

STATUTORY AUDITOR CERTIFICATES-SME IPO



V.V. BHALLA & COMPANY

CHARTERED ACCOUNTANTS

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Date:

To,
The Board of Directors
M/s. Madhur Knit Crafts Limited
Village - Seera, Sattowal Road, Rahon Road, Ludhiana

SKI Capital Services Limited
718, Dr, Joshi Rd, Block A, Karol Bagh, Delhi, 110005

(SKI Capital Services Limited hereinafter referred to as the "Book Running Lead Manager" or "BRLM")

Dear Sir(s):

Sub: *Proposed initial public offering of equity shares of Rs. 10/- each ("the Issue") of Madhur Knit Crafts Limited ("the Company")*

We, V. V. Bhalla & Co, Chartered Accountants, having our office at SCF-39 Rishi Nagar, Statutory Auditors of M/s. Madhur Knit Crafts Limited, have been requested to issue this certificate in regard to proposed issue.

1. Weighted Average Cost of Acquisition of Shares

We have performed the following procedures:

- i. Obtained the Affidavit for identification of the Promoter, as defined under Regulation 2(1)(oo) of the ICDR Regulations, the list of Promoter Group, as defined under Regulation 2(1)(pp) of the ICDR Regulations, from the management of the Company for the purpose of calculation of cost per share to the Promoter Selling Shareholder of the Company;
- ii. We have reviewed the following documents:
 - a. Share Transfer Form (SH-4)
 - b. Register of Members
 - Minutes of Meetings
- iii. Verified the computations prepared by the company of the average cost of acquisition/ weighted average price/ weighted average cost of acquisition per share to the promoter and promoter group shareholder as on the date of this certificate

Based on the verification of relevant records and documents and according to the information and explanation provided to us by the Company, we hereby certify that:

A. The average cost of acquisition per Equity Share to the Promoters, as on signing date of this certificate, is as follows:



Name of the Promoter	Number of Equity Shares	Weighted Average cost of acquisition per share
Arun Gupta	45,94,087	2.51
Piyush Gupta	22,86,046	5.74
Chirag Gupta	26,71,629	3.59

Notes: The average cost of acquisition of Equity Shares by the Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration which is divided by net quantity of shares acquired.

B. The weighted average price at which the Equity Shares of the Company was acquired by the Promoters of the Company in the last one year, as on signing of this certificate, is as follows:

Name of the Promoter	Number of Equity Shares	Equity shares acquired in the last one year	Weighted average cost of acquisition per share
Arun Gupta	45,94,087	9,18,817	0
Piyush Gupta	22,86,046	457209	0
Chirag Gupta	26,71,629	534326	0

Notes: The weighted average cost of acquisition of Equity Shares by the Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by the amount received on sell of shares i.e. net of sale consideration which is divided by net quantity of shares acquired

The details of the workings for the weighted average cost of acquisition as mentioned in (A) an (B) above are attached herewith as Annexure A.

C. The weighted average cost of acquisition for all equity shares transacted in the three years, eighteen months and one year, as on signing this certificate, is as follows:

Particulars	Weighted Average Cost of Acquisition (in Rs.)	Range of acquisition price: Lowest Price - Highest Price (in Rs.)	Cap Price ([•]) is 'x' times the Weighted Average Cost of Acquisition*
Last one year preceding the date of this certificate	NA	NA	[•]
Last 18 months preceding the date of this certificate	Rs: 16.52	Lowest: Rs Nil Highest: Rs 19	[•]
Last three year preceding the date of this certificate	Rs: 3.95	Lowest: Rs Nil Highest: Rs 19	[•]

The details of the workings for the weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this certificate, is attached herewith as Annexure B.

2. Corporate Governance

This is to certify that the Company has complied with the provisions of Chapters II, IV and other applicable provisions of the SEBI LODR Regulations and the Companies Act, 2013 read with the rules framed thereunder, in respect of the corporate governance provisions relating to composition of board of directors and constitution of the board committees, including the constitution of the audit committee, shareholder relationship committee, nomination and remuneration committee and corporate social responsibility committee.



- i. The compliance with the conditions as stipulated in the SEBI LODR Regulations is the responsibility of the Company's management.
- ii. Based on our review of the secretarial records of the Company maintained under the Companies Act, 2013, the information, explanations and representations provided to us and other relevant records and documents produced to us for our verification, we confirm that the Company is in compliance with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and applicable circulars issued in this regard by Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs, Government of India, in connection with the following:
 - a. composition of the Board;
 - b. identification and appointment of the independent directors on the Board;
 - c. composition, constitution and terms of reference of the Audit Committee of the Board;
 - d. composition, constitution and terms of reference of the Stakeholders' Relationship Committee of the Board;
 - e. composition, constitution and terms of reference of the Nomination and Remuneration Committee of the Board; and

As per the information provided to us by the management of the Company, the composition of Board and the committees thereof referred to in paragraph ii above is as follows:

Board of Directors

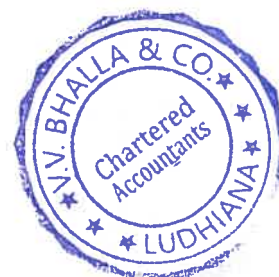
The Board consists of Six Directors out of which three are executive directors, three are non-executive directors all are Independent Directors. The Board includes Gurpreet Kaur as a women director.

The list of directors on the Board is given below:

S. no.	Name of Director	Designation	Executive /Non-Executive	Independent / Non-Independent
1	Arun Gupta	Managing Director	Executive	Non-Independent
2	Piyush Gupta	Whole Time Director	Executive	Non-Independent
3	Chirag Gupta	Whole Time Director	Executive	Non-Independent
4	Gurpreet Kaur	Director	Non-Executive	Independent
5	Avinash Rai	Director	Non-Executive	Independent
6	Sanjay Kapoor	Director	Non-Executive	Independent

We further confirm that:

- (i) the Board has met at least four times in the last one financial year (and there has not been a time gap of more than 120 days between any two meetings of the Board);
- (ii) not less than one-half of the board of directors of the Company comprise of non-executive directors;
- (iii) at least one-third of the board of directors of the Company are independent directors;
- (iv) none of the directors of the Company, is a member of more than ten committees, across all public limited companies in which he/she is a director; and
- (v) none of the directors of the Company, is a chairman of more than five committees across all public limited companies in which he/she is a director.



For the purpose of sub-paragraphs (iv) and (v), chairmanship/ membership of only the audit committee and nomination and remuneration committee has been considered, in accordance with the SEBI LODR Regulations.

Independent Directors

The Company has three independent directors on its Board.

In relation to such independent directors, solely based on the representations received from such independent directors, we confirm that:

All of the independent directors of the Company hold office for a term of up to 5 consecutive years and are eligible for reappointment for another term of up to 5 consecutive years on passing of a special resolution by the Company.

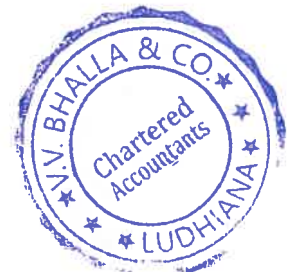
The independent directors are not and were at no time, a promoter of the Company, its associate company or member of the promoter group of the company, Further, the independent directors are not related to the promoters or the directors of the Company, its associate companies, if any.

The relatives of the independent directors have or had no pecuniary relationship or transaction with the Company or associate companies, if any, promoters or directors, amounting to 2% or more of its gross turnover or total income, or such higher amount, whichever maybe lower, in the current financial year or during the last two financial years.

All the Independent Director of the company, apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company, its associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;

None of whose relatives—

- i. is holding securities of or interest in the Company, or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the company, associate company, respectively, or such higher sum as may be specified;
- ii. is indebted to the Company, its associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- iii. has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
- iv. has any other pecuniary transaction or relationship with the Company, associate company amounting to two percent or more of its gross turnover or total income:
- v. Provided that the pecuniary relationship or transaction with the Company, its associate company or their promoters, or directors in relation to points (i) to (iv) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.]
- vi. who, neither himself/herself, nor whose relative(s) —
 - (a) holds or has held the position of a key managerial personnel or is or has been an employee of the Company or its associate company or any company belonging to the promoter group of the Company , in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:
Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.
 - (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —



- (1) a firm of auditors or company secretaries in practice or cost auditors of the company or its associate company; or
- (2) any legal or a consulting firm that has or had any transaction with the Company, its associate company amounting to ten per cent or more of the gross turnover of such firm;
- (c) holds together with his relatives two per cent or more of the total voting power of Company; or
- (d) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the company, any of its promoters, directors or its associate company or that holds two per cent or more of the total voting power of the listed entity;
- (e) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- vii. who is not less than 21 years of age.
- viii. who is not a non-independent director of another company on the board of which any non-independent director of the Company is an independent director

The non-executive directors, including independent directors, are only paid sitting fees within the limits prescribed under the relevant provisions of the Companies Act, 2013, to the extent applicable.

None of the independent directors of the Company serve as independent directors in more than seven listed companies;

None of the independent directors of the Company who also serve as whole time directors in any other listed companies, serve as an independent directors in more than three listed companies;

Audit Committee of the Board

The Company has constituted the Audit Committee of the Board (the “**Audit Committee**”) pursuant to resolution of the Board of Directors dated 12th June 2025 in compliance with Section 177 of the Companies Act, 2013 and the applicable provisions of the SEBI LODR Regulations. The Audit Committee consists of the following directors:

Sr no.	Name of Director	Designation	Executive /Non-Executive	Independent / Non-Independent
1.	Gurpreet Kaur	Chairperson	Non-Executive	Independent
2.	Avinash Rai	Member	Non-Executive	Independent
3.	Piyush Gupta	Member	Executive	Non-Independent

Of the above, all the members of Audit Committee are financially literate, as defined in the Regulation 18 of the SEBI LODR Regulations; Gurpreet Kaur and Piyush Gupta have accounting or related financial management expertise.

The terms of powers, role and terms of reference of the Audit Committee are in accordance with the SEBI LODR Regulations and is annexed herewith as **Annexure C**.

The Company Secretary acts as the secretary to the Audit Committee.

Nomination and Remuneration Committee of the Board

The Company has constituted a Nomination and Remuneration Committee of the Board (the “**Nomination and Remuneration Committee**”) pursuant to resolution of the Board dated 12th June 2025.

The constitution, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the SEBI LODR Regulations and is annexed herewith as **Annexure C**.

The Nomination and Remuneration Committee consists of the following directors:



Sr no.	Name of Director	Designation	Executive /Non-Executive	Independent / Non-Independent
1.	Sanjay Kapoor	Chairperson	Non-Executive	Independent
2.	Avinash Rai	Member	Non-Executive	Independent
3.	Gurpreet Kaur	Member	Non-Executive	Independent

We further confirm that:

- (i) All of the members of the Nomination and Remuneration Committee are non-executive directors, and at least half of the members of the Nomination and Remuneration Committee are independent directors;
- (ii) Nikita Tayal is the compliance officer of the Company; and
- (iii) the chairman of the Nomination and Remuneration Committee is an independent director.

The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

Subsidiaries

As on the date of this letter, the Company has no subsidiary.

Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee was constituted at a meeting of the Board of Directors held on June 12, 2025, as on the date of this certificate

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted at a meeting of the Board of Directors held on June 12, 2025, As on the date of this Draft Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

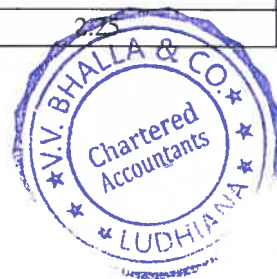
Name of the Director	Position in the Committee	Designation
Arun Gupta	Chairman	Managing Director
Gurpreet Kaur	Member	Independent Director
Piyush Gupta	Member	Executive Director
Chirag Gupta	Member	Executive Director

3. Ratios for Basis for Issue Price

In connection with calculation of the issue price of the Equity Shares in the Issue, we have verified the information mentioned in **Annexure D** with respect to the Company, extracted from the restated financial statements for the period ended March 31, 2023, March 31, 2024 and March 31, 2025 and for the three month period ended on June 30, 2025 and other relevant records of the Company.

1. Earnings Per Share ("EPS") per Equity Share (as adjusted for changes in capital, if any):

Fiscal	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2023	0.73	0.73	1
2024	1.38	1.38	2
2025	8.35	8.35	3
Weighted Average	4.75	4.75	
June 30, 2025 (Not annualized)	2.25	2.25	



Notes:

- (a) *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.*
- (b) *Basic and diluted EPS are based on the Restated Financial Information and calculations are in accordance with Accounting Standard 20 'Earnings per Share'.*
- (c) *The face value of each Equity Share is ₹10.*
- (d) *Earnings per Share (₹) = Profit after tax excluding exceptional items for the year/period divided by the weighted average no. of equity shares at the end of the year.*
- (e) *Number of shares are adjusted by increase in capital through issue of bonus shares on 12th June 2025 in the ratio of 1:4 .*
- (f) *The above statement should be read with significant accounting policies and the notes to the Restated Financial Information.*

2. Return on Net Worth ("RoNW"):

Fiscal	RoNW* (%)	Weight
2023	6.21%	1
2024	10.49%	2
2025	37.42%	3
Weighted Average	23.24%	
June 30, 2025 (Not annualized)	9.28%	

RONW = Net Profit after tax, as restated, attributable to the owners of the company Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the company, excluding non-controlling interest)

Notes:

- a) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
- b) *The figures disclosed above are based on the Restated Financial Statements of the Company.*

3. Net Asset Value ("NAV") per Equity Share as per last restated balance sheet:

Financial Year	NAV per Equity Share
2022-23	11.74
2023-24	13.12
2024-25	22.31
NAV after the Issue (Cap Price)	[●]
NAV after the Issue (Floor Price)	[●]
June 30, 2025	24.24

Notes:

- a) *Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the number of equity shares outstanding at the end of the year are adjusted by increase in capital through issue of bonus shares on 12th June 2025 in the ratio of 1:4 .*
- b) *Net worth represents aggregate value of equity share capital, instruments entirely equity in nature and reserves and surplus and are based on Restated Financial Information.*

4. Key Financial & Operational Performance Indicators (KPIs):



Key Performance Indicator	Madhur Knit Crafts Limited			
	30-Jun-25	31-Mar-25	31-Mar-24	31-Mar-23
<u>GAAP Financial Measures</u>				
Revenue from operations	6,522.45	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	*	58.36%	21.33%	15.41%
PAT	301.72	1,103.25	170.43	90.31
PAT Margin (%)	4.63%	6.43%	1.57%	1.01%
Net Worth	3250.24	2,948.52	1,624.24	1,453.80
Debt	7,218.88	6,719.98	5,778.53	3,417.53
Current Ratio	1.41	1.48	1.41	1.33
Debt-Equity Ratio	2.22	2.28	3.56	2.35
<u>Non-GAAP Financial Measures</u>				
EBITDA	707.34	2,327.52	804.40	551.11
EBITDA Margin (%)	10.84%	13.56%	7.42%	6.17%
ROE (%)	9.28%	37.42%	10.49%	6.21%
ROCE (%)	10.03%	33.49%	13.09%	13.78%
Cash Profit after tax	366.35	1,340.45	349.00	254.78
Operating Cash flow	-265.38	-177.11	-597.05	-4.78
<u>Operational Measures</u>				
Trade Receivable Days	82	81	95	57
Trade Payable Days	43	48	56	64
Inventory Days	61	119	108	155
Cash Conversion Cycle	100	153	148	148

Notes:

- Revenue from operations is the total revenue generated by the Company from the sale of products and services.
- PAT is calculated as Profit before tax – Tax Expense's
- Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year
- PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.
- Net worth has been computed as sum of share capital and reserves and surplus.
- Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.
- Current Ratio is calculated as Current Assets divided by Current Liabilities.
- Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.
- EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income
- EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- Return on Equity is ratio of Profit after Tax and Shareholder Equity.
- Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Total Assets minus Current Liability.
- Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365 (or 91 for the stub period ending June, 2025).
- Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365 (or 91 for the stub period ending June, 2025).
- Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365 (or 91 for the stub period ending June, 2025).
- Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.
- Ratio's of Stub period are not annualized



*Year on year comparison for the stub period not made.

4. Weighted Average cost of acquisition for the followings:

(a) Price per share of the Company on the Primary issue shares:

Other than mention below, there has been no issuance of Equity Shares or convertible securities during the 18 months preceding the signing date of this certificate, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

S. No	Date of Allotment	Type of Issue	No. of Shares allotted	Face Value (INR)	Issue Price (INR)	Nature of Consideration	Nature of Allotment	Total Consideration
1	07.06.2024	Right Issue	10,28,100	10	21.5	Cash	Further Issue	2,21,04,150
Weight Average Cost of Acquisition-							21.5	

(b) Price per share of the Company based on the secondary sale / acquisition of Shares

Other than mention below, there have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the signing date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- issue share 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.

Date of Transaction	No. of Equity Shares transacted	Face Value (INR)	Transfer Price (INR)	Buyer	Seller
20.04.2024	1,43,350	10	17.00	Arun Gupta	Kastoor Chand Gupta & HUF
20.04.2024	2,500	10	16.00	Arun Gupta	Ravi Gupta HUF
20.04.2024	33,100	10	16.00	Chirag Gupta	Ravi Gupta HUF
20.04.2024	1,39,950	10	17.00	Chirag Gupta	Rajesh Gupta HUF
20.04.2024	2,03,700	10	16.00	Nitasha Gupta	Ravi Gupta HUF
20.04.2024	2,16,390	10	17.00	Sangeeta Gupta	Kastoor Chand Gupta & HUF
20.04.2024	1,13,900	10	16.53	Sangeeta Gupta	Ravi Gupta HUF
20.04.2024	27,000	10	17.00	Sangeeta Gupta	Trimurti Hosiery Mills Pvt Ltd
20.04.2024	3,66,250	10	16.00	Arun Gupta HUF	Ravi Gupta HUF
20.04.2024	27,450	10	16.00	Piyush Gupta	Ravi Gupta HUF
04.05.2024	1,93,150	10	16.00	Piyush Gupta	Ravi Gupta HUF
Weight Average Cost of Acquisition					16.40

(c) In case there are no transactions to report under (a) and (b), then the information shall be disclosed for price per share of the company on last 5 primary or secondary transactions (secondary transactions where promoter/promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate directors in the Board of the company are a party to the transaction), not older than 3 years prior to the date of signing of this certificate, irrespective of the size of the transactions. - **Not applicable**



(d) Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed above (a) and (b) or (c), are following:

Past Transaction	Weighted Average Cost of Acquisition (Rs.)	Floor Price Rs. [●]*	Cap Price Rs. [●]*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	21.5	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	16.40	[●]	[●]
Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where promoter /promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction.			
-Based on Primary transactions	NA	[●]	[●]
-Based on Secondary transactions	NA	[●]	[●]



4. Rejection criteria under the SEBI General Order, 2012.

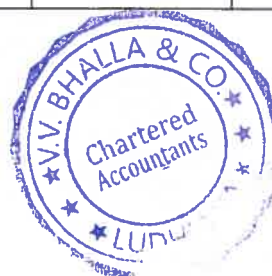
We confirm that the Company does not fall within any of the criteria for rejection of draft offer documents as enumerated in the Securities and Exchange Board of India (Framework for Rejection of Draft Offer Documents) Order, 2012. Without prejudice to the generality of the foregoing statement, we specifically confirm as follows:

1. There are no circular transactions in the Equity Shares or other securities of the Company for building up the capital and/or net worth of the Company.
2. The ultimate promoters are identifiable.
3. The promoters' contribution complies with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
4. None of the objects of the Issue for which a major part of the Issue proceeds are proposed to be utilized for are vague. None of the objects of the Issue are such that the major portion of the Issue proceeds is proposed to be utilized for the purpose which does not create any tangible asset for the Company, such as, expenses towards brand building, advertisement, payment to consultants, etc., and there is not enough justification for creation of such assets in terms of past performance, experience and concrete business plan of the Company.
5. There are no pending legal proceedings initiated by or against the Company which are so major that the Company's survival is dependent on the outcome of such pending proceedings and the Company has not willfully concealed or covered the disclosure of any pending legal proceedings which are required to be disclosed in the draft offer document in connection with the Issue.
6. There are no pending crucial clearances / licenses / permissions / approvals from any competent authority which is necessary for commencement of activities in relation to any plant which forms a part of the objects to the Issue, such that the non-receipt of such clearances / licenses / permissions / approvals, the issue proceeds might not be utilized towards the stated objects of the Issue.
7. None of the objects to the Issue are for repayment of any loan or any inter-corporate deposit or any other borrowing of similar nature, for which the Company is not in a position to disclose the ultimate purpose for which the loan was taken or demonstrate utilization of the same for the disclosed purpose.
8. None of the objects of the Issue are such that there will be any unreasonably long time gap between raising of funds pursuant to the Issue and the proposed utilization of the same.
9. The Company does not have an exaggerated, complex or misleading business model due to which the investors may not be able to assess the risks associated with such business model.
10. There are no sudden spurts including spurts in line items such as income, debtors/creditors, intangible assets, etc in the business just before filing of the Draft Red Herring Prospectus.
11. None of the auditors have provided any qualified audit reports or reports wherein they have raised doubts / concerns over the accounting policies of the Company which significantly contribute to the business of the Company or any other entity wherein the Company proposes to utilize the proceeds of the Issue.
12. There has not been any change in the accounting policy of the Company with a view to show enhanced prospects for the issuer in contradiction with accounting norms.
13. The majority of the business of the Company, is not with related parties and is not circular transactions with connected / group companies with a view to show enhanced prospects of the Company.

5. Attrition Rate of the Employees

The following tables set forth the overall attrition rate as of the periods indicated:

Particulars	June 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Employees from Previous Period	123	104	100	171
New Employees in the Current Period	42	66	52	43
Left/Transferred & Retired Employees	14	47	48	114



Total Employees in Current Period	151	123	104	100
Attrition Rate	10.22%	41.4%	47.1%	84.1%

The following tables set forth our KMP attrition rate as of the periods indicated:

Particulars	June 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Employees from Previous Year	4	2	NA	NA
New Employees in the Current Year	0	1	NA	NA
Left/Transferred & Retired Employees	0	0	NA	NA
Total Employees in Current Year	4	4	NA	NA
Attrition Rate	0%	0%	NA	NA

- The Company has appointed KMP in the Financial Year 24-25

6. Compliance of Statutory Obligations and GST Filings

The following table summarizes the statutory dues paid by the Company during the last three financial years:

Particulars	June 30, 2025	FY 2025	FY 2024	FY 2023
Provident Fund (₹ in Lakhs)	0.55	2.30	4.02	3.99
Number of Employees for whom Provident funds has been paid*	8	9	15	23
Employee State Insurance Corporation (₹ in Lakhs)	0.44	1.62	2.25	1.89
Number of Employees for whom ESIC has been paid*	24	25	35	35
Punjab State Development Tax (₹ in Lakhs)	0.53	0.98	0.52	0.42
Number of Employees for whom Punjab State Development Tax has been paid*	89	39	25	20
Tax deducted at source on salary (₹ in Lakhs)	0.93	15.40	5.95	-
Number of Employees for whom TDS has been paid	5	10	4	-

*as on 30th June and as on 31st March respectively.

We confirm that,

- There have been no instances of default or non-payment of statutory dues by the Company during the last three financial years
- There have been no current instances of over dues (as on date of issuance of this certificate) to companies or financial institutions by the company
- There have been no instances of defaults (as on date of issuance of this certificate) against loans availed from banks or financial institutions by the Company during the last three financial years
- There have been no instances of contingent liabilities at the end of each year during the last three financial years, except as follows:



Financial Year	Nature of Liability	Amount (in Lakhs)
As on 31 st March, 2024	Income tax related matter	1.01
As on 31 st March 2025	Income tax related matter	5.80
As on 30 th June 2025	Income tax related matter	4.78

v. There have been no instances of delayed GST Return Filing, except as follows:

i. Active GST

GSTIN	State
03AABCM1402E1ZF	Punjab

ii. Inactive GST

GSTIN	State
Not applicable	

iii. Summary of Delay in GST Filing Returns:

GSTIN Registration Number	03AABCM1402E1ZF
State	Punjab
Trade Name	Madhur Knit Crafts Limited
Effective Date of Registration	01/07/2017
Taxpayer Type	Regular
Principal place of Business	MADHUR KNIT CRAFTS PVT LTD, SATTOWAL ROAD, RAHON ROAD, VILLAGE - SEERA, Ludhiana, Punjab, 141007

Financial Year	Return Type	Month	Period of Delay (No of Days)
2022-23	GSTR3B	March	1
2023-24	GSTR3B	March	3
2022-23	GSTR1	June	2
2024-25	GSTR1	April	3
2023-24	GSTR9		8
2023-24	GSTR9C		8

7. Build-up of Share Capital

We certify the build-up of the equity share capital of Madhur Knit Crafts Limited since incorporation of the Company, including details such as the nature of issue, date of allotment / transfer, number of shares, face value, issue price / transfer price, and such other information as set out in the Following tables:



S. No	Date of Allotment	Nature of Allotment	Number of shares Allotted	Face value	Issue price	Nature of Consideration	Cumulative No of Shares
1.	01.07.1998	Private Placement	15,600	10	10	Cash	16000
2.	01/10/2011	Private Placement	14,84,000	10	10	Cash	15,00,000
3.	24/03/2012	Private Placement	40,000	10	500	Cash	15,40,000
4.	30/03/2012	Private Placement	15,000	10	500	Cash	15,55,000
5.	30/03/2013	Bonus Issue	26,43,500	10	-	Other than Cash	41,98,500
6.	01/05/2013	Private Placement	40,45,300	10	10	Cash	82,43,800
7.	05/09/2013	Private Placement	14,56,200	10	10	Cash	97,00,000
8.	07/06/2024	Right Issue	10,28,100	10	21.5	Cash	1,07,28,100
9.	12/06/2025	Bonus Issue	26,82,025	10	-	Other than Cash	1,34,10,125

8. No material Developments

We, confirm that as on signing of this certificate based on the review of minutes of board meetings, other committee meetings and the shareholder meetings, no developments have taken place since the last date of the audited financial statements which materially and adversely affect or are likely to affect the trading or profitability of the Company, or the value of its assets, or its ability to pay its liabilities within the next twelve months.

We also confirm that there have been no frauds against the Company during the last three financial years as per the audit reports issued by us for the respective years including the matter covered under Companies (Auditor Report) Order 2020.

9. Dividend Declared by the Company

Based on the examination of the restated financial information of the Company, we certify that no dividends have been declared by the company during the last three years as the company has retained the profits for further expansion.

10. Group Companies

In terms of the SEBI ICDR Regulations, for the purpose of identification of "group companies" in relation to the disclosure in Issue Documents, the Company has considered the companies with which there have been related party transactions during the last three years,

1. List of Related Parties as per Accounting Standards 18 as follows:

Name	Relationship	Nature of Transaction
Star Spintex Pvt Ltd	Sister Concern	Trade Receivables
Royale Impex Pvt Ltd	Sister Concern	Trade Payables
Star Cottex Pvt Ltd	Sister Concern	Advance to Supplier
Trimurti Hosiery Mills Pvt Ltd	Sister Concern	Trade Payables

2. List of Material Group Companies

Pursuant to a resolution passed by the Board of the company dated 24.09.2025 for the purpose of disclosure in the Issue Documents for the Issue, a company shall be considered material and disclosed as "Group Company", if:

(i). Such company (ies) in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year;(ii). Where the Company has entered into one or more



transactions with such company (ies) in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year;(iii). Any other company/ entities that the Board may decide to consider material.

Accordingly, based on the parameters outlined above, the Board of Directors of the company have identified the following companies as material Group Companies Pursuant to a resolution passed by the Board of the company dated 24.09.2025:

S. No	Names of Material Group Companies
1.	Star Cottex Pvt Ltd

i. Star Cottex Pvt Ltd

Particulars	FY 2025	FY 2024	FY 2023	FY 2022
Reserves (Excluding Revaluation Reserve) (In lakhs)	NA	1,072.31	571.73	205.46
Sales (In lakhs)	NA	9,900.90	8,510.63	5,409.87
Profit after Tax (In lakhs)	NA	500.58	366.27	181.98
Earnings Per Share	NA	5,005.83	3,662.74	1,819.84
Diluted Earnings Per Share	NA	5,005.83	3,662.74	1,819.84
Net Asset Value per Share	NA	10,733.12	5,727.29	2,064.56

3. Common pursuits

a. Conflict of Interest

1. The Company and certain of their Group Companies are engaged in similar lines of business, which may be regarded as common pursuits and may give rise to potential conflict of interest situations. The details are as follows:

- **Nature of Common Pursuit:** Both the Company and Star Cottex limited are engaged in manufacturing of textiles products.
- **Reason/Justification:** The businesses have evolved independently over a period of time based on market opportunities, promoter initiatives, and the specific focus of each entity. While there is similarity in the line of business, each company operates with distinct strategies, target markets, customer bases, and product segments, thereby reducing the likelihood of significant overlap.
- **Conflict of Interest:** Notwithstanding the above, there may arise situations of conflict of interest in respect of business opportunities, customers, suppliers, or use of resources, as the Company and such Group Companies operate in related sectors.

The Company confirm that the Company shall adopt appropriate measures permitted by law, including adherence to applicable corporate governance requirements, ensuring arm's length dealings, and maintaining transparent business practices, to mitigate such potential conflicts of interest and safeguard the interests of our shareholders, while doing business with the Star Cottex Private Limited.

b. Business Interest

Based on the review of minutes of board meetings, other committee meetings and shareholders' meetings for the last three financial years and till the date of this certificate and review of books of accounts, the Group Companies do not have any business interest in the Company except as otherwise disclosed in the "list of related party transactions" as above.



c. Related business transactions with the Group Companies and their significance on the financial performance of the Company

Except as stated above in the *list of related party transactions*, there are no related business transactions between the Group Companies and the Company.

4. Litigation

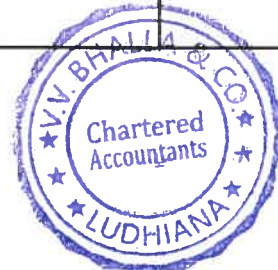
Based on review of Last audited financial statements of the group companies and review of minutes of board meetings, other committee meetings and shareholders' meetings of the group companies from April 2025 till the date of this certificate, we confirm that as on the date of signing of this certificate, there is no pending litigation involving the Group Companies which may have a material impact on such Companies.

11. Insurance Coverage

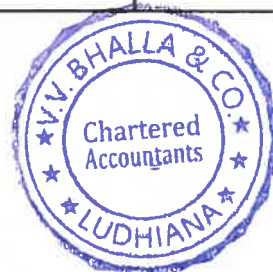
Based on our review of the records maintained by the Company, we hereby certify and confirm that as at the date of the certificate the total insurance coverage maintained by the Company was Rs. 9,560.70 lakhs. Further, we certify that such insurance coverage of Rs. 9,560.70 lakhs was 3.04 times the fixed assets (including capital work in progress) of the Company as per the restated financial information. The details of insurance policies effective as on the date of certificate is as below:

(Amount in lacs)

Sr.	Insurer	Description of the property insured	Policy No.	Expiry Date	Sum insured
1	The Oriental Insurance Company Limited- Basic Cover	Basic Cover-Burglary Standard	234000/48/2025/2547	23-12-2025	3,200.00
2	The Oriental Insurance Company	Machinery Breakdown	234000/44/2025/186	28-12-2025	1,083.95
3	The Oriental Insurance Company	Electronic Equipment	234000/44/2025/185	28-12-2025	306.
4	The Oriental Insurance Company Limited	Fire Insurance	234000/11/2025/790	23-12-2025	4,950.00
5	Royal Sundaram General Insurance Co. Limited	Employee Insurance	AG00065996000100	05-06-2026	AG00065996000100 Temporary Total Disablement : Weekly compensation of 1% of Sum Insured, subject to a maximum of ₹10,000 per week for up to 104 weeks. Limited to 25% of gross monthly earnings.



					<p>Medical Expenses Extension: Reimbursement of medical expenses up to 40% of admissible claim or 20% of Sum Insured, whichever is lower. Covers ambulance/ medical evacuation expenses up to ₹1,500 per claim on submission of proof.</p> <p>Child Education: ₹10,000 per child, subject to a maximum of two children, payable in case of death of the insured under Benefit-1.</p>
6	Royal Sundaram General Insurance Co. Limited	Employee Compensation Insurance	LEI0008067000100	04-06-2026	Maximum of 100 times the monthly wages of the employee at the time of accident subject to the Condition of Average as per the Employees Compensation Insurance

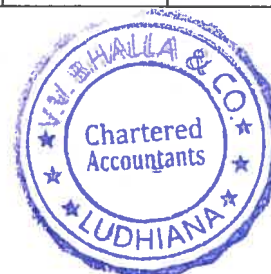


					Policy Wording
7	Go Digit General Insurance Limited	MARUTI SUZUKI CIAZ (PB10JG6809)	D166147735/1909 2024	23-12-2025	8.81
8	Go Digit General Insurance Limited	EICHER PRO 2059XPF (PB10HU4069)	D183256022/ 19042025		11.94

7. ELIGIBILITY NORMS

This is to certify that the company is eligible for Listing as per conditions stipulated under Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. Listing criteria stipulated by the Bombay Stock Exchange (BSE) and Listing criteria stipulated by the National Stock Exchange of India Limited (NSE) which is as below:

ICDR		Eligibility (Yes/ No)	Remarks
Disciplinary Action	Not eligilbe-228		
	*If the issuer, any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board	Complied with.	
	*If any of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board	Complied with.	
	If the issuer or any of its promoters or directors is a willful defaulter or a fraudulent borrower.	Complied with.	
	If any of its promoters or directors is a fugitive economic offender.	Complied with.	
	* The restrictions shall not apply to the persons or entities mentioned therein, who were debarred in the past by the Board and the period of debarment is already over as on the date of filing of the draft offer document with the SME Exchange.		
Outstanding Convertible Securities	If there are any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer:	Not applicable.	
	Provided that the provisions of this clause shall not apply to:		
	(i) outstanding options granted to employees, whether currently an employee or not, pursuant to an employee stock option scheme in compliance with the Companies Act, 2013, the relevant Guidance Note or accounting standards, if any, issued by the Institute of Chartered Accountants of India or pursuant to the Companies Act, 2013, in this regard;		
	(ii) fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of the red herring prospectus (in case of book-built issues) or the prospectus (in case of fixed price issues), as the case may be.		



Paid-up Capital	Eligible-229		
	(1) An issuer shall be eligible to make an initial public offer only if its post-issue paid-up capital is less than or equal to ten crore rupees.	Not applicable.	
	(2) An issuer, whose post issue paid-up capital is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of the Chapter IX.	Complied with.	
Exchange Parameters	If it satisfies the eligibility of exchange on which the issuer looking for listing	Yes	
Conversion of LLP/ Firm	A company converted from a proprietorship, partnership, or LLP can make an IPO only if it has existed for at least one full financial year, with restated financial statements aligned to Schedule III of the Companies Act, 2013.	Not applicable.	
	The track record of operating profit for a partnership firm, LLP, or resulting issuer from a merger/division can be considered if its financial statements conform to the Companies Act, 2013 format, include adequate Schedule III disclosures, are certified by peer-reviewed ICAI auditors, and present a true and fair view.	Not Applicable.	
Change in Promoter	An issuer with a complete change of promoters or new promoters acquiring over 50% shareholding can file a draft offer document only after one year from the final change.	Complied with.	
Operating Profit	The company/ entity should have operating profit (earnings before interest, depreciation and tax) from operations of 1 crore for atleast any 2 out of 3 financial years preceding the application.	Complied with.	
	The track record of operating profit from the time when the issuer was a partnership firm or Limited Liability Partnership (LLP) will be considered only if: (i) The financial statements of the partnership or LLP conform to the Companies Act, 2013. (ii) The statements are revised to the prescribed format for companies under the Companies Act, 2013 (iii) Adequate disclosures are made in the financial statements as per Schedule III of the Companies Act, 2013	Not applicable	
	If the issuer is a result of a merger or division of an existing company, its track record will be considered only if the financial statements meet the same requirements as above.	Not Applicable	
	Eligible-230		
Paid-up Equity Shares	Company all existing partly paid-up equity shares have either been fully paid-up or forfeited.	Complied with.	



Offer Issue	(i) the size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size;	Not applicable	
	(ii) the shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders' pre-issue shareholding on a fully diluted basis	Not applicable	
Repayment of Loan	Objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.	Complied with.	
General Corporate Purpose	(i) The amount for general corporate purposes, as mentioned in objects of the issue in the draft offer document and the offer document shall not exceed fifteen per cent of the amount being raised by the issuer or ₹10 crores, whichever is less.	Complied with.	
	(ii) The amount for general corporate purposes, and such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the draft offer document and the offer document, shall not exceed thirty five per cent of the amount being raised by the issuer:	Not Applicable	
	Provided that the amount raised for such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the draft offer document and the offer document, shall not exceed twenty five per cent. of the amount being raised by the issuer.	Not Applicable	
	Provided further that such limits shall not apply if the proposed acquisition or strategic investment object has been identified and suitable specific disclosures about such acquisitions or investments are made in the draft offer document and the offer document at the time of filing of offer documents.	Not Applicable	
Firm Arrangements	It has made firm arrangements of finance through verifiable means towards seventy five percent. of the stated means of finance for the project proposed to be funded from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals ³⁸⁹	Not applicable	
	Provided that if there is a requirement of firm arrangement and the project is partially funded by the bank(s) / financial institution(s), the details regarding sanction letter(s) from the bank(s)/ financial institution(s) shall be disclosed in the draft offer document and offer document.	Not applicable	
BSE			



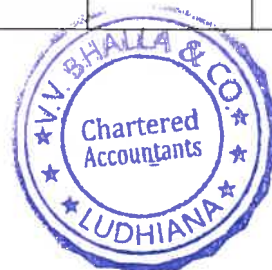
Incorporation	The company shall be incorporated under the Companies Act 1956/2013.	Complied with.	
Paid-up Capital	The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores	Complied with.	
Net worth	Company has Networth atleast Rs. 1 crore for 2 preceding full financial years. (Please refer to Annexure-E .)	Complied with.	
Net Tangible Assets	Company's Net Tangible Assets should be Rs 3 crores in last preceding (full) financial year. (Please refer to Annexure-E .)	Complied with.	
Track record	The Issuer satisfies the exchange's criteria of track record of 3 years	Complied with.	
	Where the applicant company has taken over a proprietorship concern/ registered partnership firm/ LLP, then the track record together with such proprietorship concern/ registered firm/ LLP should be atleast 3 years.	Not Applicable	
	Provided, the applicant company seeking listing should have a track record of operations for atleast one full financial year and audited financial results for one full financial year.	Not Applicable.	
	OR		
	Where the applicant company does not have a track record of 3 years, then the Project for which IPO is being proposed should be appraised and funded by NABARD, SIDBI, Banks (other than co-operative banks), Financial Institutions.	Not Applicable	
	Provided, the applicant company seeking listing should have a track record of operations for atleast one full financial year and audited financial results for one full financial year.	Not Applicable	
Operating Profit	The company should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date. (Please refer to Annexure-E .)	Complied with.	
	Provided the company should have operating profit (earnings before interest, depreciation and tax) from operations for one full financial year preceding the application date.	Complied with.	
	For companies seeking listing where the project has been appraised and funded by NABARD, SIDBI, Banks (other than co-operative banks), Financial Institutions, it shall have positive operating profit (earnings before interest, depreciation and tax) from operations in one full preceding financial year.	Not Applicable	
Leverage Ratio	Leverage ratio of the company is not more than 3:1*. (Please refer to Annexure-E .)	Complied with.	
	<i>*Relaxation may be granted to finance companies</i>		



Regulatory Compliance and Trading Status	Confirmation with respect to no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.	Complied with.	
	The Promoter(s) or directors shall not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.	Complied with.	
	Director should not be disqualified/ debarred by any of the Regulatory Authority.	Complied with.	
Pending defaults	No pending defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies	Complied with.	
Name Change	If name changed in the last year, at least 50% of revenue in the preceding financial year should come from the activity reflected by the new name.	Complied with.	
Other requirements			
Website	The issuer has a website	Complied with.	
Demat	100% of the Promoter's shareholding in the company should be in Dematerialised form.	Complied with.	
Depositories	The issuer has entered into an agreement with both depositories	Complied with.	
Change in control	There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment	Complied with.	
Management Structure	The composition of the board should be in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.	Complied with.	
Regulatory Status	The Company has not been referred to NCLT under IBC.	Complied with.	
	There is no winding up petition against the company, which has been admitted by the court.	Complied with.	
Regulatory Status	The Company has not been referred to NCLT under IBC.	Complied with.	
	There is no winding up petition against the company, which has been admitted by the court.	Complied with.	
Cooling Period	Gap of at least 6 months from date of withdrawal/ rejection of issue from SEBI/Exchanges.	Complied with.	
Additional Parameters for Broking Companies			
Networth and profit	Net worth of minimum Rs. 5 crores with profit before tax of atleast Rs. 5 crores in any 2 years out of 3 financial years.	Not Applicable	
	OR		
	Net worth of atleast Rs. 25 crores in any 3 years out of 5 financial years.	Not Applicable	



	<i>The Financial year should be for a period of 12 months. Extraordinary income will not be considered for the purpose of profits.</i>		
Net Tangible Assets	The Net Tangible assets of at least Rs. 3 Crores as per the latest audited financial results.	Complied with.	
Post issued Paid up capital:	Post issued paid up capital of the broking Member should be minimum Rs. 3 crores.	Not Applicable	
Additional Parameters for Micro Finance Company	Micro finance companies, in addition to the existing criteria for all SME companies, should have a Asset Under Management of at least Rs. 100 crores, client base of 10000 & above and it should not have accepted/ held public deposit.	Not Applicable	
NSE			
Companies Act	The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.	Complied with.	
Post Issue Paid up Capital	The post issue paid up capital of the company shall not be more than Rs. 25 crore.	Complied with.	
Track Records	Track record of atleast three years of either	Complied with.	
	i. the applicant seeking listing; or		
	ii. the promoters****/promoting company, incorporated in or outside India or		
	****Promoters mean one or more persons with minimum 3 years of experience in the same line of business and shall be holding at least 20% of the post issue equity share capital individually or severally		
	iii. Proprietary / Partnership firm and subsequently converted into a Company (not in existence as a Company for three years) and approaches the Exchange for listing.		
Operating Profit	The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations of 1 crore for atleast any 2 out of 3 financial years preceding the application. (Please refer to Annexure-E .)	Complied with.	
Net Worth	It should be Positive. (Please refer to Annexure-E .)	Complied with.	
Free Cash flow to Equity	The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application. (Please refer to Annexure-E .)	Complied with.	
Offer for Sale	OFS by selling shareholders in SME IPO shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding.	Not applicable.	
Repayment of Loan	Its objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.	Complied with.	



Rejection from Exchange	The application of the applicant company should not have been rejected by the Exchange in last 6 complete months.	Complied with.	
Regulatory Status	The applicant company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies	Complied with.	
	The company has not received any winding up petition admitted by a NCLT / Court.	Complied with.	
	No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.	Complied with.	
Disclosures	The following matters should be disclosed in the offer document:		
	1. Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.	Complied with.	
	2. Defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.	Complied with.	
	3. The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation.	Complied with.	
	4. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences.	Complied with.	
Cooling Period	Gap of at least 6 months from date of withdrawal/ rejection of issue from SEBI/Exchanges.	Not applicable	

We conducted our examination for this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes (“Guidance Note”) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and 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.



We hereby confirm that while providing this certificate we have complied with the Standards on Auditing issued by the Institute of Chartered Accountants of India.

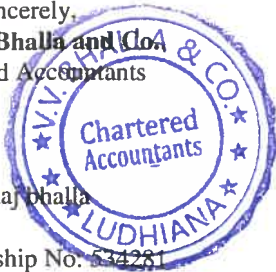
hereby consent to the extracts of this certificate being used in the Draft Red Herring, Red Herring Prospectus and Prospectus of the Company in connection with the Issue and other Issue related materials.

We undertake to update you of any changes in the above mentioned information until the date the Equity Shares issued pursuant to issue commence trading on the Stock Exchanges. In the absence of any such communication from us, you may assume that there is no change in respect of the matters covered in this certificate.

This certificate may be relied on by the Book Running Lead Manager and the legal advisor in relation to the Issue and to assist the Book Running Lead Manager in conducting and documenting their investigation of the affairs of the Company in connection with the Issue of the securities covered by the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to be issued by the Company in relation to the Issue and other Issue related materials ("Offer Documents") and for the purpose of any defence the Book Running Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents. This letter may be produced in any actual or potential proceeding or actual or potential dispute relating to or connected with the Issue document or otherwise in connection with the Issue.

Yours sincerely,

For **VV Bhalla and Co**
Chartered Accountants



CA Pankaj bhalla

Partner

Membership No. 534281

Place: Ludhiana

UDIN : 25534281BMISZZ7507

ANNEXURE-A

1) Workings of Computation of Average cost of Acquisition of shares for Promoter.

Arun Gupta:

Nature of Transaction	Date of Allotment and transfer	Number of Equity Shares	Face Value per Equity Shares	Cost per Equity Shares (Including Security Premium)	Nature of Consideration	Total Cost	Cumulative amount paid for the equity shares	Cumulative No of Equity shares acquired
Allotment	19.08.1997	100	10	10	cash	1,000	1,000.00	100
Allotment	01.07.1998	2,500	10	10	cash	25,000	12,51,000.00	2,600
Allotment	01.10.2011	2,01,500	10	10	cash	20,15,000	32,66,000.00	2,04,100
Allotment	30.03.2013	346970	10	0	Other than cash	-	32,66,000.00	5,51,070
Allotment	01.05.2013	343500	10	10	cash	34,35,000	67,01,000.00	8,94,570
Allotment	05.09.2013	65000	10	10	cash	6,50,000	73,51,000.00	9,59,570
Transfer to Arun Gupta HUF	01.02.2014	- 2,50,000	10	0	Other than cash (gift)	-	73,51,000.00	7,09,570
Transfer from Chirag Gupta	19.03.2016	75,000	10	0	Other than cash (gift)	-	73,51,000.00	7,84,570
Transfer from Vishnu Gupta	22.02.2024	16,05,000	10	0	Other than cash (gift)	-	73,51,000.00	23,89,570
Transfer from Sulochana Gupta	22.02.2024	6,33,000	10	0	Other than cash (gift)	-	73,51,000.00	30,22,570
Transfer from Kastoor Chand Gupta	22.02.2024	4,27,750	10	0	Other than cash (gift)	-	73,51,000.00	34,50,320



Transfer Kastoore Chand Gupta HUF	20.04.2024	1,43,350	10	17	cash	24,36,950	97,87,950.00	35,93,670
Transfer from Ravi Gupta HUF	20.04.2024	2,500	10	16	cash	40,000	98,27,950.00	35,96,170
Allotment	07.06.2024	79,100	10	21.50	cash	17,00,650	1,15,28,600	36,75,270
Allotment	12.06.2025	9,18,817	10	0	Other than cash	-	1,15,28,600	45,94,087
Total No of Shares Acquired (A)								45,94,087
Total Consideration paid (B)								1,15,28,600
Average cost of Acquisition (B/A)								2.51

Chirag Gupta:

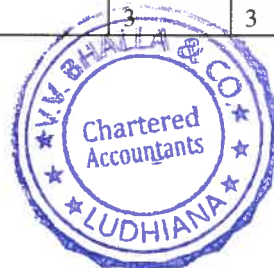
Nature of Transaction	Date of Allotment and transfer	Number of Equity Shares	Face Value per Equity Shares	Cost per Equity Shares (Including Security Premium)	Nature of Consideration	Total Cost	Cumulative amount paid for the equity shares	Cumulative No of Equity shares acquired
Allotment	01-05-2013	75,000	10	10	Cash	7,50,000	7,50,000	75,000
Allotment	05-09-2013	90,000	10	10	Cash	9,00,000	16,50,000	1,65,000
Transfer to Arun Gupta	19-03-2016	-	10	0	Other than cash	-	16,50,000	90,000
Transfer to Arun Gupta HUF	19-03-2016	-	10	0	Other than cash	-	16,50,000	-
Transfer from Rajesh Gupta	22-02-2024	17,19,270	10	0	Other than cash	-	16,50,000	17,19,270
Transfer from Rajesh Gupta HUF	20-04-2024	1,39,950	10	17	Cash	23,79,150	40,29,150	18,59,220
Transfer from Ravi Gupta HUF	20-04-2024	33,100	10	16	Cash	5,29,600	45,58,750	18,92,320



Allotment	07-06-2024	1,48,900	10	21.50	Cash	32,01,350	77,60,100	20,41,220
Transfer from Vishnu Gupta HUF	01-10-2024	96,083	10	19.00	Cash	18,25,577	95,85,677	21,37,303
Allotment	12-06-2025	5,34,326	10	-	Other than cash	-	95,85,677	26,71,629
Total No of Shares Acquired (A)								26,71,629
Total Consideration paid (B)								95,85,677
Average cost of Acquisition (B/A)								3.59

Piyush Gupta:

Nature of Transaction	Date of Allotment and transfer	Number of Equity Shares	Face Value per Equity Shares	Cost per Equity Shares (Including Security Premium)	Nature of Consideration	Total Cost	Cumulative amount paid for the equity shares	Cumulative No of Equity shares acquired
Allotment	01.10.2011	15,000	10	10	cash	1,50,000	1,50,000	15,000
Allotment	30.03.2013	25,500	10	0	other than cash	-	1,50,000	40,500
Allotment	01.05.2013	44,000	10	10	cash	4,40,000	5,90,000	84,500
Allotment	05.09.2013	3,91,200	10	10	cash	39,12,000	45,02,000	4,75,700
Transfer to Nitasha Gupta	24.12.2014	-100	10	0	Other than cash (gift)	-	45,02,000	4,75,600
Transfer from Ravi Gupta	22.02.2024	8,85,820	10	0	Other than cash (gift)	-	45,02,000	13,61,420
Transfer from Ravi Gupta HUF	20.04.2024	27,450	10	16	Other than cash (gift)	-	49,41,200	13,88,870
Transfer from Ravi Gupta HUF	04.05.2024	1,93,150	10	21.5	cash	35,29,600	80,31,600	15,82,020
Allotment	07.06.2024	1,62,800	10	19	cash	35,00,200	1,15,31,800	17,44,820
Transfer from	01.10.2024	84,017	10	0	cash	15,96,323	1,31,28,123	18,28,837



Vishnu Gupta HUF								
Allotment		4,57,209	10	0	Other than cash	-	1,31,28,123	22,86,046
Total No of Shares Acquired (A)								22,86,046
Total Consideration paid (B)								1,31,28,123
Average cost of Acquisition (B/A)								5.74

2) Workings of Computation of weighted average price of equity shares acquired by each of the Promoters in the last one year.

Arun Gupta:

Date	Name of the Allotee/ Transferree	Transferred from	No of Shares	Face Value Per Share	Allotment price/ Transfer price per share	Total Consideration	Type of Consideration	Type of Transaction
12.06.2025	-	-	9,18,817	10	-	-	Other than cash	Bonus
Total No of Shares Acquired (A)								9,18,817
Total Consideration paid (B)								0
Average cost of Acquisition (B/A)								0

Chirag Gupta:

Date	Name of the Allotee/ Transferree	Transferred from	No of Shares	Face Value Per Share	Allotment price/ Transfer price per share	Total Consideration	Type of Consideration	Type of Transaction
12.06.2025	-	-	5,34,326	10	-	-	Other than cash	Bonus
Total No of Shares Acquired (A)								534326
Total Consideration paid (B)								0
Average cost of Acquisition (B/A)								0

Piyush Gupta:

Date	Name of the Allotee/ Transferree	Transferred from	No of Shares	Face Value Per Share	Allotment price/ Transfer price per share	Total Consideration	Type of Consideration	Type of Transaction
01-10-2024								



12.06.2025	-	-	457209	10	-	-	Other than cash	Bonus
Total No of Shares Acquired (A)								457209
Total Consideration paid (B)								0
Average cost of Acquisition (B/A)								0



ANNEXURE-B

Computation of the weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this certificate.

i. Last one year preceding the date of this certificate: NA

ii. Last 18 months preceding the date of this certificate:

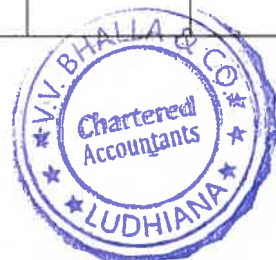
Date	Name of the Allottee/ Transfer ee	Transferr ed from	No of Shares	Face Valu e Per Share	Allotme nt price/ Transfe r price per share	Total Considerati on	Type of Considerati on	Type of Transacti on
20.04.2024	Chirag Gupta	Rajesh Gupta HUF	1,39,950	10	17	23,79,150	Cash	Share Transfer
20.04.2024	Sangeeta Gupta	Trimurti Hosiery Mills P. Ltd.	27,000	10	17	4,59,000	Cash	Share Transfer
20.04.2024	Arun Gupta	Kastoor Chand Gupta HUF	1,43,350	10	17	24,36,950	Cash	Share Transfer
20.04.2024	Sangeeta Gupta	Kastoor Chand Gupta HUF	2,16,390	10	17	36,78,630	Cash	Share Transfer
20.04.2024	Chirag Gupta	Ravi Gupta HUF	33,100	10	16	5,29,600	Cash	Share Transfer
20.04.2024	Nitasha Gupta	Ravi Gupta HUF	2,03,700	10	16	32,59,200	Cash	Share Transfer
20.04.2024	Arun Gupta	Ravi Gupta HUF	2,500	10	16	40,000	Cash	Share Transfer
20.04.2024	Arun Gupta HUF	Ravi Gupta HUF	3,66,250	10	16	58,60,000	Cash	Share Transfer
20.04.2024	Sangeeta Gupta	Ravi Gupta HUF	1,13,900	10	16.5	18,82,400	Cash	Share Transfer
20.04.2024	Piyush Gupta	Ravi Gupta HUF	27,450	10	16	4,39,200	Cash	Share Transfer
04.05.2024	Piyush Gupta	Ravi Gupta HUF	1,93,150	10	16	30,90,400	Cash	Share Transfer



01.10.2024	Chirag Gupta	Vishnu Gupta HUF	96,083	10	19	18,25,577	Cash	Share Transfer
01.10.2024	Piyush Gupta	Vishnu Gupta HUF	84,017	10	19	15,96,323	Cash	Share Transfer
01.10.2024	Vani Gupta	Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta through National Yarn Agency	16,200	10	0	Gift	Cash	Share Transfer
Total No of Shares Acquired (A)								16,63,040
Total Consideration paid (B)								2,74,76,430
Average cost of Acquisition (B/A)								16.52

iii. Last three years preceding the date of this certificate:

Date	Name of the Allotee/ Transfer ee	Transferred from	No of Shares	Face Value Per Share	Allotment price/ Transfer price per share	Total Consideration	Type of Consideration	Type of Transaction
22.02.2024	Arun Gupta	Vishnu Gupta	16,05,000	10	0	Gift	N.A.	Share Transfer
22.02.2024	Arun Gupta	Sulochna Gupta	6,33,000	10	0	Gift	N.A.	Share Transfer
22.02.2024	Arun Gupta	Kastoor Chand Gupta	4,27,750	10	0	Gift	N.A.	Share Transfer
22.02.2024	Sangeeta Gupta	Rashmi Gupta	12,500	10	0	Gift	N.A.	Share Transfer
22.02.2024	Sangeeta Gupta	Anju Gupta	5,000	10	0	Gift	N.A.	Share Transfer
22.02.2024	Sangeeta Gupta	Anita Gupta	8,500	10	0	Gift	N.A.	Share Transfer
22.02.2024	Piyush Gupta	Ravi Gupta	8,85,820	10	0	Gift	N.A.	Share Transfer
22.02.2024	Chirag Gupta	Rajesh Gupta	17,19,270	10	0	Gift	N.A.	Share Transfer
20.04.2024	Chirag Gupta	Rajesh Gupta HUF	1,39,950	10	17	23,79,150	Cash	Share Transfer
20.04.2024	Sangeeta Gupta	Trimurti Hosiery Mills P. Ltd.	27,000	10	17	4,59,000	Cash	Share Transfer



20.04.20 24	Arun Gupta	Kastoor Chand Gupta HUF	1,43,35 0	10	17	24,36,950	Cash	Share Transfer
20.04.20 24	Sangeeta Gupta	Kastoor Chand Gupta HUF	2,16,39 0	10	17	36,78,630	Cash	Share Transfer
20.04.20 24	Chirag Gupta	Ravi Gupta HUF	33,100	10	16	5,29,600	Cash	Share Transfer
20.04.20 24	Nitasha Gupta	Ravi Gupta HUF	2,03,70 0	10	16	32,59,200	Cash	Share Transfer
20.04.20 24	Arun Gupta	Ravi Gupta HUF	2,500	10	16	40,000	Cash	Share Transfer
20.04.20 24	Arun Gupta HUF	Ravi Gupta HUF	3,66,25 0	10	16	58,60,000	Cash	Share Transfer
20.04.20 24	Sangeeta Gupta	Ravi Gupta HUF	1,13,90 0	10	16.53	18,82,400	Cash	Share Transfer
20.04.20 24	Piyush Gupta	Ravi Gupta HUF	27,450	10	16	4,39,200	Cash	Share Transfer
04.05.20 24	Piyush Gupta	Ravi Gupta HUF	1,93,15 0	10	16	30,90,400	Cash	Share Transfer
01.10.20 24	Chirag Gupta	Vishnu Gupta HUF	96,083	10	19	18,25,577	Cash	Share Transfer
01.10.20 24	Piyush Gupta	Vishnu Gupta HUF	84,017	10	19	15,96,323	Cash	Share Transfer
01.10.20 24	Vani Gupta	Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta through National Yarn Agency	16,200	10	0	Gift	N.A.	Share Transfer
Total No of Shares Acquired (A)								69,59,880
Total Consideration paid (B)								2,74,76,430
Average cost of Acquisition (B/A)								3.95



ANNEXURE C

Audit Committee

The scope of Audit Committee shall include but shall not be restricted to the following:

- Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- 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, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process.
- Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- Discussion with internal auditors on any significant findings and follow up thereon.
- 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.
- 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.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.



- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

The Audit Committee enjoys following powers:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise if it considers necessary
- The audit committee may invite such executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
 - ☑ quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ☑ annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee shall meet at least four times in a Financial year and not more than one hundred and twenty days shall elapse between two Consecutive meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall cease to be a member of this committee.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;

(1A). 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:

 - ☑ use the services of an external agencies, if required;
 - ☑ consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - ☑ consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- 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 of Directors their appointment and removal.



- 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at least once in a Financial year. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

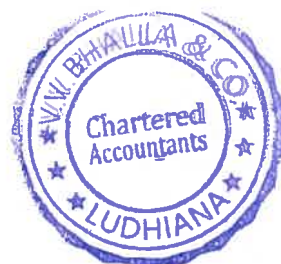
Stakeholder's Relationship Committee

- a. The role of Stakeholder Relationship Committee, together with its powers, is as follows:
- b. Allotment and listing of our shares in future
- c. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- d. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- e. Reference to statutory and regulatory authorities regarding investor grievances;
- f. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- g. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Corporate Social Responsibility

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- a. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, 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. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- c. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- d. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- e. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- 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
- g. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.



ANNEXURE-D

Computation of calculations of Basis for Issue Price

Particulars	June 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operation (A)	6,522.45	17,163.50	10,838.45	8,932.70
PAT (B)	301.72	1,103.25	170.43	90.31
Add: Depreciation	64.62	237.20	178.57	164.47
Add: Interest	240.18	614.13	429.17	310.01
Add: Tax	101.84	385.49	28.35	9.36
Less: Other Income	1.02	12.56	2.12	23.05
EBITDA (C)	707.34	2,327.52	804.40	551.11
EBITDA Margin (%) (C/A)	10.84%	13.56%	7.42%	6.17%
Net Worth (D)	3250.24	2948.52	1624.24	1453.80
Return on Net Worth (%)	9.28%	37.42%	10.49%	6.21%
Equity Shares outstanding at the end of the period	134.10	107.28	97.00	97.00
Equity Shares at the end of the Period - Post Bonus (E)	134.10	132.18	123.82	123.82
Weighted Average Number of Equity Shares at the end of the Period - Pre Bonus	107.28	105.36	97.00	97.00
Weighted Average Number of Equity Shares at the end of the Period - Post Bonus (F)	134.10	132.18	123.82	123.82
Basic EPS & Diluted EPS (Pre Bonus)*	2.81	10.47	1.76	0.93
Basic EPS & Diluted EPS (Post Bonus)*	2.25	8.35	1.38	0.73
Net Asset Value Per Share (Post Bonus) (D/E)	24.24	22.31	13.12	11.74
Nominal Value per Equity share (Rs.)	10	10	10	10



ANNEXURE-E

1. Net Worth

Particulars	FY 2023	FY 2024	FY 2025
Paid-up share capital	970.00	9,70.00	1,072.81
Add: All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account,	483.80	654.24	1,875.71
Add: the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation			
Net Worth	1,453.80	1624.24	2,948.52

2. Earnings before Interest, Depreciation and Tax

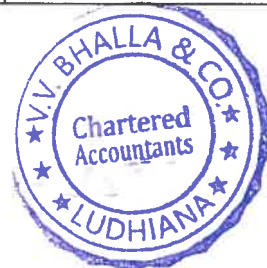
Financial Year	FY 2023	FY 2024	FY 2025
Profit Before Tax	99.68	198.78	1,488.74
Add: Depreciation	164.47	178.57	237.20
Add: Interest	310.01	429.17	614.13
Less: Other Income	23.05	2.12	12.46
Earning before Interest, Depreciation and Tax	551.11	804.40	2,327.52

3. Net Tangible Assets

Details	FY 2025
Net Assets	3,144.89
Less: Intangible Assets	0.28
Net Tangible Assets	3,144.61

4. Free Cash Flow to Equity

Particulars	FY 2023	FY 2024	FY 2025
Cash Generated from Operating Activities	8.55	-563.89	-151.05
Less: Income Tax Paid	13.33	33.15	26.05
Net Cash Flow from Operating Activities	-4.78	-597.05	-177.11
Purchase of Capital Assets	133.55	1319.95	454.45
Less: Sale Proceeds of Fixed Assets	4.36	2.00	22.56
Purchase of Fixed Assets	129.19	1317.95	431.89



Proceeds from Total Borrowings	439.43	2361	978.95
Less: Repayment of Total Borrowings			
Net Debt Repayment	439.43	2361	978.95
Total Interest Expense	310.01	411.32	593.99
Effective Tax Rate	0.09	0.14	0.26
Post Tax Interest Expense	280.89	352.66	307.09
Free Cash flow to Equity	24.57	93.34	-70.23

5. Leverage Ratio

Details	FY 2025
Total Debt (A)	6,719.98
Long Term Borrowings	3,116.60
Short Term Borrowings	3,603.38
Total Shareholders Fund (B)	2,948.52
Paid-up share capital	1,072.81
Reserves and Surplus	1,875.71
Leverage ratio (A/B)	2.28

