
28.	Certificate of stability under the Factories Act, 1948(#)	Directorate of Factories, Punjab Department of Labour	June 13, 2023	-

29.	Certificate of Standing Orders under the Industrial Employment (Standing Orders), 1946(#)	Verification Officer-cum-Labour Commissioner, Punjab	May 22, 2026	-
30.	Certificate of verification under the Legal Metrology Act, 2009	Office of the Controller, Legal Metrology, Government of Punjab	August 24, 2026	August 24, 2027
31.	Certificate confirming compliance with regulations of Central Electricity Authority (Measures Relating to Safety and Electrical Supply) Regulation, 2010	Office of the Chief Electrical Inspector, Government of Punjab, Patiala	September 11, 2026	-
Punjab Manufacturing Facility Unit II				
32.	Registration and License to work a factory(#)	Chief Inspector of Factories, Department of Labour, Punjab	July 1, 2024	December 31, 2027
33.	Fire Safety Certificate(#)	Punjab Fire and Emergency Services (Malerkotla)	November 5, 2025	November 4, 2030
34.	Authorization under Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016(#)	Punjab Pollution Control Board	March 9, 2024	March 9, 2029
35.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981(#)	Punjab Pollution Control Board	September 21, 2026	June 30, 2031
36.	Consent to operate under Water (Prevention and Control of Pollution) Act, 1974 (#)	Punjab Pollution Control Board	September 21, 2026	June 30, 2031
37.	Registration Certificate for importer under Plastic Waste (Management) Rules, 2016(#)	Punjab Pollution Control Board	June 25, 2025	-
38.	Permission for extraction of groundwater(#)	Punjab Water Regulation and Development Authority	March 16, 2026	March 15, 2029
39.	Certificate of stability under the Factories Act, 1948(#)	Directorate of Factories, Punjab Department of Labour	January 5, 2023	-
40.	Certificate of Standing Orders under the Industrial Employment (Standing Orders), 1946(#)	Verification Officer-cum-Labour Commissioner, Punjab	May 22, 2026	-
41.	Certificate of verification under the Legal Metrology Act, 2009	Office of the Controller, Legal Metrology, Government of Punjab	August 21, 2026	August 21, 2027
42.	Certificate confirming compliance with regulations of Central Electricity Authority (Measures Relating to Safety and Electrical Supply) Regulation, 2010	Office of the Chief Electrical Inspector, Government of Punjab, Patiala	September 11, 2026	-
Sricity Manufacturing Facility				
43.	License to work a factory	Deputy Chief Inspector of Factories, Chittoor.	January 4, 2024	-
44.	Certificate of verification under the Legal Metrology Act, 2009(#)	Office of the Controller, Legal Metrology, Amaravathi, Government of Andhra Pradesh	January 29, 2026	January 28, 2027
45.	No objection certificate for Occupancy	A.P. State Disaster Response and Fire Services Department, Government of Andhra Pradesh	February 11, 2026	Valid for a period of one year from date of issue
46.	Grant of licence under Static and Mobile Pressure Vessels (Unfired) Rules, 2016(#)	Petroleum and Explosives Safety Organization, Ministry of Commerce and Industry	March 26, 2024	September 30, 2028
47.	Consent and authorization issued by the pollution control board: (i) to operate under the Water (Prevention and Control	Andhra Pradesh Pollution Control Board	August 28, 2026	July 31, 2029

	of Pollution) Act, 1974; (ii) to operate under the Air (Prevention and Control of Pollution) Act, 1981; and (iii) to operate under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016(#)			
48.	Permission/ No objection certificate for extraction of ground water(#)	Ground Water and Water Audit Department, Government of Andhra Pradesh	December 1, 2025	November 30, 2028
49.	Certificate of stability under the Factories Act, 1948(#)	K Vishnuvardhan, Structural Engineer, Approved Competent Person	December 28, 2023	-
50.	Grant of permission under Central Electricity Authority (Measures relating to safety and electric supply) Regulations 2023(#)	Directorate of Electrical Safety, Government of Uttar Pradesh	June 20, 2024	-
51.	Certificate of Standing Orders under the Industrial Employment (Standing Orders), 1946(#)	Certifying Officer and Joint Commissioner of Labour (FAC), Zone – IV, Kurnool	July 9, 2026	-
Noida Warehouse				
52.	Certificate of verification under the Legal Metrology Act, 2009	Office of the Controller, Legal Metrology, Government of National Capital Territory of Delhi	September 22, 2026	September 22, 2027

[*] *April 5, 2026 being the date on which the certificate becomes operative.*
[^] *February 15, 2023 being the date on which the certificate becomes operative.*
[@] *January 16, 2027 being the date on which verification will be required for non-automatic weighing instruments.*
[#]*While our Company has made applications for change in name, however, as on date of this DRHP, this approval is in the erstwhile name of our Company, being Koolking Udhyog Private Limited.*
[**]*Subsequently, our Company has filed an application on August 4, 2026 with the Rajasthan State Pollution Control Board to revise the unit of measure from tons to number of units produced per day.*

For further details in relation to approvals pertaining to our Proposed Projects and funding the capital expenditure towards purchase of new machinery and equipment at our Ghiloth Manufacturing Facility, Noida Manufacturing Facility I, Punjab Manufacturing Facility Unit I, Punjab Manufacturing Facility Unit II and Sricity Manufacturing Facility, see “***Objects of the Offer – Government approvals***” on page 157.

Certain of these material approvals, licenses and registrations differ on the basis of the location as well as the nature of operations carried out at such locations. Our Company has made renewal applications for such material approvals, licenses and registrations that may have expired in the ordinary course of business.

Material Approvals required/ which have expired and for which fresh applications/ renewal applications have been made by our Company, but are yet to be received:

Sr. No.	Plant location	Nature of approval	Issuing authority	Date of application
1.	Ghiloth Manufacturing Facility	Certificate of Standing Orders under the Industrial Employment	Certifying Officer & Additional Labour Commissioner, Office of the Certifying Officer, Government of Rajasthan	May 27, 2025

Material Approvals that have expired and for which renewal applications are yet to be made:

Sr. No.	Plant location	Nature of approval	Issuing authority
NIL			

Material Approvals required and yet to be applied for by our Company:

Sr. No.	Plant location	Nature of approval	Issuing authority
NIL			

V. Intellectual Property

For further details, see "***Our Business – Intellectual Property***" on page 319.

OUR GROUP COMPANY

Pursuant to a resolution of our Board dated September 12, 2026 and as per the SEBI ICDR Regulations, for the purpose of identification of group companies, our Company has considered the companies (other than corporate promoters subsidiaries, if any) with which (i) there were related party transactions as per Ind AS 24, as disclosed in the Restated Financial Information; and (ii) any other companies considered material by our Board pursuant to the Materiality Policy.

With respect to point (ii) above, and in accordance with our Materiality Policy, for the purpose of disclosure in this Draft Red Herring Prospectus, a company shall be considered 'material' and will be disclosed as a group company in this Draft Red Herring Prospectus if, it is a member of the Promoter Group (other than the subsidiaries, if any) and has entered into one or more transactions with the Company during the most recent financial year and stub period, if any, as per the Restated Financial Information disclosed in this Draft Red Herring Prospectus, which individually or in the aggregate, exceed 10% of the total restated revenue from operations of the Company for such period.

Based on the parameters mentioned above, as on the date of this Draft Red Herring Prospectus, the following company has been identified as the Group Company, the details of which are set forth below:

Name	Registered office address
KPM India Limited	Plot No. 199-200, Sector-68, IMT, Faridabad City, Faridabad, Haryana – 121 002, India

Financial Information

Since KPM India Limited was incorporated on May 9, 2025 financial information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the Group Company (determined on the basis of its market capitalization or annual turnover, as applicable), based on audited financial statements for the preceding three Financial Years is not available.

Common pursuits

As on the date of this Draft Red Herring Prospectus, our Group Company is engaged in business similar to that of our Company. For further details, see "***Risk Factors – Our Group Company, namely, KPM India Limited, is in business similar to ours and this may result in potential conflict of interest with us.***" on page 55.

Nature and interests of our Group Company

As on the date of this Draft Red Herring Prospectus, our Group Company does not have any interest in the promotion of our Company.

As on the date of this Draft Red Herring Prospectus, our Group Company does not have any interest in any property acquired by our Company in the three years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

As on the date of this Draft Red Herring Prospectus, our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building, supply of machinery, etc.

As on the date of this Draft Red Herring Prospectus, our Group Company does not have any securities listed on any stock exchange.

Related business transactions with our Group Company and significance on the financial performance of our Company

Except as set out in "***Summary of Related Party Transactions***" beginning on page 90 and "***Other Financial Information – Related Party Transactions***" on page 427, there are no related business transactions amongst our Company and our Group Company, including such related business transactions which are significant to the financial performance of our Company.

Business interest of our Group Company

Except as set out in "***Summary of Related Party Transactions***" beginning on page 90 and "***Other Financial Information – Related Party Transactions***" on page 427 and in the ordinary course of business, our Group Company do not have any business interests in our Company.

Litigation

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which has a material impact on our Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by a resolution of our Board dated September 5, 2026 and the Fresh Issue has been authorised by a special resolution of our Shareholders, dated September 10, 2026.

Our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on September 5, 2026.

Each of the Selling Shareholders have, severally and not jointly, authorised and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

Name of Selling Shareholder	Maximum number of Equity Shares being offered in the Offer for Sale	Date of Selling Shareholder's consent letter
Sajiv Gopal	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	September 5, 2026
Malti Sood	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	September 5, 2026
Varun Gopal	Up to 915,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	September 5, 2026
Sugandha Sood	Up to 305,000 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million	September 5, 2026

This Draft Red Herring Prospectus along with the Draft Abridged Prospectus has been approved by our Board pursuant to a resolution passed on September 23, 2026.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Conflict of interest

Except as disclosed in the section titled "***Our Management – Interest of Directors***", "***Our Promoters and Promoter Group – Interest of our Promoters***" and **"*Our Group Companies – Nature and interests of our Group Companies*"** on pages 348, 364 and 472, respectively, there is no conflict of interest between our Company, the Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Companies and the lessors of immovable properties of our Company as captured in the related party transaction (who are crucial for the operations of our Company).

There is no conflict of interest between our Company, the Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Companies and the suppliers of raw materials and third-party service providers of our Company (who are crucial for the operations of our Company).

Prohibition by SEBI, RBI or other governmental authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company (being the Promoters) are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/ court.

None of the companies with which our Promoters and Directors are associated as promoter, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI.

None of our Directors are persons appearing in the list of directors of struck-off companies by the relevant registrar of companies or the MCA.

Directors associated with the Securities Market

None of our Directors are associated with securities market in any manner including securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

1. Our Company has net tangible assets of at least ₹ 30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each) of which not more than 50% are held in monetary assets;

2. Our Company has an average operating profit of at least ₹ 150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

3. Our Company has a net worth of at least ₹ 10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

4. Our Company has changed its name from "Kooking Udhyog Private Limited" to "Koolking Industries India Private Limited" in the last one year, subsequently, we deleted the word "Private" from the name of our Company pursuant to conversion to a public limited company. Our Company has not undertaken any new activity pursuant to such change in name.

Our Company's restated average operating profits, net worth, restated net tangible assets and restated monetary assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three years ended March 31 are set forth below:

Derived from our Restated Financial Information:

(*₹ in million, unless otherwise stated*)

	Particulars	As at and for the year ended March 31, 2026	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
A.	Net tangible assets, as restated [(1)]	940.50	607.46	333.72
B.	Monetary assets, as restated [(2)]	129.39	98.89	57.84
C.	Monetary assets as a percentage of Net tangible assets (in %), as restated (B/A)	13.76	16.28	17.33
D.	Operating Profit, as restated [(3)]	533.77	429.41	135.94
E.	Average Operating Profit[(4)], as restated	366.37		
F.	Net Worth, as restated [(5)]	941.17	608.26	334.79

Notes:

(1) *'Net tangible assets' have been defined in Section 2(1)(gg) of the SEBI ICDR Regulations as the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 as per Restated Financial Information.*

(2) *'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and interest accrued thereon) as per Restated Financial Information*

(3) *'Operating Profit' has been calculated as profit before tax add finance cost and less other income as per Restated Financial Information*

(4) *'Average Operating Profit' has been calculated as average of operating profit calculated on a restated basis, during the preceding three years.*

(5) *'Net worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per Restated Financial Information but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

Our average operating profit for Fiscal 2026, 2025 and 2024 is ₹ 366.37 million.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest at the rate of 15% per annum, on the application money in accordance with applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 of the SEBI ICDR Regulations are as follows:

1. None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by SEBI;

2. None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;

3. None of our Company, our Promoters or Directors or members of our Promoter Group is a Wilful Defaulter or Fraudulent Borrower;

4. None of our Promoters or Directors have been declared a Fugitive Economic Offender in accordance with the Fugitive Economic Offenders Act, 2018;

5. There are no outstanding convertible securities (including warrants, options or rights to convert debentures, loans or other instruments) of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

6. The Equity Shares of our Company held by our Promoters, members of Promoter Group, Directors, Key Managerial Personnel, Senior Management, and the Selling Shareholder, as applicable, are in dematerialized form; and

7. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of the Draft Red Herring Prospectus.

Each of the Selling Shareholders, severally and not jointly, confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING, KEYNOTE FINANCIAL SERVICES LIMITED ("BRLM"), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE RESPECTIVE SELLING SHAREHOLDER WILL BE RESPONSIBLE SEVERALLY AND NOT JOINTLY, ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE

THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 23, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, the Selling Shareholder, our Directors and BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website at www.kpmgroupindia.com or the respective websites of any affiliate of our Company would be doing so at his or her own risk. The Selling Shareholder accepts no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholder in this Draft Red Herring Prospectus in relation to himself as the Selling Shareholder and the Offered Shares.

All information, to the extent in relation to the Offer, shall be made available by our Company and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement.

None among our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and its respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Selling Shareholders, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Chandigarh, India only.

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, Systemically Important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Eligibility and transfer restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum or such other rate as may be prescribed by the SEBI from time to time, for the delayed period, subject to applicable law.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to our Company, Bankers to our Company, the BRLM, the Statutory Auditors of our Company, Registrar to the Offer, to act in their respective capacities, have been obtained; and consents in writing of the Syndicate Members, Escrow Collection Bank(s)/ Refund Bank(s)/ Public Offer Account/ Sponsor Bank(s) and Monitoring Agency to act in their respective capacities, will be obtained as required under the Companies Act. All such consents have not been withdrawn until the date of this Draft Red Herring Prospectus.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

(a) Our Company has received written consent dated September 23, 2026 from SCV & Co. LLP, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) examination report, dated September 12, 2026 on our Restated Financial Information; (ii) the statement of possible special tax benefits available to our Company and our Shareholders dated September 23, 2026 included in this Draft Red Herring Prospectus. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(b) Our Company has received written consent dated September 22, 2026 from the Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer, in relation to the certificates dated

September 22, 2026, certifying, *inter alia*, the details of the installed and production capacity of our Manufacturing Facilities and in relation to the proposed capital expenditure being undertaken by the Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(c) Our Company has received written consent dated September 22, 2026 from Shobha Ambure & Associates, the practicing company secretary, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a practicing company secretary, in relation to the certificate dated September 22, 2026, certifying, *inter alia*, the details of the share capital built up of our Company and our Promoters. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(d) Our Company has received written consent dated September 22, 2026 from L&C Techfin Advisory Private Limited, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a detailed project report provider, in relation to their detailed project report dated September 23, 2026 issued in relation to the proposed capital expenditure being undertaken by our Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Particulars regarding public or rights issues during the last five years

As on date of the Draft Red Herring Prospectus, our Company does not have any listed subsidiary or group company or associate entity.

There have been no public issues, including any rights issues (as defined under the SEBI ICDR Regulations) undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years.

Particulars regarding capital issues by our Company and listed group company during the last three years

Our Company have not made any public/ rights/ composite issues during the three years preceding the date of this Draft Red Herring Prospectus.

Other than as disclosed in the section titled "***Capital Structure***" beginning on page 101, our Company has not undertaken any capital issuances in the three years immediately preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed group company.

Performance vis-à-vis objects – public/ rights issue of our Company

Our Company has not undertaken any public issue or rights issue (as defined under the SEBI ICDR Regulations) in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – public/ rights issue of the listed subsidiary

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary.

Price information of past issues handled by the BRLM

I. Keynote Financial Services Limited

1. Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by Keynote Financial Services Limited:

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Amir Chand Jagdish Kumar (Exports) Limited	4,400	212.00	April 2, 2026	195.00	-23.53%	-15.98%	-
2.	CSM Technologies Limited	1,458	113.00	July 2, 2026	113.00	-2.75%	-	-

Source: www.nseindia.com and www.bseindia.com

Notes:

1. *Benchmark index basis designated stock exchange.*
2. *% of change in closing price on 30th/ 90th/ 180th calendar day from listing day is calculated vs. issue price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th/ 90th/ 180th calendar day from listing day.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on designated stock exchange of a trading day immediately prior to the 30th/ 90th/ 180th day, is considered.*
4. *Restricted to last 10 issues.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Keynote Financial Services Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2026-27	2	5,858	-	-	2	-	-	-	-	-	1	-	-	-
2025-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*
3. *Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*
4. *Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the designated stock exchange.*

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, see the websites of the BRLM, as provided in the table below:

Name of the BRLM	Website
Keynote Financial Services Limited	www.keynoteindia.net

Stock Market Data of Equity Shares

This being the initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Redressal and disposal of investor grievances by our Company

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares, subject to agreement with our Company for storage of such records for longer period, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

As per the SEBI ICDR Master Circular, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/ unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Banks to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In terms of SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/ withdrawn/ deleted applications	₹100.00 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/ withdrawal/ deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100.00 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100.00 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100.00 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹ 100.00 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock. Further, in accordance with circulars prescribed by SEBI, from time to time, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In terms of the SEBI ICDR Master Circular, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Lead Manager pursuant to the SEBI ICDR Master Circular, see "***General Information – Book Running Lead Manager***" on page 94.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Manager and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations. Bidders can contact our Compliance Officer and Company Secretary or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Disposal of investor grievances by our Company

Our Company shall obtain authentication on the SCORES platform and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 read with the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, SEBI circular (SEBI/HO/OIAE/IGRD/P/CIR/2022/0150) dated November 7, 2022 the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/156) dated September 20, 2023 and the SEBI circular

(SEBI/HO/OIAE/IGRD/CIR/P/2023/183) dated December 1, 2023 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be three Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has not received any investor grievances complaints (in terms of the individual complaint communications) under the SEBI ICDR Regulations in the three years preceding the date of this Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Prospectus.

Our Company has appointed Kangan Dhamija, as the compliance officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For further details, please see "***General Information – Compliance Officer and Company Secretary of our Company***" beginning on page 93.

Our Company has constituted Stakeholder Relationship Committee, which is, *inter alia*, responsible for redressal of grievances of the security holders of our Company. For further details, please see "***Our Management – Committees of our Board – Stakeholders Relationship Committee***" on page 356.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought any exemption from SEBI from complying with any provisions of securities laws from SEBI, in respect of the Offer as on the date of this Draft Red Herring Prospectus.

SECTION VIII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Draft Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer is a Fresh Issue by the Company and an Offer for Sale by the Selling Shareholders. The expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in the section titled "***Objects of the Offer***", beginning on page 133.

Ranking of Equity Shares

The Equity Shares being offered/ Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the sections titled "***Dividend Policy***" and "***Description of Equity Shares and Main Provisions of Articles of Association***" beginning on pages 367 and 519, respectively.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the GoI in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, please refer to the sections titled "***Dividend Policy***" and "***Description of Equity Shares and Main Provisions of Articles of Association***" beginning on pages 367 and 519, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 5 each and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLM, and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association of our Company and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/ sub-division, please see "***Description of Equity Shares and Main Provisions of Articles of Association***" beginning on page 519.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations the Equity Shares shall be Allotted only in dematerialised form. The Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective depositories and the Registrar to the Offer:

- Tripartite agreement dated August 17, 2026 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated August 24, 2026 amongst our Company, CDSL and Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares to QIBs and RIIs. The Allotment to Non-Institutional Investors shall not be less than the minimum Non-Institutional application size. For the method of Basis of Allotment, please see "***Offer Procedure***" beginning on page 495.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/ authorities in Chandigarh, India.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of the other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

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

Bid/ Offer programme

BID/ OFFER OPENS ON	[●](1)
BID/ OFFER CLOSES ON	[●](2) (3)

(1)Our Company, in consultation with the BRLM, may, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date i.e one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.
(2)Our Company, in consultation with the BRLM, may, consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
(3)UPI mandate end time and date shall be 5:00 p.m. on the Bid/ Offer Closing Date, i.e., on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]

Event	Indicative Date
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, as partially modified by the SEBI T+3 Circular and SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI ICDR Master Circular and any subsequent circulars or notifications issued by SEBI in this regard.*

The above timetable, other than the Bid/ Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLM.

Whilst our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/ Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company, in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable law.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking, in the manner specified in the UPI Circulars, to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated herein. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The SEBI is in the process of streamlining and reducing the post issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time from the Bid/ Offer Closing Date as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.5 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST

Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹ 0.5 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ revision/ cancellation of Bids*	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST

* *UPI mandate end time and date shall be at 5:00 p.m. on the Bid/ Offer Closing Date.*
# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and

(ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIIs, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis as per the format prescribed in SEBI ICDR Master Circular.

It is clarified that Bids shall be processed only after the application monies are blocked in the application supported by blocked amount ("**ASBA**") Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/ batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case maybe, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations, provided that the revised Cap Price shall be less than or equal to 120% of the revised Floor Price, the Floor Price shall not be less than the face value of the Equity Shares, and that the revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

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

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue on the Bid/ Offer Closing Date, and (ii) a minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of Bids or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the master circular no. SEBI/HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026. If there is a delay beyond four days, our Company, the Selling Shareholders, to the extent applicable, and every Director of our Company who is an officer in default, shall pay interest at the rate of 15% or such other interest rate as prescribed under the SEBI ICDR Regulations and other applicable law. It is clarified the Selling Shareholder shall be liable to refund money raised in the Offer together with any interest for delays in making refunds as per applicable law, only to the extent of his portion of Offered Shares. Notwithstanding the foregoing, no liability to make any payment of interest shall accrue on the Selling Shareholder and such interest shall be borne by our Company unless any delay of the payments to be made hereunder, or any delay in obtaining listing and/or trading approvals or any approvals in relation to the Offer is solely and directly attributable to an act or omission of the Selling Shareholder.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment of Equity Shares will be made in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the Equity Shares offered by the Selling Shareholders on a pro-rata basis, and thereafter, towards the balance 10% of the Fresh Issue.

Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Undersubscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

The Selling Shareholders shall reimburse any expenses and interest incurred by our Company on behalf of them, in the proportion of their Offer Shares, for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders.

Arrangements for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, lock-in of the Promoter's minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in the section titled "***Capital Structure***" beginning on page 101 and except as provided under the Articles of Association, there are no restrictions on transfer or transmission of the Equity Shares. For further details, please see "***Description of Equity Shares and Main Provisions of Articles of Association***" beginning on page 519.

Allotment only in dematerialized form

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Offer shall be Allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

Withdrawal of the Offer

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer, in whole or in part thereof, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders shall notify the Escrow Collection Banks to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company and the Selling Shareholders, in consultation with the BRLM withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh offer document with SEBI and Stock Exchanges. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and (ii) filing of the Prospectus with the RoC. If our Company, in consultation with the BRLM, withdraws the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares bearing face value of ₹ 5 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ [●] million comprising a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹ 3,000.00 million and an Offer for Sale of up to 3,050,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety).

The Offer shall constitute [●]%, of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process in compliance with [Regulation 6(1)], Regulation 31 and Regulation 32(1) of the SEBI ICDR Regulations.

Particulars	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation (2)	Not more than [●] Equity Shares of ₹ 5 each	Not less than [●] Equity Shares of ₹ 5 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than [●] Equity Shares of ₹ 5 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Offer or Offer less allocation to QIBs and RIIs, subject to the follow. Further, (a) one third of such portion available to Non-Institutional Investors shall be reserved for Applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion available to Non-Institutional Investors shall be reserved for Applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to Applicants in the other sub-category of Non-Institutional Investors.	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares of ₹ 5 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares of ₹ 5 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	The Equity Shares of ₹ 5 each available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional Investors being [●] Equity Shares of ₹ 5 each are reserved for Bidders Biddings more than ₹ 0.20 million and up to ₹ 1.00 million; and b) two third of the portion available to Non-Institutional Investors being [●] Equity Shares of ₹ 5 each are reserved for Bidders Bidding more than ₹ 1.00 million.	The allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares of ₹ 5 each in the Retail Portion and the remaining available Equity Shares of ₹ 5 each, if any, shall be allotted on a proportionate basis. For further details, please see "***Offer Procedure***" on page 495.

Particulars	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	Up to 60% of the QIB Portion (of up to [●] Equity Shares of ₹ 5 each) may be allocated on a discretionary basis to Anchor Investors of which 40% shall be reserved in the manner that 33.33% shall be reserved for domestic Mutual Funds and 6.67% shall be reserved for Life Insurance Companies and Pension Funds, any under-subscription in the portion reserved for Life Insurance Companies and Pension Funds may be allocated to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. [1]	The unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub- category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For further details, please see "***Offer Procedure***" on page 495.	
Minimum Bid	Such number of Equity Shares of ₹ 5 each so that the Bid Amount exceeds ₹ 0.20 million and in multiples of [●] Equity Shares of ₹ 5 each	Such number of Equity Shares of ₹ 5 each so that the Bid Amount exceeds ₹ 0.20 million and in multiples of [●] Equity Shares of ₹ 5 each	[●] Equity Shares of ₹ 5 each and in multiples of [●] Equity Shares of ₹ 5 each
Maximum Bid	Such number of Equity Shares of ₹ 5 each in multiples of [●] Equity Shares of ₹ 5 each so that the Bid does not exceed the size of the Offer (excluding the Anchor Portion), subject to applicable limits	Such number of Equity Shares of ₹ 5 each in multiples of [●] Equity Shares of ₹ 5 each so that the Bid does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares of ₹ 5 each in multiples of [●] Equity Shares of ₹ 5 each so that the Bid Amount does not exceed ₹ 0.20 million
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares of ₹ 5 each and in multiples of [●] Equity Shares of ₹ 5 each thereafter		
Allotment Lot	[●] Equity Shares of ₹ 5 each and thereafter in multiples of one Equity Share of ₹ 5 each thereafter for QIBs, RIIs. For NIBs allotment shall not be less than the Minimum NII Application Size.		
Trading Lot	One Equity Share of ₹ 5 each		
Who can apply[3][4][5]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of karta)

Particulars	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million).	Only through the ASBA process (including the UPI Mechanism).
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

(1) *Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, subject to there being (i) minimum of 2 and maximum of 15 such investors shall be permitted for allocation up to ₹ 250.00 million, subject to minimum allotment of ₹ 50.00 million per such investor; (ii) in case of allocation above ₹ 250.00 million, a minimum of 5 such investors and a maximum of 15 such investors for allocation up to ₹ 250.00 million and an additional 15 such investors for every additional ₹ 250.00 million or part thereof, shall be permitted, subject to a minimum allotment of ₹ 50.00 million per such investor. 40% of the anchor investor portion, within the limit of 60% of QIB category shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. The Anchor Investor Allocation Price, which price shall be determined by our Company in consultation with the BRLM. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "**Offer Procedure**" on page 495.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors, of which (a) one-third portion shall be reserved for Applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two-thirds portion shall be reserved for Applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

(4) *Full Bid Amount was paid by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor on Anchor Investor Pay-In Date as indicated in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.*

(5) *Bids by FPIs with certain structures as described under "**Offer Procedure – Bids by FPIs**" on page 502 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allocated and to be Allotted to such successful Bidders (with same PAN) were proportionately distributed.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Members of the Syndicate, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "***Terms of the Offer***" on page 485.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer, (ii) maximum and minimum Bid size, (iii) price discovery and allocation, (iv) payment instructions for ASBA Bidders, (v) issuance of Confirmation of Allocation Note and Allotment in the Offer, (vi)general instructions (limited to instructions for completing the Bid cum Application Form), (vii) Designated Date, (viii) disposal of applications and electronic registration of bids, (ix) submission of Bid cum Application Form, (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds), (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications, (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) ("**AV Circular**") has introduced the disclosure of audiovisual presentation of disclosures made in Offer Documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/ online websites/ social media platforms/micro-blogging platforms by finfluencers.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner.*

*The final reduced timeline using T + 3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 ("**T+3 Circular**"). Accordingly, the Offer will be undertaken as per the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

The SEBI ICDR Master Circular has consolidated and rescinded the aforementioned circular, to the extent they related to the SEBI ICDR Regulations. The SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus. The SEBI RTA Master Circular has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular and the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular and the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus. The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Further our Company, each of the Selling Shareholders and the Syndicate Members are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process and is in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(2) of the SEBI ICDR Regulations, not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, in accordance with the SEBI ICDR Regulations, of which (i) 33.33% shall be reserved for domestic Mutual Funds and 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price and any under-subscription in (ii) above may be allocated to domestic mutual funds. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors out of which (a) one third of such portion shall be reserved for Applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion shall be reserved for Applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Undersubscription, if any, in any category, except in the Net QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and in consultation with the BRLM and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the Net QIB Category, will not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

All potential ASBA Bidders are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 until November 30, 2023 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken as per the processes and procedures under UPI Phase III, as notified in the T+3 Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in compliance in a format as prescribed by SEBI, from time to time, including in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 milion, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. The electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All ASBA Bidders shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism. UPI Bidders bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts or the UPI ID, as applicable in the relevant space provided in the ASBA Form in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to the SEBI ICDR Master Circular.

QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Retail Individual Investors authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis(1)	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion) FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors(2)	[●]

* *Excluding electronic Bid cum Application Form*

(1) *Electronic Bid cum Application Forms and the Abridged Prospectus will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

(2) *Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹ 0.50 million and NII & QIB bids above ₹ 0.20 million, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/ Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate

Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portals for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/ unblocks, performance of apps and UPI handles, down-time/ network latency (if any) across intermediaries and any such processes having an impact/ bearing on the Offer Bidding process.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given until 5:00 pm on the Bid/ Offer Closing Date to modify select fields uploaded in the stock exchange platform during the Bid/ Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their bids.

Participation by the Promoters, the members of the Promoter Group, the BRLM, the Syndicate Members and persons related to Promoters/ the members of the Promoter Group/ the BRLM

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLM;

(ii) insurance companies promoted by entities which are associate of the BRLM;

(iii) AIFs sponsored by the entities which are associate of the BRLM;

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM; or

(v) pension funds sponsored by entities which are associate of the BRLM.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, among the Anchor Investor and the BRLM.

Further, except for the sale of Equity Shares by the Selling Shareholders, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by HUFs, should be made in the individual name of the Karta. The Bidder/ Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/ Application Form as follows: "*Name of sole or First Bidder/ Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta*". Bids/ Applications by HUFs will be considered at par with Bids/ Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

Also see "***Restrictions on Foreign Ownership of Indian Securities***" on page 517.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap is 100% and accordingly, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments(as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying asset) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of is subject to, inter alia, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (the "**Operational FPI Guidelines**"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("**MIM Bids**"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "**MIM Structure**"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/ sub fund level where a collective investment scheme or fund has multiple investment strategies/ sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus."

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, each of the Selling Shareholders, severally and not jointly, or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/ investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, shall not exceed more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate equity investment made by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company paid up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, a certified copies of the (i) certificate of registration issued by RBI, (ii) last audited financial statements on a standalone basis (iii) a net worth certificate from its statutory auditor(s), and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time**.**

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, Systemically Important NBFCs, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below:

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(iii) 33.33% of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds and 6.67% of the Anchor Investor Portion shall be reserved for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of an under-subscription in the portion reserved for life insurance companies and pension funds, the allocation shall be made to domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of undersubscription in the portion reserved for life insurance companies and pension funds, the remaining portion can be allocated to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and will be completed on the same day.

(v) Our Company may finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

(a) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and

(b) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 15 Anchor Investors for every additional ₹2,500 million or part thereof shall be permitted, subject to minimum Allotment of ₹50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(ix) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

(x) Neither (a) BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLM) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply in the Offer under the Anchor Investor Portion.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, severally and not jointly, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can

be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

For more information, please read the General Information Document.

Certain Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/ she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLM are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. UPI Bidders can revise their Bid(s) during the Bid/ Offer Period and withdraw or lower the size of their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Offer Period.

Do's:

A. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

B. All ASBA Bidders should submit their Bids through the ASBA process only;

C. Ensure that you have Bid within the Price Band;

D. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

E. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

F. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. ASBA Bidders shall submit the Bid cum Application Form in the manner set out in the General Information Document;

G. UPI Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

H. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

I. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

J. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;

K. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

L. Ensure that the name(s) given in the Bid cum Application Form is/ are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

M. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgement specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

N. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgement Slip;

O. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

P. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

Q. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

R. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

S. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;

T. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

U. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;

V. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

W. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

X. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process;

Y. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

Z. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

AA. Ensure that when applying in the Offer using the UPI Mechanism and mobile application, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

BB. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

CC. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;

DD. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

EE. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

FF. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/ her/ its UPI PIN. Upon the authorisation of the mandate using his/ her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorises the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid cum Application Form;

GG. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;

HH. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹ 0.20 million would be considered under the Retail

Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 0.20 million would be considered under the Non-Institutional Portion for allocation in the Offer;

II. Ensure that you have correctly signed the authorisation/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

JJ. Ensure that the Demographic Details are updated, true and correct in all respects; and

KK. Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021 and September 17, 2021, CBDT circular number 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

A. Do not Bid for lower than the minimum Bid size;

B. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

C. Do not Bid/ revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;

D. Do not Bid for a Bid Amount exceeding ₹ 0.20 million for Bids by Retail Individual Investors);

E. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

F. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;

G. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

H. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

I. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

J. Do not submit the Bid for an amount more than funds available in your ASBA account;

K. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

L. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/ Offer Closing Date for QIBs (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);

M. Do not Bid for Equity Shares in excess of what is specified for each category;

N. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;

O. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

P. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

Q. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

R. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

S. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of the Red Herring Prospectus;

T. Do not submit the General Index Register ("**GIR**") number instead of the PAN;

U. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

V. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

W. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RII and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

X. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

Y. Anchor Investors should not Bid through the ASBA process;

Z. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

AA. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

BB. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

CC. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIIs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

DD. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

EE. In case of ASBA Bidders (other than 3-in-1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 0.50 million;

FF. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and

GG. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/ demat credit/ refund orders/ unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information***" on page 93.

For helpline details of the BRLM pursuant to SEBI Master Circular, see "***General Information***" on page 93.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or Sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22/2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIIs Bidding in the Retail Portion with Bid Amount of a value of more than ₹ 0.20 million;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Investors uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIIs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular dated March 16, 2021 read with SEBI circular dated June 21, 2023 and SEBI circulars dated June 2, 2021 and April 20, 2022 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The allotment of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/ Applicants. Bidders/ Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

In accordance with RBI regulations, Overseas Corporate Body ("**OCB**") cannot participate in the Offer.

Allotment advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the Book Running Lead Manager and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading of the Equity Shares on the Stock Exchanges, disclosing the date of commencement of trading of the Equity Shares on the Stock Exchanges in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab where our Registered and Corporate Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "***Terms of the Offer***" on page 485.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by ASBA Bidders and Anchor Investor Application Form from Anchor Investors;

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(iii) all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within the time period of the Bid/ Offer Closing Date, as may be prescribed by the SEBI or under any applicable law;

(iv) if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/ unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(v) the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vii) Except for Equity Shares allotted pursuant to the Offer, no further issue of the Equity Shares, whether by way of a bonus issue, preferential allotment, rights issue or in any other manner shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/ refunded on account of non-listing, under-subscription, etc, other than as disclosed in accordance with Regulation 56;

(viii) Promoters' contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

(ix) Our Company shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;

(x) that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly; and

(xi) if our Company, in consultation with the BRLM, withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, in respect of himself as a Selling Shareholder and his portion of the Equity Shares offered in the Offer, specifically undertakes and/ or confirms the following:

(i) it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement to be executed between the Company, the Selling Shareholders and the share escrow agent of the Offer;

(ii) they are the legal and beneficial owners of the Equity Shares offered by him in the Offer for Sale;

(iii) the Offered Shares are free and clear of any encumbrances and shall be transferred to the successful Bidders in the Offer;

(iv) the portion of the Offered Shares offered for sale by the Selling Shareholders are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations; and

(v) they shall not have any recourse to the proceeds of the Offer for Sale, which shall be held in escrow in their favour, until final listing and trading approvals have been received from the Stock Exchanges where listing is sought have been received.

Utilisation of Offer Proceeds

Our Company declares that:

(i) all monies received out of the Fresh Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (FDI) through press notes and press releases and clarifications among other amendments.

The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 ("**Consolidated FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

As per the Consolidated FDI Policy, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route subject to adherence to sectoral conditions and reporting requirements.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure – Bids by FPIs***" on page 502.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non- debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 which came into effect on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, please see "***Offer Procedure***" beginning on page 495. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/ Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure – Bids by FPIs***" on page 502.

The above information is given for the benefit of the Bidders. Our Company, our Promoters, our Directors, the Selling Shareholders and the BRLM are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations.

SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. Our Company hereby confirms that the Articles of Association of our Company does not confer any special rights to promoters/ shareholders. Further, except for the following, there is no material clause of Article of Association which have been left out from disclosure having a bearing on the Offer.

I. DEFINITIONS AND INTERPRETATION

1. In these Articles:

(i) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date on which the Articles become binding on the Company. In these Articles:

"**Act**" shall mean Companies Act, 2013 and any amendments, re-enactments or other statutory modifications thereof for the time being in force, including all rules, regulations, notifications and circulars made thereunder, to the extent notified and in force, including certain provisions of the Companies Act, 1956 as and where specified.

"**Alternate Director**" shall have the meaning assigned to it in Article 165 of these Articles.

"**Annual General Meeting**" shall mean the annual General Meeting held in accordance with Section 96 of the Act.

"**Articles of Association**" or "**Articles**" shall mean the articles of association of the Company as originally framed or amended from time to time in accordance with the Act.

"**Auditors**" shall mean and include those persons appointed as such for the time being by the Company.

"**Beneficial Owner(s)**" shall mean the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended.

"**Board**" or "**Board of Directors**" shall mean the board of directors of the Company as constituted from time to time in accordance with the applicable Law and the terms of these Articles.

"**Board Meeting**" shall mean a meeting of the Directors duly called, constituted and held or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles and the Act.

"Committee" means committee of Board constituted in accordance with the Act;

"**Company**" shall mean [Koolking Industries India Limited], a company incorporated under the Companies Act, 1956.

"**Chairman**" or "**Chairperson**" shall mean the chairperson of the Board of Directors for the time being of the Company or the person elected or appointed to preside over the Board and/ or General Meetings of the Company.

"**Debenture**" includes debenture stock, bonds or any other instrument evidencing a debt, whether constituting a charge on the assets of the Company, or not.

"**Depositories Act**" shall mean the Depositories Act, 1996, as amended or any statutory modification or re- enactment thereof, including all the rules, notifications, circulars issued thereof and for the time being in force.

"**Depository**" shall mean a depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act and includes a company formed and registered under the Act, which has been granted a Certificate of Registration under sub section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992, as amended.

"**Director**" shall mean a director of the Board appointed from time to time in accordance with the terms of these Articles and the provisions of the Act.

"**Dividend**" shall mean the dividend including the interim dividend and special dividend, as defined under the Act.

"**Employee Stock Option Plan**" means the employee stock option plan as formulated and unanimously approved by the Board of Directors and shareholders of the Company, applicable *inter alia* to the employees, the Directors of the Company and its subsidiary companies;

"**Equity Shares**" shall mean the issued, subscribed and fully paid-up equity shares of the Company having the face value as set out in the Memorandum.

"**Equity Share Capital**" shall mean in relation to the Company, its equity share capital within the meaning of Section 43 of the Act, as amended from time to time.

"**Extra Ordinary General Meeting**" shall mean an extra ordinary general meeting of the Members duly called and constituted in terms of these Articles and the Act, and any adjournments thereof.

"**General Meeting(s)**" shall mean any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary General Meeting.

"**Independent Director(s)**" shall have the meaning assigned to the said term under the Act and the applicable Law.

"**INR**" or "**Rs.**" shall mean the Indian Rupee, the currency and legal tender of the Republic of India.

"**Key Managerial Personnel**", in relation to a company, shall mean –

(i) the chief executive officer or the managing director or the manager;
(ii) the company secretary;
(iii) the whole-time director;
(iv) the chief financial officer;
(v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
(vi) such other officer as may be prescribed under the Act.

"**Law**" includes all Indian statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, determinations, directives, writs, decrees, injunctions, judgments, rulings, awards, clarifications and other delegated legislations and orders of any governmental authority, statutory authority, tribunal, board, court, stock exchange or other judicial or quasi-judicial adjudicating authority and, if applicable, foreign law, international treaties, protocols and regulations.

"**Listing Regulations**" mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

"**Managing Director**" means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.

"**Member(s)**" means a member of the Company within the meaning of clause 55 of Section 2 of the Act, as amended from time to time.

“**Memorandum**” or “**Memorandum of Association**” means the memorandum of association of the Company, as may be altered from time to time.

“**Ordinary Resolution**” shall have the meaning assigned to it in Section 114 of the Act.

“**Original Director**” shall have the meaning assigned to it in Article 165 of these Articles.

“**Paid up Share Capital**” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of Shares issued by the Company and also includes any amount credited as paid-up in respect of Shares of the Company but does not include any other amount received in respect of such Shares, by whatever name called.

“**Person**” means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law.

“**Preference Share Capital**” means in relation to the Company, its preference Share capital within the meaning of Section 43 of the Act, as amended from time to time.

“**Proxy**” means an instrument whereby any person is authorized to vote for a member at a General Meeting on a poll and shall include an attorney duly constituted under a power-of-attorney.

“**Register of Members**” means the register of members to be maintained pursuant to the provisions of Section 88 of the Act and the register of Beneficial Owners pursuant to Section 11 of the Depositories Act, in case of Shares held in a Depository.

“**Registrar**” or “**RoC**” or “**Registrar of Companies**” means Registrar of Companies, Punjab and Chandigarh at Chandigarh.

“**Seal**” means the common seal of the Company.

“**SEBI**” means Securities and Exchange Board of India.

“**Secretary**” or “**Company Secretary**” means company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, as amended, who is appointed by the Company to perform the functions of a company secretary under the Act and these Articles.

“**Securities**” means and includes equity Shares, scrips, stocks, bonds, Debentures or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for equity Shares, and any other marketable securities as may be defined and specified under Securities Contract Regulation Act, 1956, as amended.

“**Shares**” means a share in the share capital of the Company and includes stock.

“**Share Capital**” means the Equity Share Capital and Preference Share Capital of any face value together with all rights, differential rights, obligations, title, interest and claim in such Shares and includes all subsequent issue of such Shares of whatever face value or description, bonus Shares, conversion Shares and Shares issued pursuant to a stock split or the exercise of any option or other convertible security of the Company.

“**Shareholder**” shall mean a Member of the Company.

“**Special Resolution**” shall have the meaning assigned to it in Section 114 of the Act.

“Tribunal” means National Company Law Tribunal and National Company Law Appellate Tribunal

(i) The terms “*writing*” or “*written*” include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form.

(ii) The headings hereto shall not affect the construction hereof.

(iii) Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.

(iv) Any reference to words importing the masculine gender shall also include the feminine and neuter gender and *vice versa*.

(v) Any reference to words importing the singular, shall include, where context admits or requires, the plural and *vice versa*.

(vi) Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

(vii) The *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, include and including will be read without limitation.

(viii) Any reference to a decision of the Board and/ or any committee of the Board shall, in the absence of an express statement to the contrary, refer to a simple majority decision of the Board and/ or the relevant committee of the Board or of the Shareholders.

(ix) Any reference to the Equity Shares or any class of Preference Shares held by the shareholders or persons holding a right to subscribe to Equity Shares, shall include the Equity Shares or such class of Preference Shares issued and allotted in relation to such Equity Shares or Preference Shares pursuant to any stock split, bonus issuance or consolidation undertaken by the Company.

II. PUBLIC COMPANY

2. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly the provisions applicable to a public company under the Act and the rules made thereunder shall apply to the Company.

III. SHARE CAPITAL AND VARIATION OF RIGHTS

3. The authorized Share Capital of the Company shall be as set out in clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the Shares in the Share Capital for the time being into Equity Share Capital and Preference Share Capital, and to attach thereto respectively any preferential, convertible, deferred, qualified or other special rights, privileges or conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or, in accordance with the provisions of the Act and these Articles. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

4. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Board, who may issue, allot or otherwise dispose of the Shares or any of them to such persons or employees (under Employee Stock Option Plan passed by Special Resolution), in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with Sections 52 and 53 and other provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid-up or partly paid up Shares and if so issued, shall be deemed to be fully paid-up Shares. *Provided that*, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting. As regards all allotments, from time to time made, the Board shall duly comply with Sections 23 and 39 of the Act, as the case may be.

5. The Company be and is hereby empowered to issue Shares under the Employee Stock Option Plan subject to the provisions Section 62 of the Act and rules issued thereunder, guidelines and regulations issued by SEBI and other laws as applicable.

6. The Company be and is hereby empowered to issue sweat equity shares subject to the provisions Section 54 of the Act and rules issued thereunder, guidelines and regulations issued by SEBI and other laws as applicable.

IV. ALTERATION OF CAPITAL

7. Subject to these Articles and the provisions of the Act, the Company may, from time to time, by Ordinary Resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.

8. Subject to the provisions of the Act, the Company may from time to time by Ordinary Resolution, undertake any of the following:

   (i) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares, provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act;

   (ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

   (iii) sub-divide its Shares, or any of them, into Shares of smaller amount, such that the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; or

   (iv) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person, and diminish the amount of its Share Capital by the amount of Shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act.

9. Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Shares with or without differential rights upon such terms and conditions and with such rights and privileges (including with regard to voting rights and dividend) as may be permitted by the Act or the applicable Law or guidelines issued by the statutory authorities and/ or listing requirements and that the provisions of these Articles.

10. Subject to the provisions of the Act, any preference Shares of one or more classes may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed or converted on such terms and in such manner as the Company before the issue of the Shares may, by Special Resolution determine.

11. The period of redemption of such Preference Shares shall not exceed the maximum period for redemption provided under the Act.

12. Where at any time, it is proposed to increase its subscribed Share Capital by the issuance/ allotment of further Shares either out of the unissued Share Capital or increased Share Capital then, such further Shares may be offered to:

   (i) Persons who, at the date of offer, are holders of equity Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (a) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to him or any of them in favour of any other Person and the notice referred to in (a) shall contain a statement of this right, *provided that* the Board may decline, without assigning any reason therefore, to allot any Shares to any Person in whose favour any Member may renounce the Shares offered to him; and (c) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he/she declines to accept the Shares offered, the

Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

Nothing in sub-Article (i)(b) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any Person to exercise the right of renunciation for a second time on the ground that the Person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation. The notice referred to in sub-Article (i)(a) above shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders at least three days before the opening of the offer.

(ii) employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(iii) any Persons, if authorized by a Special Resolution, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, subject to the compliance with applicable Laws.

13. Nothing in Article 12 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company or to subscribe for Shares in the Company; *provided that* the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution adopted by the Company in a General Meeting.

14. Where any Debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the government to be reasonable in the circumstances of the case even if terms of the issue of such Debentures or the raising of such loans do not include a term for providing for an option for such conversion

15. Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the government pass such order as it deems fit.

16. A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

17. Save as otherwise provided in the Articles, the Company shall be entitled to treat the registered holder of the Shares in records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction, or as by Law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other Person.

18. Any Debentures, debenture stock or other Securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise.

19. The Company shall, subject to the applicable provisions of the Act, compliance with all the Laws, consent of the Board, and consent of its Shareholders' by way of Special Resolution, have the power to issue American Depository Receipts or Global Depository Receipts on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of american depository receipts or global depository receipts, including without limitation, exercise of voting rights in accordance with the directions of the Board.

20. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied accordingly. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply.

21. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

22. Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

23. Where the Company issues Shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those Shares shall be transferred to a "**securities premium account**" and the provisions of the Act, relating to reduction of Share capital of the Company shall, except as provided in this Article, apply as if the securities premium account were the paid-up capital of the Company.

24. Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act, the Company shall have the power to buy-back its own Shares or other Securities, as it may consider necessary.

25. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable Laws.

26. Subject to the provisions of the Act, the Company may, from time to time, by Special Resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:

(i) the Share Capital;

(ii) any capital redemption reserve account; or

(iii) any securities premium account.

V. CAPITALISATION OF PROFITS

27. The Company in General Meeting may, upon the recommendation of the Board, resolve –

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in Article 28 below amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

28. The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in Article 29 below, either in or towards:

(i) paying of any amounts for the time being unpaid on any Shares held by such Members respectively; or

(ii) paying up in full, un-issued Shares of the Company to be allotted and distributed, credited as fully paid, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in Article 28(i) and partly in that specified in Article 28(ii);

(iv) a securities premium account and a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of un-issued Shares to be issued to members of the Company as fully paid bonus Shares.

(v) the Board shall give effect to the resolution passed by the Company in pursuance of this Article.

29. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and

(ii) generally, do all acts and things required to give effect thereto.

30. The Board shall have power to:

(i) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or Debentures becoming distributable in fractions; and

(ii) authorise any Person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.

(iii) any agreement made under such authority shall be effective and binding on such Members.

VI. COMMISSION AND BROKERAGE

31. The Company may exercise the powers of paying commissions conferred by Section 40(6) of the Act (as amended from time to time), *provided that* the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

32. The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules.

33. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

34. The Company may also, on any issue of Shares or Debentures, pay such brokerage as may be lawful.

VII. LIEN

35. The Company shall have a first and paramount lien upon all the Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures *provided that* no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures. Fully paid-up Shares shall be free from all liens. Unless otherwise agreed, the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/ Debentures. In case of partly paid Shares, Company's lien shall be restricted to the monies called or payable at a fixed time in respect of such Shares. *Provided that* the Board may at any time declare any Shares/ Debentures wholly or in part to be exempt from the provisions of this Article.

36. Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien. *Provided that* no sale shall be made –

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his/ her death or insolvency.

37. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.

38. (i) To give effect to any such sale, the Board may authorise some Person to transfer the Shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his/her title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the existing certificate(s) in respect of the Shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate(s) in lieu thereof to the purchaser or purchasers concerned.

39. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by Law) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the Person entitled to the Shares at the date of the sale.

VIII. CALLS ON SHARES

40. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call. The power to call on Shares shall not be delegated to any other person except with the approval of the Shareholders' in a General Meeting.

41. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his/her Shares.

42. A call may be revoked or postponed at the discretion of the Board.

43. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

44. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

45. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof

to the time of actual payment at 10% (ten percent) per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

46. Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

47. The Board may, if it thinks fit, subject to the provisions of the Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the monies due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at twelve per cent per annum. *Provided that* money paid in advance of calls on any Share may carry interest but shall not confer a right to dividend or to participate in profits. The Board may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to any calls on Debentures or any other securities of the Company. The money (if any) which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any Shares allotted by them, shall immediately on the inscription of the name of allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

IX. DEMATERIALIZATION OF SECURITIES

48. The Company shall be entitled to treat the Person whose name appears on the Register of Members as the holder of any Share or whose name appears as the Beneficial Owner of Shares in the records of the Depository, as the absolute owner thereof. The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of the Act.

Provided however that provisions of the Act or these Articles relating to distinctive numbering shall not apply to the Shares of the Company, which have been dematerialized.

49. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares, Debentures and other Securities pursuant to the Depositories Act and offer its Shares, Debentures and other Securities for subscription in a dematerialized form. The Company shall be further entitled to maintain a Register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.

50. Every Person subscribing to the Shares offered by the Company shall receive such Shares in dematerialized form. Such a Person who is the Beneficial Owner of the Shares can at any time opt-out of a Depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of Shares.

51. If a Person opts to hold his/her Shares with a Depository, the Company shall intimate such Depository the details of allotment of the Shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Shares.

52. All Shares held by a Depository shall be dematerialized and shall be in a fungible form.

(a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the Beneficial Owner.

(b) Save as otherwise provided in (i) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.

53. Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, every Person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the absolute owner of such Shares and shall also be deemed to be a Shareholder of the Company. The Beneficial Owner of the Shares shall be entitled to all the liabilities in respect of his/her Shares which are held by a Depository.

54. Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.

55. In the case of transfer of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

X. TRANSFER OF SECURITIES INCLUDING SHARES

56. Transferability of Securities including Shares

The Securities or other interest of any Member shall be freely transferable, *provided that* any contract or arrangement between 2 (Two) or more Persons in respect of transfer of Securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and shall be executed by or on behalf of both the transferor and transferee and shall be in conformity with all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.

57. Where Shares are converted into stock:

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; *Provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

58. Save as otherwise provided in the Act or any applicable Law, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of Shares, and is no such certificate is in existence, then the letter of allotment of the Shares. Application for the registration of the transfer of a Share may be made either by the transferor or by the transferee *provided that* where such application is made by the transferor, no registration shall, in the case of a partly paid Share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 (two) weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 (seven) days previous notice in accordance with the Act or any other time period as may be

specified by Law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, *provided that* such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty-five) days in the aggregate in any year.

59. Subject to the provisions of the Act, these Articles, the Securities (Contracts) Regulation Act, 1956, as amended, any listing agreement entered into with any recognized stock exchange and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. *Provided that* the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares or other securities.

60. Only fully paid Shares or Debentures shall be transferred to a minor acting through his/ her legal or natural guardian. Under no circumstances, Shares or Debentures be transferred to any insolvent or a person of unsound mind.

61. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

62. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register—

(a) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or

(b) any transfer of Shares on which the Company has a lien.

63. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Act;

(b) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of Shares.

64. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

65. The Company may close the Register of Members or the register of debenture-holders or the register of other security holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time, subject to giving of previous notice of at least 7 (seven days) or such lesser period as may be specified by SEBI.

XI. TRANSMISSION OF SHARES

66. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his/her nominee or nominees or legal representatives where he was a sole holder, shall be the only Person(s) recognised by the Company as having any title to his/her interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons.

67. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

(a) to be registered as holder of the Share; or

(b) to make such transfer of the Share as the deceased or insolvent Member could have made.

68. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his/her death or insolvency.

69. If the Person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

70. If the Person aforesaid shall elect to transfer the Share, he/she shall testify his/her election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.

71. All the limitation as, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

72. A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, *provided that* the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

73. Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable rights, title or interest in the said Shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

XII. FORFEITURE OF SHARES

74. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

75. The notice issued under Article 74 shall:

(i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.

76. If the requirements of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

77. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

78. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

79. A Person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the Person to the Company in respect of the Shares.

80. The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

81. A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Person claiming to be entitled to the Share.

82. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the Share is sold or otherwise disposed of.

83. The transferee shall there upon be registered as the holder of the Share.

84. The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his/her title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

85. The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

86. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any Shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such Shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.

87. When any Share has been forfeited, notice of the forfeiture shall be given to the defaulting Member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

88. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said Shares to the person(s) entitled thereto.

89. The Board may, subject to the provisions of the Act, accept a surrender of any Share from or by any Member desirous of surrendering them on such terms as they think fit.

XIII. SHARES AND SHARE CERTIFICATES

90. The Company shall cause to be kept a Register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or Debenture holders resident in that country.

91. A Person subscribing to Shares of the Company shall have the option either to receive certificates for such Shares or hold the Shares with a Depository in electronic form. Where Person opts to hold any Share with the Depository, the Company shall intimate such Depository of details of allotment of the Shares to enable the Depository to enter in its records the name of such Person as the Beneficial Owner of such Shares.

92. Every person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be or within a period of six months from the date of allotment in the case of any allotment of Debenture or within such other period as the conditions of issue shall be provided –

(a) one certificate for all his/her Shares without payment of any charges; or

(b) several certificates, each for one or more of his/her Shares, upon payment of twenty rupees for each certificate after the first.

93. Every certificate of Shares shall be under the seal of the Company, if any, and shall specify the number and distinctive numbers of Shares to which it relates and amount paid-up thereon and shall be signed by two Directors or by a Director and the Company Secretary. Further, out of the two Directors there shall be at least one director other than managing or whole-time director, where the composition of the Board so permits.

Provided that in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders. The Company may sub-divide or consolidate the share certificates.

94. If any Share stands in the names of 2 (Two) or more Persons, the Person first named in the Register of Members of the Company shall as regards voting at General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares and for all incidents thereof according to these Articles.

95. The Board may subject to the provisions of the Act, accept from any Member on such terms and conditions as they think fit, a surrender of his/her Shares or stock or any part thereof.

96. If any certificate of shares be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued on payment of such fee as it may determine, not exceeding the amount prescribed under the Companies Act, 2013 and the rules made thereunder, and upon such terms as to evidence and indemnity as the Board may deem fit. Every such certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of members against the name of the person, to whom it has been issued, indicating the date of issue. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. *Provided that* no fee shall be charged for issue of new certificates in replacement of those

which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other act or rules applicable in this behalf.
The provisions of this Article shall *mutatis mutandis* apply to issue of certificates for any other Securities, including Debentures, of the Company.

97. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

98. Subject to the provisions of Section 89 of the Act, a Person whose name is entered in the Register of Members of the Company as the holder of the Shares but who does not hold the beneficial interest in such Shares shall file with the Company, a declaration to that effect in the form prescribed under the Act and the Company shall make necessary filings with the Registrar as may be required, within a prescribed period as set out in the Act and the rules framed thereunder.

99. Subject to provisions of Section 90 of the Act, every individual, who acting alone or together, or through one or more persons or trust, including a trust and Persons resident outside India, holds beneficial interests, of not less than twenty-five per cent. or such other percentage as may be prescribed under the Act, in Shares of the Company or the right to exercise, or the actual exercising of significant influence or control as defined in sub-section (27) of Section 2 of the Act, over the Company shall make a declaration to the Company, specifying the nature of his/her interest and other particulars, in such manner and within such period of acquisition of the beneficial interest or rights and any change thereof. The Company shall maintain a register of the interest declared by such individuals and changes therein which shall include the name of individual, his/her date of birth, address, details of ownership in the Company and such other details as may be prescribed under the Act.

XIV. LOCK-IN OF EQUITY SHARES IN CONNECTION WITH INITIAL PUBLIC OFFERING OF THE COMPANY

100. For the purposes of this Article, (a) "**Lock-in Period**" means the period for which the entire pre-issue capital of the Company held by persons other than the promoters, in case of the initial public offering, is locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations; and (b) "**SEBI ICDR Regulations**" shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

101. Notwithstanding anything to the contrary contained in these Articles, where any Equity Shares held by persons other than promoters are required to be locked in under Regulation 17 of SEBI ICDR Regulations and such lock-in cannot be created or recorded by Depositories for any reason whatsoever including where such Equity Shares are (i) subject to pledge; or (ii) under "freeze balance" or "safe balance", on a day prior to the commencement of the Lock-in Period, the Company shall have the power to issue instructions to the Depositories, directing them to record such Equity Shares as "non-transferable" for the duration of the applicable Lock-in Period. The aforementioned Equity Shares shall be treated as locked in for the Lock-in Period as specified under the SEBI ICDR Regulations.

102. In the event of invocation of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so transferred or received by the pledgee upon such invocation shall continue to remain locked-in in the account of the pledgee for the balance Lock-in Period.

103. In the event of release of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so released shall continue to remain locked-in in the demat account of the pledgor for the balance Lock-in Period as per the SEBI ICDR Regulations.

104. Notwithstanding anything contained in these Articles, provisions of this Article shall override any other provisions in these Articles relating to the transfer and transmission of shares during the applicable Lock-in Period.

105. Notwithstanding anything to the contrary, contained in these Articles, Equity Shares held by promoters shall be locked-in as per the provisions of Regulation 16 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and pledged in accordance with Regulation 21 of SEBI ICDR Regulations.

XV. SHAREHOLDERS' MEETINGS

106. An Annual General Meeting shall be held each year within the period specified by the Law. Not more than 15 (fifteen) months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday (declared as such by the Central Government) and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine. Every Member of the Company shall be entitled to attend every General Meeting either in person or by proxy.

107. All notices of, and other communications relating to, any General Meeting shall be forwarded to the Auditor of the Company, and the Auditor shall, unless otherwise exempted by the Company, attend either by himself or through his/her authorised representative, who shall also be qualified to be an Auditor, any General meeting and shall have right to be heard at such meeting on any part of the business which concerns him as the Auditor.

108. All General Meetings other than the Annual General Meeting shall be called extraordinary General Meetings.

109. The business of an Annual General Meeting shall be the consideration of financial statements and the reports of the Board of Directors and Auditors; the declaration of any dividend; the appointment of Directors in place of those retiring; the appointment of, and the fixing of the remuneration of the Auditors; in the case of any other meeting, all business shall be deemed to be special.

110. No business shall be discussed at any General Meeting except election of a Chairperson while the chair is vacant.

111. (i) The Board may, whenever it thinks fit, call an extraordinary General Meeting.

(ii) The Board shall on the requisition of such number of Member or Members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

(iii) A General Meeting of the Company may be convened by giving not less than clear 21 (Twenty-One) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by majority in number of Members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up Share Capital of the Company as gives a right to vote at such General Meeting.

(iv) Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

(v) A General Meeting may be called after giving shorter notice if consent, in writing or by electronic mode, is accorded thereto in accordance with the provisions of Section 101 of the Act. *Provided that* where any Member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those Members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

(vi) Any accidental omission to give notice to, or the non-receipt of such notice by, any Member or other Person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

(vii) Subject to the provisions contained under Section 115 of the Act, where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move such resolution shall be given to the Company by such number of Members holding not less than one per cent of total voting power or holding Shares on which such aggregate sum not exceeding five lakh rupees, has been paid-up and the Company shall immediately after receipt of the notice, give its members notice of the resolution at least 7 (seven) days before the meeting, exclusive of the day of dispatch of notice and day of the meeting, in the same manner as it gives notice of any General Meetings.

XVI. PROCEEDINGS AT SHAREHOLDERS' MEETINGS

112. No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business.

113. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.

114. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later or to such other date and such other time and place as the Board may determine, *provided that* the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Section 100 of the Act shall stand cancelled.

115. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

116. The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.

117. If at the adjourned meeting also a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.

118. The Chairperson may, with the consent of Members at any meeting at which a quorum is present, and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place.

119. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place.

120. When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

121. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

122. Before or on the declaration of the results of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairperson of the meeting on his/ her own motion and shall be ordered to be taken by him/ her on a demand made in accordance with Section 109 of the Act.

123. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

124. Notwithstanding anything contained elsewhere in these Articles, the Company:

(i) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and

(ii) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Members by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

125. Directors may attend and speak at General Meetings, whether or not they are Shareholders.

126. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles.

127. The Chairperson of the Board of Directors or in his/her absence the vice-Chairperson of the Board shall, preside as chairperson at every General Meeting, annual or extraordinary.

128. If there is no such Chairperson or if he is not present within 15 (fifteen minutes) after the time appointed for holding the General Meeting or is unwilling to act as the Chairperson of the General Meeting, the Directors present shall elect one of their members to be the Chairperson of the General Meeting.

129. If at any General Meeting no Director is willing to act as the Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the General Meeting, the Members present shall choose one of their Members to be the Chairperson of the General Meeting. If a poll is demanded on the election of the Chairperson, it shall be taken forthwith in accordance with the provisions of the Act and the Chairperson elected on show of hands shall exercise all the powers of the Chairperson under the said provisions. If some other person is elected Chairperson as a result of the poll, he shall be the Chairperson for the rest of the meeting.

XVII. VOTES OF MEMBERS

130. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

(i) on a show of hands, every Member present in Person shall have 1 (one) vote; and

(ii) on a poll, the voting rights of Members shall be in proportion to their Share in the paid-up Share Capital.

131. In the event of an equality of votes at any General Meeting of the Company, the Chairperson of the Meeting shall have a second or casting vote.

132. At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in Person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than Rs. 5,00,000 (Indian Rupees Five Lakh) or such higher amount as may be prescribed has been paid up.

133. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

134. A Member may exercise his/her vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

135. In case of joint holders, the vote of the senior who tenders a vote, whether in Person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the Register of Members of the Company.

136. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his/her committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

137. No Member shall be entitled to exercise any voting rights either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/ her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.

138. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose. Any such objection made in due time shall be referred to the Chairperson of the General Meeting whose decision shall be final and conclusive.

139. A declaration by the Chairperson of the meeting of the passing of a resolution or otherwise by show of hands and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

140. Any poll duly demanded on the question of adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to the election of a Chairperson or adjournment of the meeting) shall be taken at such time not exceeding 48 (forty eight) hours from the time when the demand was made, as the Chairperson may direct.

141. The Chairperson of a General Meeting, may with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

142. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question of which a poll has been demanded.

143. Where a poll is to be taken, the Chairperson of the meeting shall appoint one or more scrutinisers to scrutinise the votes given on the poll and to report thereon to him/ her in accordance with Section 109 of the Act.

144. The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutiniser from office and to fill vacancies in the office of scrutiniser arising from such removal or from any other cause.

145. Of the two scrutinisers, one shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided such a Member is available and willing to be appointed.

146. The Chairperson of the meeting shall have power to regulate the manner in which a poll shall be taken.

147. The result of the poll shall be deemed to be decision of the meeting on the resolution on which the poll was taken.

148. The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting.

149. On a poll taken at meeting of the Company, a Member entitled to more than one vote, or his/her proxy or other person entitled to vote for him, as the case may be, need not, if he/she votes, use all his/her votes or cast in the same way all the votes he uses.

150. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

151. At every Annual General Meeting of the Company, there shall be laid on the table the Directors' report, audited statements of accounts, Auditor's report (if not already, incorporated in the audited statements of accounts), the proxy register with proxies and the register of Directors' holdings.

XVIII. PROXY

152. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting.

153. The proxy shall not be entitled to vote except on a poll.

154. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

155. An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

156. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given; *provided that* no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

XIX. DIRECTORS

157. The business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not restricted by the Act or by these Articles.

158. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), *provided that* the Company may appoint more than 15 (fifteen) directors after passing a Special Resolution. At least one Director shall reside in India for a total period of not less than 182 (One hundred and eighty-two) days in each financial year. An individual appointed or re-appointed as chairperson of the Company may also be the managing director and/or chief executive officer of the Company.

159. The following were first Directors of the Company at the time of incorporation of the Company:
1. Sajiv Gopal
2. Malti Sood
3. Varun Gopal

160. The Directors need not hold any qualification Shares in the Company.

161. Subject to the provisions of the Act, a Director, other than the managing director or whole time-director, shall be paid sitting fees for each meeting of the Board or a Committee thereof attended by him, subject to the ceiling prescribed under the Act.

162. The Directors may also be paid travelling and other expenses for attending and returning from meeting of the Board of Directors (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the provisions of Section 197 of the Act.

163. Subject to the applicable provisions of the Act, if any Director, being willing shall be called upon to perform extra services for the purposes of the Company, the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his/her remuneration provided above.

164. Subject to the provisions of Section 197 and the other applicable provisions of the Act, the remuneration of Directors may be fixed at a particular sum or a percentage of the net profits or partly by one way and partly by the other.

165. In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another Director (an "**Alternate Director**"), not being a person holding any alternate directorship for any other Director or holding directorship in the Company, for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an Independent Director unless such Person is qualified to be appointed as an Independent Director of the Company. Any Person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India.

166. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his/her office at any time by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Such Director may also forward a copy of his/her resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.

167. At any Annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other Person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act. The directors liable to retire by rotation shall include the Managing Director and shall not include Independent Directors and any director or directors whose appointment terms, as governed by any agreement referred to in Article 173, exempt them from retirement by rotation. Among the directors subject to retirement by rotation, those who have held office the longest since their last appointment shall retire. In cases where two or more directors were appointed on the same day, the director to retire shall be determined, in the absence of an agreement amongst themselves, by lot.

168. No Person shall be appointed as a Director unless he furnishes to the Company his/her Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act.

169. No Person appointed as a Director shall act as a Director unless he/she gives his/her consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (Thirty) days of his/her appointment in the manner prescribed in the Act.

170. Subject to the provisions of the Act and any other applicable law , the Directors shall have the power, at any time and from time to time to appoint any Persons as Additional Director in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-appointment as Director.

171. The Company may by Ordinary Resolution, of which special notice has been given in accordance with the Section 169 of the Act, remove any Director including the Managing Director, if any, before the expiration of the period of his/her office. Notwithstanding anything contained in these Articles or in any agreement between the Company and such Director, such removal shall be without prejudice to any contract of service between him and the Company.

172. If the office of any Director appointed by the Company in General Meeting, is vacated before his/her term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any Person so appointed shall retain his/her office so long only as the vacating Director would have retained the same if such vacancy had not occurred.

173. In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them the lender concerned may have and may exercise the right and power to nominate or appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of Person, appoint any other or others in his/her place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company.

174. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/ or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

XX. MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

175. The Board may, from time to time, subject to Section 196 and other applicable provisions of the Act, appoint one or more of their bodies to the office of the Managing Director or whole time Director for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment.

176. Subject to the provisions of any contract between him and the Company, the Managing Director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and his/her appointment shall automatically terminate if he ceases to be a Director.

177. Subject to the provisions of the Act, a Managing Director or whole-time director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and party in other) as the Board may determine.

178. The Board, subject to Section 179 and any other applicable provisions of the Act, may entrust to and confer upon a Managing Director or whole time director any of the powers exercisable by them upon such terms and conditions and with such transfers, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

XXI. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

179. Subject to the provisions of the Act, a chief executive officer, chief financial officer, manager or a company secretary may be appointed by the Board on such terms and conditions and remuneration as it may deem fit and the chief executive officer, manager or company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.

180. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

181. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

XXII. MEETINGS OF THE BOARD

182. The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

183. A Director may, and the manager or the Secretary of the Company upon the requisition of a Director shall, at any time convene a meeting of the Board.

184. Subject to the provisions the Act, the Board shall meet at least 4 (four) times in a year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board.

185. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means shall also be counted for the purpose of quorum. *Provided that* where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

186. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

187. If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) Persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

188. Subject to the provisions of the Act allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director at his/her address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.

189. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

190. The Board may elect a Chairperson for its meetings and determine the period for which he is to hold office. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the Managing Director or chief executive officer of the Company at the same time.The Board may likewise appoint a vice-chairman of the Board of Directors to preside over the meeting at which the chairman shall not be present. If at any meeting the Chairperson is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairperson of the meeting.

191. In case of equality of votes, the Chairperson of the Board shall have a second or casting vote at Board meetings of the Company.

192. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.

193. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

194. A committee may elect a Chairperson of its meetings and may also determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.

195. A committee may meet and adjourn as it thinks fit.

196. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present. The chairperson of the committee, if any, shall have a second or casting vote.

197. Subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of the Committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, *provided that* a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

198. All acts done in any meeting of the Board or of a committee thereof or by any Person acting as a Director shall, notwithstanding that it may be afterwards discovered that his/her appointment was invalid by reason of any defect for disqualification or had terminated by virtue of any provisions contained in the Act, or in these Articles, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director.

199. Subject to the provisions of the Act, no Director shall be disqualified by his/her office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established; *provided that* every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his/her concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his/her presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.

XXIII. POWERS OF THE DIRECTORS

200. The Directors shall have powers for the engagement and dismissal of managers, engineers, clerks and assistants and shall have power of general directions, management and superintendence of the business of the Company with full power or do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company and to make and sign all such contracts, and other government papers and instruments that shall be necessary, proper or expedient, for the authority and direction of the Company except only such of them as by the Act or by these Articles are expressly directed to be exercised by the Members in the General Meeting.

201. Subject to Section 179 of the Act, the Directors shall have the right to delegate any of their powers covered under Section 179(3)(d) to Section 179(3)(f) to any committee of the Board, managers, or any other principal officer of the Company as they may deem fit and may at their own discretion revoke such powers.

202. The Board of Directors shall, or shall authorize Persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable Law, as may be required from time to time.

203. Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; *provided that* the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

204. Subject to the provisions of the Act and any other applicable Law for the time being in force, the Directors shall have the power, from time to time and at their discretion, to borrow, raise or secure the payment of any sum of money for and on behalf of the Company in such manner and upon such terms and conditions in all respects as they think fit and through the issue of Debentures or bonds of the Company or by mortgage or charge upon all or any of the properties of the Company both present and future including its uncalled capital then available.

205. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, *hundies* and bills or may authorise any other Person or Persons to exercise such powers.

XXIV. BORROWING POWERS

206. Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable Debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and Securities of the Company or by other means as the Board deems expedient.

207. The Board of Directors shall not except with the consent of the Company by way of a Special Resolution, borrow monies where the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid-up Share Capital, free reserves and securities premium of the Company.

XXV. DIVIDEND AND RESERVES

208. The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

209. Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

210. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

211. Subject to the rights of Persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

212. No amount paid or credited as paid on a Share in advance of calls shall be treated, for the purpose of these Articles, as paid on the Share. However, any amount paid in advance of calls on a Share may carry interest, as determined by the Board in accordance with applicable Law but shall not entitle the holder of the Share to participate in respect of that amount in any dividend subsequently declared.

213. All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if

any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.

214. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.

215. Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or demand draft sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members of the Company, or to such Person and to such address as the holder or joint holders may in writing direct.

216. Every such cheque shall be made payable to the order of the Person to whom it is sent.

217. Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.

218. Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to Share therein in the manner mentioned in the Act.

219. No dividend shall bear interest against the Company.

220. A Shareholder can waive/ forgo the right to receive the dividend (either final and/ or interim) to which he is entitled, on some or all the equity Shares held by him in the Company. However, the Shareholder cannot waive/ forgo the right to receive the dividend (either final and/ or interim) for a part of percentage of dividend on Share(s).

221. Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the 'Unpaid Dividend Account'.

222. Any money transferred to the 'Unpaid Dividend Account' of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company along with the interest accrued, if any, to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act. There shall be no forfeiture of unclaimed or unpaid dividends before the claim becomes barred by law.

223. All Shares in respect of which the Dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed. *Provided that* any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

224. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.

XXVI. INSPECTION OF ACCOUNTS

225. (i) The Board shall cause proper books of account to be maintained under Section 128 and other applicable provisions of the Act.

(ii) The Board shall, from time to time, in accordance with the Act, determine whether and to what extent and at what times and places and under what conditions or regulations all books of the Company or any of them, shall be open to the inspection of Members not being Directors.

(iii) No Member (not being a Director) or other Person shall have any right of inspecting any account book or document of the Company except as conferred by Law or authorised by the Board or by the Company in General Meetings.

(iv) Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company.

XXVII. SECRECY

226. Every manager, Auditor, trustee, member of a Committee, officer, servant, agent, accountant or other Persons employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all *bona fide* transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his/her knowledge in the discharge of his/her duties except when required to do so by the Directors or by any General Meeting or by the Law of the country and except so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act.

XXVIII.WINDING UP

227. The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016, as amended. (to the extent applicable).

XXIX. THE SEAL

228. (i) The Board shall provide for the safe custody of the seal of the Company.

(ii) The seal shall not be affixed to any instrument except by the authority of resolution of the Board or a committee of the Board authorised by it in that behalf, and except in the presence of at least 1 (One) Director or Company Secretary or any other official of the Company as the Board may decide and that 1 (One) Director or Company Secretary or such official shall sign every instrument to which the seal of the Company is so affixed in their presence. The Share certificates will, however, be signed and sealed in accordance with Rule 5 of the Companies (Share Capital and Debentures) Rules, 2014, as amended.

XXX. AUDIT

229. Subject to the provisions of the Act, the Company shall appoint an Auditor at the first Annual General Meeting to hold office from the conclusion of that Annual General Meeting until the conclusion of the sixth Annual General Meeting and thereafter till the conclusion of every sixth Annual General Meeting, and every Auditor so appointed shall be informed of his/her appointment within 15 days.

230. The Directors may fill up any casual vacancy in the office of the Auditors within 30 (Thirty) days subject to the provisions of Section 139 and 140 of the Act and the rules framed thereunder.

231. The remuneration of the Auditors shall be fixed by the Company in the Annual General Meeting or in such manner as the Company may in the General Meeting determine.

XXXI. GENERAL AUTHORITY

232. Wherever in the Act, it has been *provided that* the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI regulations, as amended from time to time, the provisions of SEBI regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the SEBI regulations, from time to time.

XXXII. INDEMNITY

233. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

*****The Name Clause of the Company was changed pursuant to the Special Resolution passed by the Members at the Extra-Ordinary General Meeting held on 29th May, 2008.***

*****A new set of Memorandum of Association of the Company was adopted in accordance with the provisions of the Companies Act, 2013, pursuant to the Special Resolution passed by the Members at the Extra-Ordinary General Meeting held on 25th March, 2015.***

*****The Name Clause of the Company was changed pursuant to the Special Resolution passed by the Members at the Extra-Ordinary General Meeting held on 19th May, 2026.***

****Altered Articles of Association Vide EOGM Dated 08/06/2026 pursuant to conversion of company from private to public subject to approval of Central Govt.***

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available online at https://kpmgroupindia.com/material-contracts-and-documents from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

Material Contracts

1. Offer Agreement dated September 23, 2026 entered amongst our Company, the Selling Shareholders and the BRLM.

2. Registrar Agreement dated September 23, 2026 entered amongst our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into amongst our Company, the Registrar to the Offer, the BRLM, the Selling Shareholders, the Escrow Collection Bank(s), the Bankers to the Offer.

4. Share Escrow Agreement dated [●] entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into amongst our Company, the Selling Shareholders, the BRLM, and the Syndicate Members.

6. Monitoring Agency Agreement dated [●] amongst our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholders and Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association, as amended until date.

2. Certificate of incorporation dated February 13, 2008 issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh.

3. Fresh certificate of incorporation dated June 9, 2008, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh pursuant to change of name of our Company to "Koolking Udhyog Private Limited".

4. Fresh certificate of incorporation dated May 29, 2026, issued by the Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana pursuant to change of name of our Company to "Koolking Industries India Private Limited".

5. Certificate of incorporation dated June 23, 2026, issued by the Registrar of Companies, Central Processing Centre, Ministry of Corporate Affairs at Haryana pursuant to conversion into a public limited company.

6. Resolution of our Board dated September 5, 2026 authorizing the Offer and other related matters.

7. Resolution of the Shareholders dated September 10, 2026 authorizing the Fresh Issue component of the Offer and other related matters.

8. Resolution of the Board dated September 5, 2026 taking on record the approval for the Offer for Sale by the Selling Shareholders.

9. Resolution dated September 23, 2026 passed by the Board approving this Draft Red Herring Prospectus, Draft Abridged Prospectus and certain other related matters.

10. Consent letters of the Selling Shareholders for participation in the Offer for Sale, as detailed in "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" on page 474.

11. Copies of annual reports of our Company for the past three Fiscals.

12. Examination report on the Restated Financial Information dated September 12, 2026 of our Statutory Auditors, included in this Draft Red Herring Prospectus.

13. Report on the statement of possible special tax benefits available to our Company and our Shareholders, dated September 23, 2026, issued by the Statutory Auditors.

14. Consent letter dated September 23, 2026 from our Statutory Auditors for inclusion of their name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 12, 2026 on our Restated Financial Information; (ii) the statement of possible special tax benefits available to our Company and our Shareholders dated September 23, 2026 included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

15. Consent letter dated September 22, 2026 from the Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer, in relation to the certificates dated September 22, 2026, certifying, *inter alia*, the details of the installed and production capacity of our Manufacturing Facilities and in relation to the proposed capital expenditure being undertaken by the Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

16. Consent letter dated September 22, 2026 from Shobha Ambure & Associates the practicing company secretary, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a practicing company secretary, in relation to the certificate dated September 22, 2026, certifying, *inter alia*, the details of the share capital built up of our Company and our Promoters. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

17. Consent letter dated September 22, 2026 from L&C Techfin Advisory Private Limited, to include their name as required under Section 26(5) of the Companies Act read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act to the extent and in their capacity as a detailed project report provider, in relation to their detailed project report dated September 23, 2026 issued in relation to the proposed capital expenditure being undertaken by our Company. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

18. Report titled "*Industry Research Report on Electronics System Design and Manufacturing*" dated September, 2026 issued by CARE.

19. Consent letter dated September 22, 2026 issued by CARE, with respect to the CARE Report.

20. Resolution of the Audit Committee dated September 23, 2026, certifying the key performance indicators of our Company.

21. Certificates dated September 23, 2026 from SCV & Co. LLP with respect to our (i) key performance indicators (ii) weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholder, in the last one year preceding the date of this Draft Red Herring Prospectus; (iii) average cost of acquisition of shares for our Promoters and the Selling Shareholders; (iv) weighted average cost of acquisition of all shares transacted in the last one year and three years preceding the date of this Draft Red Herring Prospectus; (v) related party transactions; (vi) default, delay in payment or non-payment of statutory dues; (vii) reservations, qualifications and adverse remarks; (viii) dividend policy; (ix) insurance;

and (x) directors, KMP and SMP remuneration; (xi) financial indebtedness; (xii) outstanding dues to creditors and MSMEs; (xiii) basis for offer price; (xiv) tax litigation; (xv) working capital requirements; (xvi) capitalisation statement; (xvii) eligibility.

22. Consents of the Directors, BRLM, Statutory Auditors, Syndicate Members, Legal Counsel to the Company, Registrar to the Offer, the Bankers to our Company, Chief Financial Officer, Company Secretary and Compliance Officer as referred to in their specific capacities.

23. Tripartite agreement between NSDL, our Company and Registrar to the Offer dated August 17, 2026.

24. Tripartite agreement between CDSL, our Company and Registrar to the Offer dated August 24, 2026.

25. Due diligence certificate dated September 23, 2026 addressed to SEBI from the BRLM.

26. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.

27. SEBI final observations letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATIONS

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sajiv Gopal
Chairperson and Whole-time Director

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Malti Sood
Whole-time Director

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Varun Gopal
Managing Director and Chief Executive Officer

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sameer Bhargava
Non-Executive Independent Director

Date: September 23, 2026
Place: Gurugram

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Shweta Mohindra
Non-Executive Independent Director

Date: September 23, 2026
Place: Ludhiana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sanjay Mittal
Non-Executive Independent Director

Date: September 23, 2026
Place: Bhatinda

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines/ regulations/ rules issued by the Government of India, or the guidelines/ regulations/ rules issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

____

Vikas Verma
Chief Financial Officer

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by the Company or any other person(s) in this Draft Red Herring Prospectus

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

____
Sajiv Gopal

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by the Company or any other person(s) in this Draft Red Herring Prospectus

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

____

Malti Sood

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by the Company or any other person(s) in this Draft Red Herring Prospectus

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

Varun Gopal

Date: September 23, 2026
Place: Malerkotla

DECLARATION

I hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by the Company or any other person(s) in this Draft Red Herring Prospectus

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDER

____

Sugandha Sood

Date: September 23, 2026
Place: Malerkotla