DRAFT RED HERRING PROSPECTUS
Dated: March 30, 2026
Please read Section 26 and 32 of The Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

(Please scan this QR code to view the DRHP and Draft Abridged Prospectus)

SHELLZ INDIA LIMITED

CORPORATE IDENTIFICATION NUMBER: U15490DL2012PLC235397

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), West Delhi, Delhi – 110 026, India	**Sumit Kumar** Company Secretary and Compliance Officer	**Email:** investor@shellz.in **Telephone:** 011 – 4850 4850	www.shellz.in

THE PROMOTERS OF OUR COMPANY ARE KAPIL GARG AND SHALINI GARG

DETAILS OF OFFER TO PUBLIC, PROMOTER/SELLING SHAREHOLDER

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE	TOTAL ISSUE SIZE^	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG QIB, NIB & IB
Fresh Issue	Up to 40,00,000 Equity Shares aggregating to ₹ [●] Lakhs	Not Applicable	Up to 40,00,000 Equity Shares aggregating to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229 (2) 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 Issue*" on page 321. For details of share reservation among QIBs, NIBs and IBs, see "*Issue Structure*" on page 340

RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10/- each. The Floor Price, Cap Price and Issue Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "*Basis for Issue Price*" on page 123, 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 and / 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 Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 26.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, 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.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on SME Platform of BSE Limited ("**BSE SME**"). For the purpose of the Issue, BSE Limited is the Designated Stock Exchange.

DETAILS OF BOOK RUNNING LEAD MANAGER ("BRLM")

Logo	Name	Contact Person	Telephone	Email
SOCRADAMUS Wisdom For Finance	Socradamus Capital Private Limited	Kritika Rupda	022 - 4961 4235	mb@socradamus.in

DETAILS OF REGISTRAR TO THE ISSUE

Logo	Name	Contact Person	Telephone	Email
	Bigshare Services Private Limited	Babu Rapheal C	022 - 6263 8200	ipo@bigshareonline.com

BID / ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	**[●]****	**BID / ISSUE OPENS ON**	**[●]**	**BID / ISSUE 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 Bidding Date shall be one Working Day prior to the Bid / Issue Opening Date.*

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

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Issue Closing Date.

*^Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, aggregating up to 8,00,000 Equity Shares of face value of ₹10/- each 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

This page is intentionally left blank

DRAFT RED HERRING PROSPECTUS
Dated: March 30, 2026
Please read Section 26 and 32 of The Companies Act, 2013
(This Draft Red Herring Prospectus will be
updated upon filing with the RoC)
100% Book Built Issue

SHELLZ INDIA LIMITED

Our company was incorporated as a private limited company under the name "*Tifosi Foods Private Limited*" under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 07, 2012, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, the name of our company was changed from "*Tifosi Foods Private Limited*" to "*Shellz India Private Limited*" pursuant to a special resolution passed in the extraordinary general meeting of our shareholders held on August 04, 2020 with the fresh certificate of incorporation dated on September 21, 2020 issued by the Registrar of Companies, Delhi. Thereafter, our company was converted from a private limited company to a public limited company, pursuant to a special resolution passed in the extraordinary general meeting of our shareholders held on December 12, 2024 and the name of our Company was changed to "*Shellz India Limited*" with a fresh certificate of incorporation dated February 04, 2025, issued to our Company by the Assistant Registrar of Companies/Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. For further details on incorporation and registered office of our Company, see "*History and Certain Corporate Matters*" on page 217.

Corporate Identification Number: U15490DL2012PLC235397;
Registered and Corporate Office: 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), Delhi – 110 026, India;
Contact Person: Sumit Kumar, Company Secretary and Compliance Officer;
Telephone: 011 – 4850 4850; **Email:** investor@shellz.in; **Website:** www.shellz.in;

THE PROMOTERS OF OUR COMPANY ARE KAPIL GARG AND SHALINI GARG

INITIAL PUBLIC OFFERING OF UPTO 40,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"). THE ISSUE WILL CONSTITUTE [●] % OF THE POST-ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.
THE ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (CONSTITUTING UP TO [●] % OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY, OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER AN ISSUE OF SPECIFIED SECURITIES, AS MAY BE PERMITTED UNDER APPLICABLE LAW TO ANY PERSON(S) OF UP TO 8,00,000 EQUITY SHARES PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). 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 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 ISSUE. PRIOR TO THE COMPLETION OF THE ISSUE, 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 ISSUE OR THE ISSUE MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGE. 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. THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH. THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER 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) (HINDI BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED FOR UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

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

This Issue is being made through the Book Building process, in terms of Rule 19(2)(b)(i) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations and in compliance with Regulation 253(1) and 253(2) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", **the "QIB Portion**"), provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLM, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**") of which, 40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% shall be available for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription 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 Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders ("**Non-Institutional Portion**") on a proportionate basis to Non-Institutional Bidders out of which (a) one third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs; (b) two third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than ₹10.00 lakhs provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. Further, not less than 35% of the Net Issue shall be available for allocation to individual bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price ("**Individual Bidder Portion**"). All Bidders (except Anchor Investors) shall mandatorily participate in this Issue only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) 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, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, see "*Issue Procedure*" on page 345.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of our company, there has been no formal market for the equity shares of our company. The Issue Price, Floor Price, or the Price Band as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "*Basis for Issue Price*" on page 123 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 and / 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 Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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*" on page 26.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, 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.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("**BSE SME**"). Our Company has received an "In-Principle" approval from the BSE Limited ("**BSE**") for the listing of the Equity Shares pursuant to letter dated [●]. For the purpose of this Issue, BSE is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 395.

BOOK RUNNING LEAD MANAGER ("BRLM")	REGISTRAR TO THE ISSUE
SOCRADAMUS CAPITAL PRIVATE LIMITED Gala No. 303, Cama Industrial Estate, Sun Mill Compound, Delisle Road, Lower Parel (West), Mumbai – 400 013, Maharashtra, India **Telephone:** 022 – 4961 4235 **Email:** mb@socradamus.in **Investors Grievance e-mail:** investors@socradamus.in **Website:** https://socradamus.in/ **Contact Person:** Kritika Rupda **SEBI Registration Number:** INM000013138	**BIGSHARE SERVICES PRIVATE LIMITED** Office No. S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India **Telephone:** 022 - 6263 8200 **Email:** ipo@bigshareonline.com **Investor Grievance e-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Babu Rapheal C **SEBI Registration Number:** INR000001385

BID / ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●]**	BID / ISSUE OPENS ON	[●]	BID / ISSUE 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 Bidding Date shall be one Working Day prior to the Bid / Issue Opening Date.*
****Our Company in consultation with the BRLM, may consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.*
The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Issue Closing Date.

This page is intentionally left blank

Table of Contents

SECTION I – GENERAL **1**

DEFINITIONS AND ABBREVIATIONS 1

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION 21

FORWARD LOOKING STATEMENTS 24

SECTION II – RISK FACTORS **26**

SECTION III – INTRODUCTION **77**

THE ISSUE 77

SUMMARY OF FINANCIAL INFORMATION 79

SUMMARY OF CONTINGENT LIABILITIES 83

SUMMARY OF RELATED PARTY TRANSACTIONS 84

GENERAL INFORMATION 86

CAPITAL STRUCTURE 96

SECTION IV – PARTICULARS OF THE ISSUE **107**

OBJECTS OF THE ISSUE 107

BASIS FOR ISSUE PRICE 123

STATEMENT OF SPECIAL TAX BENEFITS 131

SECTION V – ABOUT THE COMPANY **134**

INDUSTRY OVERVIEW 134

OUR BUSINESS 182

KEY REGULATIONS AND POLICIES 208

HISTORY AND CERTAIN CORPORATE MATTERS 217

OUR MANAGEMENT 221

OUR PROMOTERS AND PROMOTER GROUP 236

DIVIDEND POLICY 239

SECTION VI – FINANCIAL INFORMATION **240**

RESTATED FINANCIAL INFORMATION 240

UNAUDITED PROFORMA CONSOLIDATED FINANCIAL INFORMATION 241

OTHER FINANCIAL INFORMATION 242

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 245

CAPITALISATION STATEMENT 284

FINANCIAL INDEBTEDNESS 285

SECTION VII – LEGAL AND OTHER INFORMATION **290**

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 290

GOVERNMENT AND OTHER APPROVALS 308

SECTION VIII – OUR GROUP COMPANIES **318**

SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES **321**

SECTION X – ISSUE INFORMATION **332**

TERMS OF THE ISSUE 332

ISSUE STRUCTURE 340

ISSUE PROCEDURE 345

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 365

SECTION XI – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION **366**

SECTION XII – OTHER INFORMATION **395**

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 395

DECLARATION **397**

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, the terms in "Basis for Issue Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Restated Financial Information", "Outstanding Litigation and Material Developments", "Issue Procedure" and "Main Provisions of the Articles of Association" on pages 123, 131, 134, 208, 240, 290, 345 and 366 respectively, shall have the meanings ascribed to such terms in the respective sections.

General Terms

Term	Description
Shellz India / The Company / Our Company / The Issuer / Shellz India Limited	Shellz India Limited, a public limited company incorporated in India under the Companies Act, 1956 having its Registered Office at 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), Delhi – 110 026, India
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company Related Terms

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted on February 10, 2025 in accordance with Section 177 of the Companies Act, 2013, as described in "*Our Management – Corporate Governance*" on page 225
Auditors / Statutory Auditors / Peer Reviewed Auditors	The current statutory and peer reviewed auditors of our Company, being M/s RSAV And Company, Chartered Accountants
Bankers to our Company	Axis Bank Limited
Board of Directors / Board / Directors	The Board of Directors of our company, including all duly constituted Committees thereof described in "*Our Management – Board of Directors*" on page 221
Chairman / Chairperson	Kapil Garg, the Chairman of our Company. For details with respect to his profile, see "*Our Management – Brief Profile of our Directors*" on page 222
Chief Financial Officer / CFO	Sangeeta Thakur, the Chief Financial Officer of our Company. For details with respect to her profile, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 233
Company Secretary and Compliance Officer	Sumit Kumar, the Company Secretary and Compliance Officer of our Company. For details with respect to his profile, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 233
Corporate Identification Number / CIN	U15490DL2012PLC235397
Corporate Office / Registered Office / Registered and Corporate Office	The registered and corporate office of our Company situated at 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), Delhi – 110 026, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 225
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each

Term	Description
Equity 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 Shares
Executive Director	The Executive Director of our company, being Kapil Garg, as disclosed in the chapter "*Our Management*" on page 221
Group Companies	Our group companies, as disclosed in chapter "*Our Group Companies*" on page 318
Independent Directors	Non-executive, Independent Director appointed as per the Companies Act, 2013 and the SEBI LODR Regulations namely Sapna Tomar and Narinder Sethi. For details of our Independent Directors, see "*Our Management*" on page 221
ISIN	International Securities Identification Number. In this case being INE0Z7301016
Ken Research / Ken	Ken Research Private Limited
Ken Report	Industry report titled "*India's Confectionery Market*" dated March 25, 2026 which is exclusively prepared for the purpose of the Issue and issued by Ken Research and is commissioned and paid for by our Company. Ken Research was appointed on October 06, 2025. The Ken Report will be available on the website of our Company at https://www.shellz.in/investor-relations/ until the Bid / Issue Closing Date
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 233
Managing Director	The Managing Director of our Company, being Kapil Garg
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated November 10, 2025, for identification of: (a) outstanding material litigation involving our Company, our Promoters, our Directors and our Subsidiaries; (b) companies considered material by our Company, for the purposes of disclosure as group companies in this Draft Red Herring Prospectus; and (c) outstanding dues to material creditors of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations, for the purposes of disclosure in this Draft Red Herring Prospectus
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on February 10, 2025 in accordance with Section 178 of the Companies Act, 2013, as described in "*Our Management – Corporate Governance*" on page 225
Non-Executive Directors	The non-executive director(s) of our Company, including our Independent Directors, namely Shalini Garg, Sapna Tomar and Narinder Sethi. For details of our Non-Executive Directors, see "*Our Management*" on page 221
Promoters	The Individual Promoters of our company being Kapil Garg and Shalini Garg
Promoter Group	Persons and entities constituting the promoter group of our company pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations as disclosed in "*Our Promoters and Promoter Group*" on page 236
Registrar of Companies / ROC	Registrar of Companies, Delhi II
Restated Financial Information	The Restated Financial Information of our Company comprising of the Restated Statement of Assets & Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the period ended September 30, 2025 and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 and the significant accounting policies and explanatory notes. The Restated Financial Statements have been prepared to comply in all material aspects with the requirements of (a) Section 26 of Part I of Chapter III of the Companies Act, 2013; (b) the SEBI ICDR Regulations; (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended (the "**Guidance Note**"); and (d) the AS notified under the Companies (Accounting Standards) Rules, 2021 (as amended from time to time), presentation requirements of Division I of Schedule III to the Companies Act, 2013, (AS compliant Schedule III), as applicable to the financial statements and other relevant provisions of the Companies Act.

Term	Description
	The Restated Financial Statements have been compiled from Audited financial statements of our Company as at and for the period ended September 30, 2025, and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023
Senior Management	The Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 233
Shareholders	The equity shareholders of our Company
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee of our Company, constituted on November 10, 2025 in accordance with Section 178 of the Companies Act, 2013, as described in "*Our Management – Corporate Governance*" on page 225
Subsidiary(ies)	The subsidiary of our Company, namely Shellz Overseas Private Limited. For further details, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 219
Unaudited Proforma Consolidated Financial Information	The Unaudited Proforma Consolidated Financial Information consists of the proforma balance sheet as at September 30, 2025, and March 31, 2025, proforma statement of profit and loss for the period ended September 30, 2025, and March 31, 2025 and related notes. The Unaudited Pro Forma Consolidated Financial Information has been prepared by our Company to illustrate the impact of the acquisition of Shellz Overseas Private Limited, which was completed subsequent to the reporting periods presented but prior to the filing of this Draft Red Herring Prospectus. The pro forma financial information has been prepared as if the acquisition had occurred on April 1, 2024, for the purposes of presenting the Company's financial position as at September 30, 2025 and March 31, 2025, and its financial performance for the year ended March 31, 2025

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of a Prospectus as may be specified by the SEBI in this regard
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are allotted
Anchor Investor (s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹200.00 Lakhs
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as a Bid for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The date, being one Working Day prior to the Bid / Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date and in the even the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid / Issue 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.

Term	Description
	Further, of which, 40% shall be reserved in the following manner, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% shall be available for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB which may be blocked 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 Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker (s) to the Issue	Collectively, Escrow Collection Bank, Refund Bank, Public Issue Account Bank and the Sponsor Bank
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, as described in "*Issue Procedure*" on page 345
Bid	An indication to make an offer during the Bid / Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Bidder pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Individual Bidders Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot / Lot size	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Issue 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 [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located). In case of any revisions, the extended Bid / Issue Closing Date shall also be notified on the website of the BRLM and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank, and shall also be notified in an advertisement in the same newspapers in which the Bid / Issue Opening Date was published, as required under the SEBI ICDR Regulations. Our Company in consultation with the Book Running Lead Manager may consider closing the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations
Bid / Issue 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 [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located)

Term	Description
Bid / Issue Period	Except in relation to Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue 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 in accordance with the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the BRLM, consider closing the Bid / Issue Period for the QIB Category one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations
Bidding Centres	The centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSBs 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 Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Book Running Lead Manager / BRLM	The Book Running Lead Manager to the Issue namely, Socradamus Capital Private Limited
Broker Centres	Broker centres notified by the Stock Exchange where 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 Broker are available on the website of the Stock Exchange at www.bseindia.com
BSE SME	SME Platform of BSE Limited for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to being a minimum of 105% of the Floor Price
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participant(s) / CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI RTA Master Circular and UPI Circulars as issued by SEBI, as per the list available on the respective website of the BSE, as updated from time to time
Cut-off Price	Issue Price, finalised by our Company, in consultation with the BRLM, which shall be any price within the Price Band
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, Bidder status, occupation, bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange at www.bseindia.com
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue

Term	Description
Designated Intermediaries	In relation to ASBA Forms submitted by IBs, Non-Institutional Bidders Bidding with an application size of up to ₹5.00 Lakhs (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 using the UPI Mechanism, 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 Bidders with an application size of more than ₹5.00 Lakhs (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated Market Maker / Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange at www.bseindia.com
Designated SCSB Branches	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 Stock Exchange / Stock Exchange	SME Platform of BSE Limited ("**BSE SME**")
Draft Red Herring Prospectus / DRHP	This Draft Red Herring Prospectus filed with the Stock Exchange and issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto
Eligible FPI (s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue 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)	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account	Account opened with the Escrow Collection Bank 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 and Sponsor Bank Agreement	Agreement dated [●] to be entered into by our Company, the Registrar to the Issue, the BRLM, and the Banker(s) to the Issue for, among other things, the appointment of the Sponsor Bank, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Escrow Collection Bank	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Fugitive Economic Offender	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018

Term	Description
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time issued. The General Information Document is available on the websites of the Stock Exchange and the BRLM
Individual Bidders / IB	Individual Bidders, who have applied for the Equity Shares for a minimum bid size of two lots wherein the amount exceeds more than ₹2.00 lakhs in any of the Bidding options in the Issue (including HUFs applying through their *Karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Individual Bidder Portion	The portion of the Net Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares, available for allocation to Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than two lots subject to availability in the Individual Bidder Portion and the remaining Equity Shares to be Allotted on a proportionate basis
Issue	The initial public offering of up to 40,00,000* Equity Shares for cash at a price of ₹ [●] each (including premium of per ₹ [●] each) aggregating ₹ [●] Lakhs comprising the Net Issue and the Market Maker Reservation Portion **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 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 Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. 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*
Issue Agreement	The agreement dated March 17, 2026 entered amongst our Company and the Book Running Lead Manager, pursuant to the requirements of the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted to ASBA Bidders, in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Issue Proceeds / Gross Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 107
Market Maker Reservation Portion	The Reserved portion of up to [●] Equity shares of ₹10/- each at an Issue Price of ₹ [●]/- aggregating to ₹ [●] Lakhs for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The agreement dated [●] entered amongst our Company, Designated Market Maker and the Book Running Lead Manager, pursuant to the requirements of the SEBI ICDR Regulations, based on which certain market making arrangements are agreed to in relation to the Issue
Mobile App (s)	The mobile applications listed on the website of SEBI at https://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 no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Minimum NIB Application Size	Bid amount of more than two lots in the specified lot size
Mutual Fund	Mutual Funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended

Term	Description
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue less the Market Maker Reservation Portion
Net Proceeds	The Gross Proceeds from the Issue less the Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue related expenses, see "*Objects of the Issue*" on page 107
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non – Institutional Bidders / NIBs	All Bidders that are not QIBs or Individual Bidders and who have Bid for Equity Shares for an amount more than two lots (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Issue being not less than 15% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price in the following manner: (a) one third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs; and (b) two third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB / Overseas Corporate Body	Overseas corporate body, a company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
Pre-IPO Placement	A further issue of specified securities, through a preferential issue or any other method as may be permitted in accordance with applicable law, which may be undertaken by our Company, in consultation with the BRLM aggregating up to 8,00,000 Equity Shares of face value of ₹10/- each, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the 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 Issue. The utilization of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Issue and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus
Price Band	Price band ranging from a minimum price of ₹ [●] per Equity Share (Floor Price) to the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Issue 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 (Hindi being the regional language of Delhi, where our Registered Office is located), at least two Working Days prior to the Bid / Issue 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 Exchange for the purpose of uploading on their respective website

Term	Description
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Issue Price
Promoters' Contribution	Aggregate of 20% of the post-Issue 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 3 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 Issue Price that is determined in accordance with the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Announcement	The Draft Red Herring Prospectus filed with BSE SME will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, BSE's website and Book Running Lead Manager's website. Our Company will, within two working days of filing the Draft Red Herring Prospectus with BSE SME , make a public announcement in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper) (Hindi being the regional language of Delhi, where our Registered Office is located), disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus
Public Issue Account	Bank account opened with the Public Issue Account Bank, being [●] under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Issue Account Bank	[●], with which the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Accounts on the Designated Date
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Issue
QIB Category / QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors 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 Issue Price
Red Herring Prospectus / 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 Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the ROC at least three Working Days before the Bid / Issue Opening Date and will become the Prospectus upon filing with the ROC after the Pricing Date
Refund Account	The bank account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	The Banker(s) to the Issue with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended and stock brokers registered with the stock exchange having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI
Registrar / Registrar to the Issue	Bigshare Services Private Limited
Registrar Agreement	The agreement dated March 17, 2026 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of in terms of SEBI RTA Master Circular

Term	Description
Resident Indian	A person resident in India, as defined under FEMA
Revision Form	The Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders, Non-Institutional Bidders and Individual Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank	The Bankers to the Issue registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, which has been appointed by our Company to act as a conduit between the Stock Exchange and the NPCI in order to push the mandate collect 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 [●]
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Member, to collect ASBA Forms and Revision Forms
Syndicate / Syndicate Member	[●]
Syndicate Agreement	Agreement dated [●] to be entered into amongst our Company, the BRLM, the Syndicate Member and the Registrar to the Issue in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue and carry out activities as an underwriter
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriter	Socradamus Capital Private Limited
Underwriting Agreement	The Agreement among the Underwriter and our Company dated [●]
UPI	Unified Payments Interface, which is an instant payment system developed by the NPCI

Term	Description
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders in the Individual Bidder Portion and (ii) Non-Institutional Bidders with a Bid size of up to ₹5.00 lakhs in the Non-Institutional Portion and applying 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, all individual investors applying in public issues where the application amount is up to ₹5.00 lakhs 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 ICDR master circular with SEBI RTA Master Circular (to the extent it pertains to UPI), and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchange in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI Bid and by way of a SMS for directing the UPI Bidder to such UPI mobile App) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI App 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 to make a Bid in the Issue in accordance the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or a Fraudulent Borrower	A company or person, as the case may be, categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price band; and (ii) Bid / Issue Period, the expression "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays in Mumbai, as per the circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS 18	Accounting Standard 18, "Related Party Disclosures", notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021, as amended and the Companies (Accounts) Rules, 2014, as amended and other relevant provisions of the Companies Act, 2013
BSE	BSE Limited
Calendar Year / year	Unless the context otherwise requires, shall refer to the 12 months period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number

Term	Description
Companies Act, 1956	The erstwhile Companies Act, 1956, along with the relevant rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Consolidated FDI Policy	The consolidated foreign direct policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 and effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and any modifications thereto or substitutions thereof, issued from time to time
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, CDSL and NSDL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identification
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EPS	Earnings Per Share
ESOP	Employee Stock Option Plan
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GDP	Gross Domestic Product
GOI / Government / Central Government	Government of India
GST	Goods & Services Tax
HUFs	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act / IT Act	Income Tax Act, 1961, as amended from time to time
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
IGAAP / Indian GAAP / AS / Accounting Standards	Generally Accepted Accounting Principles in India, i.e. Accounting standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2021, as amended and the Companies (Accounts) Rules, 2014, as amended
IPO	Initial Public Offer
IST	Indian Standard Time
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoU	Memorandum of Understanding
MSMEs	Small scale undertakings as per the Micro, Small and Medium Enterprises Development Act, 2006
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

Term	Description
PAN	Permanent Account Number
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rupee / Rs. / ₹ / INR	Indian Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI ICDR Master Circular	SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 February 09, 2026
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI RTA Master Circular	SEBI master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
STT	Securities Transaction Tax
US$ / USD / US Dollar	United States Dollar, the official currency of the Unites States of America
USA / U.S. / United States	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VAT	Value Added Tax
VCFs	Venture capital funds as defined in the SEBI AIF Regulations, as amended

Key Performance Indicators and Operational Performance Indicators

Term	Description
Baked Treats	Confectionery products that utilise baked components such as biscuits, wafers or similar bases, combined with chocolate or compound coatings, creams, fillings or other inclusions
Choco delights	Confectionery products primarily composed of chocolate or chocolate-based confectionery, including moulded, enrobed or centre-filled formats, which may contain ingredients such as creams, nuts, caramel, nougat, coconut or other inclusions
Debt to Equity Ratio	Total borrowings divided by total equity
EBITDA	Restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation expense minus other income
EBITDA Margin	Percentage of EBITDA divided by revenue from operations
Fulfilled orders	Number of orders processed and dispatched by the Company during the relevant period through its distribution and supply chain network. This metric includes orders received from both new and existing customers, and may include multiple or repeat orders placed by the same customer during the relevant period
Inventory (days)	Average inventory divided by cost of goods sold multiplied by 365. Average inventory is calculated as average of opening inventories and closing inventories
Jellies	Semi-solid confectionery product prepared using sugar, water and permitted gelling agents, which provides a soft and elastic texture and is typically consumed as a sweet snack

Term	Description
PAT	Total profit after tax for the year/period
PAT Margin	Percentage of PAT divided by revenue from operations
Panned and Sugar Candies	Confectionery products comprising (i) panned products, including sugar-coated centres such as dragees and similar formats, and (ii) compressed sugar tablet candies manufactured using compression processes
Products	Number of product types offered by the Company across its various categories. Unlike SKUs, this metric represents the base product offerings without distinguishing between variations in pack size, flavour or packaging format
ROCE	Return on Capital Employed is calculated as a percentage of EBIT divided by average capital employed at the end of the year /period, whereas average capital employed is calculated as average of opening capital employed and closing capital employed. EBIT is calculated as restated profit before tax plus finance costs minus other income. capital employed is calculated as total equity minus DTA plus DTL, long term borrowings and short-term borrowings
ROE	Return on Equity is calculated as a percentage of PAT divided by average total equity at the end of the year /period, whereas total equity is calculated as average of opening equity share capital and reserves and surplus and closing of equity share capital and reserves and surplus
SKUs	Stock Keeping Units and represents the total number of distinct product variants offered by the Company across its product categories. Each SKU corresponds to a unique product configuration based on factors such as flavour, packaging type, pack size or formulation within a particular product category
Super Stockists	Number of Super Stockist who procure products in bulk from the Company and supply them to distributors, wholesalers, intermediaries and *kirana* stores within designated regions
Trade Payables (days)	Average trade payables divided by cost of goods sold multiplied by 365. Average trade payables is calculated as average of opening trade payables and closing trade payables
Trade Receivables (days)	Average trade receivables divided by revenue from operations multiplied by 365. Average trade receivables are calculated as average of opening trade receivables and closing trade receivables
Working Capital cycle (days)	Inventory days plus trade receivables days minus trade payables days

Business, Technical and Industry - Related Terms

Term	Description
AI-Powered	Artificial Intelligence - Powered. Systems, processes, or products that use artificial intelligence technologies to inspect products, detect defects, and analyze manufacturing systems in real-time
Artificial Sweeteners	Synthetic or intense sugar substitutes used to sweeten foods and drinks without the calories of sugar
Assortments	Varied collection or mixture of different items, types, or kinds grouped together, often featuring items of various sizes, colours or qualities
Automation	The use of automated machinery and technology to perform various production processes with minimal human intervention
B2B	Business-to-Business. Commerce, transactions, or marketing between two companies rather than a company and an individual consumer
Baked Confectionery / Baked Treats	Sweet food products produced through baking processes using flour-based formulations and represents ready-to-eat baked sweets positioned primarily as snacks and occasion-based consumption products
Baked Goods	Food items produced from dough or batter, typically made of flour, water, and leavening agents, and cooked using dry heat, such as in an oven
Bakeries	A place where bread, cakes, etc. are baked to be sold
Baking	Process of cooking by dry heat, especially in some kind of oven
Better-For-You Confectionery	Confectionery formulated to balance indulgence with healthier alternatives and typically feature reduced sugar, lower calories, or added nutritional benefits (like fiber/protein)
Beverages	Any potable liquid, especially one other than water

Term	Description
Biscuit Balls	Biscuit Balls refer to small, round-shaped baked biscuit products made from a dough comprising flour, sugar, fats and other permitted ingredients, which are formed into spherical shapes prior to baking and may be consumed as snack products
Biscuit-Based Confectionery	A category of sweet or savoury snacks that use a baked biscuit, cookie, or wafer as the primary structural component, combined with ingredients like chocolate, icing, jam, or cream filling to create a final, often indulgent, product
Biscuits	A small, flat cake that is dry and usually sweet
Brand	Unique identity, reputation, and emotional perception of a company, product, or person that distinguishes it from competitors
Branded Confectionery	Sweets, chocolates, or snacks customized with a company's logo, name, or marketing message for promotional purposes
CAGR	Compound Annual Growth Rate. The mean annual growth rate of an investment, revenue, or business metric over a specified period, assuming it compounds annually
Cakes	A sweet food made by mixing flour, eggs, butter, sugar, etc. together and baking the mixture in the oven
Candies	A small piece of sweet food made from sugar with chocolate, fruit, nuts, or flavours added
Caramelization	Process of browning of sugar used extensively in cooking for the resulting butter-like flavour and brown colour
Center-Filled Bites	Bite-sized snack items—such as cookies, chocolates, candies, or donuts—that feature a distinct, soft, or liquid center surrounded by a firmer outer layer
Centre-Filled Variants	Products or items that have a distinct, often soft, creamy, or liquid material enclosed inside a firmer outer shell
Cereal Bars	A prepackaged food item similar in shape to a bar of chocolate, made of cereal and, typically, fruit
Choco Snacks	Small, convenient food items flavoured with or coated in chocolate, designed for quick consumption
Chocolate / Choco Treats	A sweet brown substance made from seeds (cocoa beans) that a person can eat as a sweet or use to give flavour to food and drinks
Cocoa	A dark brown powder made from the seeds of a tropical tree and used in making chocolate
Cocoa Solids	Non-fat components of the cocoa bean, remaining after cocoa butter is extracted from ground cocoa beans
Cocoa-Based	Items where cocoa solids, cocoa powder, or cocoa butter form the base of the product, giving it the characteristic chocolate flavour, colour and texture
Conching	Crucial, high-temperature chocolate-making process where cocoa mass is continuously mixed, sheared, and aerated to refine texture and develop flavour
Confectionery	Sweet food products produced for indulgence and snacking consumption
Consumers	The final user who eats products for personal enjoyment
Consumption	The amount of confectionery products that are purchased and eaten by consumers within a specific period or market
Consumption Patterns	Manner, frequency, and preferences with which consumers purchase and consume confectionery products
Contract Manufacturing	A business model where a company (the client) outsources the production of goods to a third-party manufacturer (the contractor) for a specified period
Cookies	A small, flat, sweet food made from flour and sugar
Cooling	Process of removal of heat, usually resulting in a lower temperature and/or phase change
Cream-Filled Wafers	Popular confectionery snacks consisting of delicate, crispy, thin, and aerated wafer sheets alternating with layers of smooth cream filling
Customer Base	Group of loyal, regular customers who consistently purchase confectionery products, acting as the primary source of revenue and stability
Customization	Process of modifying ingredients, portion sizes, flavours, or nutritional content to meet individual consumer preferences, dietary needs, or health requirements
Demand	An economic principle referring to the quantity of a good consumers are willing and able to purchase at various prices during a given period
Demoulding	Process of removing moulded food products—such as chocolates, baked goods, or jellies—from their moulds, trays, or forms without damaging their shape, texture, or surface quality
Distribution	Process of delivering confectionery products such as chocolates, candies, toffees, gums, and other sweet snacks from manufacturers to wholesalers, retailers, and final consumers through various sales channels

Term	Description
Distribution Channels	Network of intermediaries and pathways through which confectionery products move from the manufacturer to the final consumer
Distributor	A person or company that transports and supplies confectionery products to a number of shops and companies
Dough	A thick, malleable, and sometimes elastic paste made by mixing flour or meal with liquids (water, milk) and often leavening agents like yeast
Downstream	Stages of the value chain that occur after the manufacturing of confectionery products, focusing on distribution of products to retailers and final consumers
Dry Fruits	Fruits from which the majority of water content has been removed, either naturally (sun-drying) or through specialized dehydration methods
Éclairs	A pastry made with choux dough filled with a cream and topped with a flavoured icing
E-Commerce	Electronic-Commerce. The business of buying and selling things over the internet
Economy Confectionery	Low-priced confectionery products designed for mass consumption, typically targeted at price-sensitive consumers and rural or semi-urban markets
Fats	Edible lipid ingredients used to improve texture, taste, mouthfeel, and stability of confectionery products
FDI	Foreign Direct Investment. An ownership stake in a foreign company or project made by an investor, company, or government from another country
Festive Gifting	The practice of purchasing and presenting confectionery products during festivals, celebrations, and special occasions
Fillings	A mixture, ingredient, or substance placed inside confectionery products to add flavour, texture, and volume
Flavoured Beverage Mixes	Processed food products designed to be combined with a liquid—usually water or milk—to create a flavoured drink
Flavourings	Ingredients added to food to modify taste and aroma, enhancing the sensory experience through smell and palate stimulation
Flavours	Taste profiles added to confectionery products to enhance their taste and consumer appeal
Flour-Based Formulations	Carefully designed recipe or mixture where flour is the primary structure-building ingredient
FMCG	Fast-Moving Consumer Goods. Products sold quickly at relatively low costs
Food	Any substance consumed by an organism for nutritional support
Food Additives	A substance added to food to enhance its flavour or appearance or to preserve it
Food Expenditures	The total monetary value a household or entity spends on purchasing food
Food Processing	The transformation of raw agricultural ingredients into food products through physical or chemical methods such as cooking, milling, preservation, and packaging
Food Safety Standards	Mandatory rules, guidelines, and technical specifications established by authorities to ensure food is safe, unadulterated, and fit for human consumption
Forming	The stage in the production process where the confectionery mixture is shaped into its final product form
Fruit-Based Alternatives	Confectionery products that use fruit ingredients such as fruit pulp, fruit extracts, or natural fruit concentrates instead of, or in addition to, traditional sugar-based flavourings
FSS	Food Safety Standards. Regulatory guidelines that define the quality, safety, composition, labelling, and permissible ingredients in food products
FSSAI	Food Safety and Standards Authority of India. The statutory regulatory body responsible for regulating and supervising food safety, quality, and standards for food products in India
Functional Confectionery	Confectionery products that are formulated with added functional ingredients intended to provide health-related benefits beyond basic taste and sweetness
GCC	Gulf Cooperation Council. A regional intergovernmental organization consisting of 6 Middle Eastern countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates—formed to promote economic, political, and regional cooperation among its member states
Gelling	The process in which liquid or semi-liquid confectionery mixtures are transformed into a gel-like structure using gelling agents
General Trade	The traditional retail distribution channel through which confectionery products are sold to consumers via small, independent retail outlets
Gift Packs	Curated set of confectionery items packaged together to be given as a present
Gummies	Soft, chewy candy products made using sugar, glucose syrup, and gelling agents such as gelatin or pectin, often flavoured and coloured to create a variety of shapes and tastes

Term	Description
Hard-Boiled	A manufacturing process in which sugar and glucose syrup are heated to high temperatures until most of the moisture evaporates, forming a hard, solid candy structure when cooled
Healthier Alternatives	Confectionery products that are formulated with improved nutritional profiles compared to traditional sweets, often containing reduced sugar, natural ingredients, or added functional benefits
Homogenised Preparations	Food mixtures that have been mechanically processed to achieve a uniform and consistent texture, where the ingredients are evenly distributed throughout the product.
Impulse-Driven Treats	Confectionery products that consumers purchase spontaneously without prior planning, usually influenced by visibility, convenience, or momentary cravings
Indulgence	Consumption of confectionery products for pleasure, enjoyment, or emotional satisfaction rather than for nutritional needs
Innovation	The development and introduction of new products, flavours, ingredients, packaging formats, or manufacturing technologies to meet evolving consumer preferences and market trends
Innovative Offerings	New or differentiated confectionery products introduced by companies through unique flavours, ingredients, product formats, packaging, or health-oriented formulations to meet changing consumer preferences
Inputs	Raw materials and ingredients used in the production of confectionery products
INS numbers	International Numbering System. Globally recognized, three- or four-digit labelling system for food additives, established by the Codex Alimentarius Commission
Intermediary	An individual or entity that acts as a link between confectionery manufacturers and the final consumers by facilitating the distribution and sale of products
ITC	Imperial Tobacco Company. A conglomerate engaged in businesses such as FMCG, cigarettes, hotels, paperboards and packaging, agribusiness, etc
Jellies	Jellies refers to a semi-solid confectionery product prepared using sugar, water and permitted gelling agents, which provides a soft and elastic texture and is typically consumed as a sweet snack
Kirana Aggregators	Platform or company that brings together thousands of fragmented, independent neighbourhood grocery stores (kiranas) into a single, organized digital network
Kirana Stores	Small, family-owned neighbourhood retail shop in India that sells essential groceries, staples, and daily household items
Local Vendors	Individuals or small businesses that sell confectionery products within a specific, nearby geographic area, often prioritizing local sourcing, community connection, and reduced transportation
Lollipops	A type of sugar candy usually consisting of hard candy mounted on a stick
Lozenges	A kind of medicated candy that soothes your sore throat
Malt-Based Confections	Confectionery items that use malt—specifically malted barley or malt extract—as a primary flavouring, sweetening, or texturizing agent
Manufacturing	Process of converting raw materials such as sugar, cocoa, milk solids, and other ingredients into finished confectionery products
Manufacturing Capacity	The maximum amount of output a factory or production line can produce in a given period using available resources
Mass-Priced	Products designed and priced for a large, general audience, offering affordability rather than exclusivity
Milk Solids	Nutrient-rich components of milk—proteins, fat, lactose (sugar), and minerals—that remain after water is evaporated, typically appearing as a powder
Milky Confectionery	A category of confectionery, typically high in sugar, where milk or milk products (such as condensed milk, cream, or milk solids) are key ingredients
Mints	Small, flavoured confectionery products typically made with sugar or sugar substitutes and infused with mint flavours such as peppermint or spearmint
Mithai	Traditional Indian sweet product
Mixing	Process of combining various ingredients to form a uniform confectionery mixture
Modern Retail	Organized retail formats where confectionery products are sold through structured, large-scale outlets with standardized operations and merchandising practices
Modern Trade	An organized, corporate-led retail model characterized by large-format, self-service stores like supermarkets, hypermarkets, and chain outlets
Moulded Chocolates	Confectioneries created by pouring tempered chocolate into moulds to create specific, often intricate, shapes, shells, or filled chocolates

Term	Description
MRP	Maximum Retail Price. The highest price a manufacturer allows a retailer to charge for a product, inclusive of all taxes
Multi-Texture Products	Confectionery items that combine two or more different textures within a single product to enhance the overall eating experience
Non-Chocolate Sweet Products	Confectionery items, snacks, or desserts that do not contain cocoa solids or chocolate as their primary flavour, but are characterized by a sweet taste profile
Occasion-Based Consumption Products	Confectionery items that are specifically purchased and consumed during particular events, celebrations, or moments rather than for everyday use
Occasion-Led Consumption	Purchasing behaviour that is driven by specific occasions, events, milestones, seasons, or personal moments rather than routine, daily needs
Offline	Sale and purchase of confectionery products through physical retail channels rather than digital or online platforms
Online Channels	Internet-based platforms—websites, social media, apps, and search engines—used by confectionery businesses to promote, market, sell, and deliver products or services directly to customers
Online Trade	Sale and distribution of confectionery products through internet-based platforms and digital marketplaces
Organized Companies	Formally registered confectionery manufacturers operating with standardized production processes, quality controls and branded distribution networks
Pack Size	Specific quantity of individual, identical, or related confectionery items grouped together and sold or shipped as a single, combined unit
Packaged Food	Any food item enclosed in a container, bag, or wrapping in advance of sale to protect it and extend its shelf life
Packaging	All the materials that are used to cover or protect goods before they are sold
Panned Sugar Candies	Confectionery items created by coating a center with multiple layers of sugar syrup, chocolate, or polish while tumbling in a revolving drum
Per Capita Consumption	The average quantity or value of confectionery products consumed per person in a specific country or region over a defined period
PM Kisan SAMPADA Yojana	Pradhan Mantri Kisan SAMPADA Yojana. A comprehensive package implemented by the Ministry of Food Processing Industries, aimed at developing modern infrastructure from farm to retail
Pralines	A confectionery item made from nuts (pecans, almonds, or hazelnuts) and caramelized sugar, often combined with cream
Private Label	A product manufactured or packaged for sale under the name of the retailer rather than that of the manufacturer
Processed Foods	Any food or drink altered from its natural state during preparation, covering everything from washing and freezing to industrial formulation
Processing	The series of steps through which raw ingredients are transformed into finished confectionery products
Producers	Companies or manufacturers that produce confectionery products from raw materials
Product Development	The process of creating, designing, and launching new confectionery products or improving existing ones to meet evolving consumer preferences and market trends
Production	The process of converting raw materials into finished confectionery products
Puddings	Soft, creamy, and semi-solid sweet food products made from ingredients such as milk, sugar, starch, and flavourings, often served as ready-to-eat desserts
Purchase Intent	A marketing and sales metric representing the likelihood that a consumer will buy a product or service, determined by their needs, attitudes, and behaviours
Q-commerce	Quick commerce. A type of e-commerce where emphasis is on quick deliveries, typically in less than an hour
Quality	The degree to which confectionery products meet defined standards of taste, texture, safety, consistency and appearance
Quality Testing	The process of evaluating confectionery products at various stages of production to ensure they meet defined standards of safety, quality, and consistency
R&D	Research and Development. Activities companies undertake to innovate, creating new confectionery products or improving existing ones to gain a competitive advantage
Raw Materials	The basic material from which a confectionery product is made
Refining	The process of reducing the particle size of ingredients to achieve a smooth and uniform texture in the final product

Term	Description
Retailer	An individual or an entity that sells products in small quantities directly to customers for the purpose of consumption rather than reselling
RTC meals	Ready-to-Cook Meals. Meals which are pre-processed, pre-portioned and often marinated food products that require simple cooking (like boiling, frying, or heating) before consumption
RTE	Ready-to-Eat. Foods which are pre-cleaned, cooked, or processed products that require no further preparation, cooking, or washing before consumption
SCADA Systems	Supervisory Control and Data Acquisition Systems. Industrial control systems used to monitor, control and automate manufacturing and processing operations in real time
Seasonal Demand	Predictable, recurring fluctuations in consumer buying patterns for confectionery products at specific times of the year, driven by holidays, weather, or cultural events
Self-Owned Distribution	A business model where a manufacturer, producer, or retailer manages the entire logistics, warehousing, and transportation process for their goods, rather than outsourcing these activities
Sensory Appeal	The overall attractiveness of confectionery products based on how they engage the consumer's senses—taste, smell, texture, and appearance
Shelf Life	The length of time for which a confectionery item can be stored before it goes bad or becomes unsafe to eat
Shelf Space	The total amount of space available in a store to display particular confectionery items for sale
Single Units	Individually packaged confectionery items that are sold as single pieces rather than in bulk or multi-pack formats
SKUs	Stock Keeping Unit. A unique, alphanumeric code assigned by retailers to products to track inventory internally
SME	Small and Medium Enterprise. Businesses that operate at a relatively smaller scale in terms of investment, turnover and workforce compared to large corporations
Snacks	Small portions of food consumed between regular meals for quick energy, convenience, or enjoyment
Sourcing	The process of identifying, selecting, and procuring raw materials, ingredients, and other inputs required for manufacturing confectionery products
Specialty Products	Confectionery products that are differentiated by unique ingredients, formulations or premium characteristics, catering to specific consumer preferences or niche segments
Stockist	Distributor or intermediary who purchases goods in bulk from a manufacturer and stores them for supply to retailers or dealers within a specific region
Sugar	A sweet-tasting, soluble carbohydrate derived from plants (sugarcane or sugar beet) used primarily as a food sweetener and energy source
Sugar Confectionery	A category of confectionery product primarily made from sugar and glucose syrup
Super Stockist	A large distributor appointed by a company to handle bulk quantities of products and supply them to multiple distributors, wholesalers, or retailers within a defined region
Supply Chain	The end-to-end network of activities, processes, and entities involved in moving confectionery products from raw material sourcing to final consumption by customers
Sweet	Food products characterized by a sugary taste, typically made using ingredients such as sugar, sweeteners, milk, or flavourings, and consumed for enjoyment or indulgence
Sweet Biscuits	Small, baked, flour-based snacks that are primarily sweet, crisp and often paired with tea or coffee
Sweet Food Products	Confectionery item, characterized by sugar or sweetener content, typically consumed for pleasure or as a meal's conclusion
Sweetening Agents	Food additives or chemical compounds used to impart a sweet taste to confectionery items while having little to no caloric value
Taste	The sensory perception of flavour experienced when consuming confectionery products
Third-Party Distributors	Independent entities authorized to sell, market or transport a manufacturer's products to consumers, acting as intermediaries
Toffees	Soft or hard caramel-like confectionery products made by cooking sugar, glucose syrup and milk or butter to achieve a chewy or firm texture
Trade	The buying or selling of confectionery products through various distribution channels between manufacturers, intermediaries, and retailers
Traditional Sweeteners	Natural, minimally processed substances used to sweeten foods
Traditional Sweets	Locally or culturally rooted sweet food products that are prepared using traditional recipes and ingredients

Term	Description
Truffle-Style Chocolates	Decadent, bite-sized confections characterized by a soft, creamy ganache center—a mixture of chocolate and heavy cream—coated in a shell of chocolate, cocoa powder or chopped nuts
UAE	United Arab Emirates. A country in the Middle East that is part of the Gulf Cooperation Council
UK	United Kingdom. A sovereign country located in Europe, comprising four nations—England, Scotland, Wales, and Northern Ireland
Unorganized companies	Small-scale, local and regional manufacturers and bakeries with limited branding and compliance structures
Upstream	The initial stages of the value chain, primarily involving sourcing and supply of raw materials and inputs and manufacturing
US	United States. A federal republic and nation comprised of 50 states, located primarily in North America
UTs	Union Territory. A type of administrative division directly governed by the central government, rather than having its own state government
Value-For-Money Treats	Confectionery products that offer a good balance between price and perceived quality, making them affordable while still satisfying consumer expectations for taste and quantity
Variants	Different versions of a single product that vary based on attributes such as flavour, size, format, ingredients or packaging
Wafer Based Confectionery	A category of confectionery that features thin, crisp and light baked biscuit layers (wafers) as a core component, usually filled or coated with cream, chocolate, or other fillings
Wafer Cones	A cone-shaped confectionery item, usually made of a wafer for holding ice cream or other sweet fillings
Wafer Products	Light, crispy food items made from thin layers of baked wafer sheets, often combined with cream, chocolate, or flavoured fillings
Wafer Rolls	Cylindrical, hollow wafer-based product made from thin, crisp baked sheets that are rolled and typically filled with flavoured cream or chocolate
Wheat Flour	A powder made from the grinding of common wheat used for human consumption
White-Label	A product produced by one company (the producer) that other companies (the marketers) rebrand to make it appear as if they had made it

The remainder of this page has been intentionally left blank

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION 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 herein to the "US", the "U.S.", the "USA", or the "United States" are to the United States of America and its territories and possessions and all references to "U.K.", or "United Kingdom" are to the United Kingdom of Great Britain and Northern Ireland.

Page Numbers

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

Financial Data

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

The Restated Financial Information of our Company comprises of the Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss and Restated Statement of Cash Flows for the period ended September 30, 2025 and for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023, and the significant accounting policies and explanatory notes (together, the "**Restated Financial Statements**").

The Restated Financial Statements have been prepared to comply in all material aspects with the requirements of (a) Section 26 of Part I of Chapter III of the Companies Act, 2013; (b) the SEBI ICDR Regulations; (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended (the "**Guidance Note**"); and (d) the AS notified under the Companies (Accounting Standards) Rules, 2021 (as amended from time to time), presentation requirements of Division I of Schedule III to the Companies Act, 2013, (AS compliant Schedule III), as applicable to the financial statements and other relevant provisions of the Companies Act.

The Restated Financial Statements have been compiled from Audited financial statements of the Company as at and for the period ended September 30, 2025 and financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 which were prepared to comply in all material respects with the AS notified under the section 133 of the Companies Act read with Rule 4 of the Companies (Accounting Standards) Rules, 2021 (as amended from time to time) and which have been approved by the Board of Directors at their meeting held on March 02, 2026, September 07, 2025, September 28, 2024 and September 29, 2023, respectively.

For further information on our Company's financial information, please see "*Restated Financial Information*" on page 240.

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 percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

In addition, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Our Company's financial year commences on April 1 and ends on March 31 of the next calendar year. Accordingly, all references in this Draft Red Herring Prospectus to a particular "Financial Year", "Fiscal" or "Fiscal Year", unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

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, AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with AS, the Companies Act, 2013, the SEBI ICDR Regulations and Indian accounting policies and practices on the financial disclosures presented in

this Draft Red Herring Prospectus should accordingly be limited. There are significant differences between Indian GAAP, IFRS and U.S. GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. For details in connection with risks involving differences between Indian GAAP, U.S. GAAP and IFRS, please see "*Risk Factors - Risks Relating to the Issue and the Objects of the Issue - Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*" on page 70.

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics), with respect to the financial information of our Company in this Draft Red Herring Prospectus have been derived from the Restated Financial Information.

Non-GAAP Measures

Certain non-GAAP measures presented in this Draft Red Herring Prospectus such as Net Asset Value per Equity Share, EBIT, EBITDA, EBITDA Margin, Cash EBIT, Return on Capital Employed, Debt to Equity Ratio, Net Debt to Equity Ratio and Net Worth (collectively "**Non-GAAP Measures**") are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Accounting Standards, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Accounting Standards, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Accounting Standards, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP Measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

For the risks relating to Non-GAAP Measures, see "*Risk Factors - Risks Relating to the Issue and the Objects of the Issue - We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under AS.*" on page 69.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been derived from a report titled "*India's Confectionery Market*" dated March 25, 2026 (the "**Ken Report**") that has been commissioned and paid for by our Company and prepared by Ken Research exclusively for the purpose of understanding the industry our Company operates in, in connection with the Issue. The Ken Report is available on the website of our Company at https://www.shellz.in/investor-relations/, until the Bid / Issue Closing Date. Ken Research has confirmed pursuant to its letter dated October 06, 2025 that it is an independent agency and is not related, in any manner, to our Company, our Directors, our Promoters, our Key Managerial Personnel, our Senior Management or the Book Running Lead Manager.

References to Confectionery Market in India in the "*Industry Overview*" chapter on page 134 are in accordance with the presentation, analysis and categorisation in the Ken Report. Further, industry sources and publications are prepared based on information as of specific dates and may no longer be current or reflect current trends.

The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which we conduct business, and the methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Other Risks - We have commissioned an industry report from Ken Research Private Limited, which has been used for industry related data in this Draft Red Herring Prospectus.*" on page 67. Accordingly, no investment decisions should be made based on such information.

In accordance with the SEBI ICDR Regulations, the section titled *"Basis for Issue Price"* on page 123 includes information relating to our peer group companies. Such information has been derived from publicly available sources.

Time and Year

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a Calendar Year.

Currency and Units of Presentation

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. Except otherwise stated, all figures have been expressed in lakhs. One lakh represents '1 lakh' or '1,00,000'. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources 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 number of decimal points as provided in such respective sources. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

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

** If the RBI reference rate is not available on a particular date due to a public holiday, exchange rate of the previous working day has been disclosed.*
The latest available data for the fiscal year has been provided as of March 28, 2025.
Source: www.fbil.org.in
Note: Exchange rate is rounded off to two decimal places.

Notice to Prospective Bidders

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, Bidders must rely on their own examination of our Company and the terms of this Issue, including the merits and risks involved. The Equity Shares offered in the Issue have not been and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

The remainder of this page has been intentionally left blank

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*", "*shall*", "*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. 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 forward-looking statements are based on our management's belief and assumptions, current plans, estimates 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, expectations, 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 Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

- Volatility in prices and availability of key raw materials such as cocoa, sugar, milk solids, cereal flours and edible fats could impact cost of production and profitability;
- Intense competition from both organized and unorganized confectionery players in low-income and semi-urban markets;
- Changes in consumer preferences, regional taste variations, or shift towards healthier products may impact demand for our confectionery items;
- Any disruption, breakdown or shutdown of our manufacturing facilities in Delhi and Haryana;
- Inadequate distribution reach or logistical challenges could disrupt timely product delivery and availability;
- Ineffective marketing or brand promotion activities could affect brand recall and consumer loyalty;
- Non-compliance or changes in food safety and quality regulations (FSSAI or other authorities) may result in penalties, product recalls, or operational disruptions;
- Regional or macroeconomic factors such as inflation, slowdown in consumer spending, or disruptions like monsoons and transport strikes could adversely impact sales;
- Operational risks such as equipment failure, power shortage, or workforce disruptions at our manufacturing facilities could hamper production;
- Working capital constraints arising from higher inventory levels, delayed payments from distributors, or credit exposure could strain liquidity; and

- Any negative publicity, product quality issues, or inability to maintain consistent product standards could harm our reputation and consumer trust.

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

- Inability to maintain and develop our brand;
- Adverse statutory and regulatory actions from Income Tax Department or any other statutory or regulatory authority;
- Any adverse developments affecting Delhi where our registered office is located;
- Our business strategies and plans to achieve these strategies;
- Conflict of interest between our business and activities undertaken by entities in which certain of our directors and our Promoters have interest in future;
- Any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" pages 26, 182 and 245 respectively.

Neither our Company, nor the Book Running Lead Manager, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our company and the Equity Shares from the date of the Red Herring Prospectus until the date of the Allotment.

The remainder of this page has been intentionally left blank

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on 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 occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Furthermore, some events may be material collectively rather than individually.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective Investors should read this section together with "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Industry Overview" on pages 182, 245 and 134 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective Bidders should rely on their own examination of us and the terms of the Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential Investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see chapter titled "Forward Looking Statements" on page 24.

Unless the context requires otherwise, the financial information used in this section is derived from our Restated Financial Information on page 240. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.

*Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, "India's Confectionery Market" released on March 25, 2026 ("**Ken Report**") prepared by Ken Research Private Limited, appointed by our Company pursuant to an engagement letter dated October 06, 2025, and such Ken Report has been commissioned by and paid for by our Company, exclusively in connection with the Issue. The Ken Report is available on the website of our Company at https://www.shellz.in/investor-relations/. Unless otherwise indicated, financial, operational, industry and other related information derived from the Ken Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Internal Risk Factors

Risks Relating to our Business

1. ***Our inability to anticipate, respond to and meet the tastes, preferences or consistent quality requirements of our consumers or our inability to accurately predict and successfully adapt to changes in market demand or consumer preference could reduce demand for our products, affect our brand loyalty and impact our sales.***

Our success depends on our ability to understand, anticipate, and adapt to changing consumer preferences, particularly in the confectionery segment, which is characterized by rapidly evolving tastes, regional variations, and strong price sensitivity. Consumer choices are influenced by multiple factors such as age group, lifestyle, flavour trends, packaging, and health awareness. Any delay or inability to identify and respond to these changes could lead to lower acceptance of our products or loss of market relevance.

Our company primarily operates in the mass-market segment with price points below ₹10/- and serves consumers in Tier II and Tier III cities, where brand loyalty is built on familiarity, affordability, and taste consistency. Any failure to maintain uniform quality standards, product freshness, or flavour consistency across batches may result in negative consumer perception and reduced repeat purchases.

The confectionery industry is also witnessing increasing demand for innovative, health-oriented, and customized offerings. If we are unable to develop and introduce new products or variants aligned with such trends, our growth could be constrained. Furthermore, ineffective marketing strategies, inaccurate demand forecasting, or limited market research capabilities may lead to unsold inventory, stock imbalances, and reduced profitability.

Additionally, regional preferences vary widely across India, and our strong presence in North India increases our exposure to region-specific consumption patterns. Any misalignment between our product offerings and local demand could affect our ability to retain distributors and retailers. Such factors, individually or collectively, could adversely affect our revenue, market position, and long-term business sustainability.

2. ***We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business. Further, there have been certain instances of delay in repayment of borrowings which have been reported in our credit history records, including in reports issued by credit information companies.***

As of September 30, 2025, our total sanctioned and outstanding indebtedness (fund based and non-fund based) was ₹10,181.88 lakhs and ₹9,201.24 lakhs, respectively. The Debt-Equity ratio for the period ended September 30, 2025 and for the financial year ended March 31, 2025, 2024 and 2023 is 1.76 times, 1.93 times, 2.63 times and 3.06 times respectively. Our Company has availed these loans for several purposes including expansion and purchase of capital assets, purchase of vehicles and to meet working capital requirements. For details on the purpose of the loans availed by our Company, see "*Financial Indebtedness*" on page 285. The level of our indebtedness could have several important consequences, including but not limited to the following:

(i) a significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our capital expenditures and other general corporate requirements;

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

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

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

In certain instances, there have been delays in servicing certain payments relating to our indebtedness, including repayment of principal or payment of interest which have been reported in our credit history records, including in reports issued by credit information companies, due to temporary liquidity constraints or timing differences in cash flows. Any further delays or inability to service our indebtedness in accordance with the agreed repayment schedules may result in lenders exercising their rights under the relevant loan agreements, including charging penal interest, demanding early repayment of outstanding amounts or initiating recovery actions.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incurring additional debt, declaring dividends, amending our constitutional documents and changing the ownership or control and management of our business. While our Company has received necessary approval from its lenders, except from Siemens Financial Services Private Limited, to undertake this Issue, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future.

In addition, our Promoters have also extended personal guarantees for some of the debt facilities availed by our Company. Any inability to continue to provide such guarantee or their inability to honour such guarantee could result in an acceleration of such facilities and/ or adversely impact our ability to raise debt which could impact our cash flows, result in cash flow mismatch and adversely affect our financial condition. For further details regarding our indebtedness, see "*Restated Financial Information*" and "*Financial Indebtedness*" on pages 240 and 285, respectively.

Further, certain of our borrowings are unsecured in nature and repayable on demand, and accordingly, the lenders may recall such loans at any time. If the lenders exercise their right to demand repayment of such loans, we may be required to arrange alternative sources of funding or utilise our internal cash flows to meet such obligations. There can be no assurance that we will be able to arrange such financing on acceptable terms or within the required timelines. One of such unsecured loans has been recalled by the lender, and we are required to repay the outstanding amount in accordance with the lender's demand. Any further recall of loans by lenders could create additional liquidity pressures and may require us to divert funds that would otherwise be used for our business operations. Additionally, the agreements governing our indebtedness may contain certain conditions, undertakings, or restrictions relating to our financial and operational activities. Any failure to

comply with such terms or to service our indebtedness in accordance with the agreed terms may result in lenders exercising their rights, including demanding early repayment or enforcing contractual remedies.

Accordingly, our existing indebtedness, including loans which are repayable on demand and unsecured in nature, as well as the recall of any such loans by lenders, may adversely affect our liquidity, financial condition, business operations and results of operations.

3. ***There are outstanding legal proceedings involving our Company, Subsidiaries, Group Companies, Promoters, Directors, Key Managerial Personnel and Senior Managerial Personnel. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

We are involved in certain legal proceedings which are pending at different levels. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

A summary of the proceedings involving our Company, Subsidiaries, Group Companies, Promoters, Directors, Key Managerial Personnel and Senior Managerial Personnel are provided below:

Name of Entity	Criminal Proceeding	Tax Proceedings	Statutory or Regulatory Proceeding	Disciplinary action by the SEBI or Stock Exchanges against our Promoter	#Material Civil Litigation	Aggregate amount involved (in ₹ Lakhs)
Company						
Against the Company	30	4	6	Nil	10	1,453.60
By the Company	28	Nil	Nil	Nil	3	246.65
Promoter						
Against the Promoter	4*	4	Nil*	Nil	Nil*	733.18
By the Promoter	2	Nil	Nil	Nil	Nil	-
Directors (Other than Promoter)						
Against the Director	Nil*	Nil	Nil	Nil	Nil	Nil
By the Director	Nil	Nil	Nil	Nil	Nil	Nil
KMP & SMP						
Against the KMP & SMP	Nil	Nil	Nil	Nil	Nil	Nil
By the KMP & SMP	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary Company						
Against the Subsidiary	Nil	2	Nil	Nil	Nil	97.02
By the Subsidiary	1	Nil	Nil	Nil	2*	185.62
Group Companies						
Against the Group Companies	Nil	6	Nil*	Nil	1	87.6
By the Group Companies	2	Nil	Nil	Nil	Nil	7.59

**Cases where the same matter involves more than one party, the case has been counted only once.*
#As per the Materiality Policy on litigation of the Company and Amount quantifiable to the extent.

For further details of legal proceedings involving our Company, our Promoters, our directors, see "*Outstanding Litigation and Material Developments*" on page 290.

4. ***We had been in past subject to legal proceedings under Insolvency and Bankruptcy Code, 2016 and Section 138 of the Negotiable Instruments Act, 1881. Any such legal proceedings against our Company would lead to an adverse impact on the results of operations, cash flows and financial condition.***

   Our business exposes us to the risk of disputes with customers, suppliers and other counterparties, which may result in legal proceedings against us under various laws, including the Insolvency and Bankruptcy Code, 2016 ("**IBC**") and the Negotiable Instruments Act, 1881 ("**NI Act**").

   For instance, five of our operational creditors filed applications under Section 9 of the IBC before the National Company Law Tribunal, New Delhi, initiating corporate insolvency resolution process against our Company in respect of operational debt. Subsequently, the application filed by the operational creditors were either dismissed as withdrawn being settled or dismissed.

   Further, in past certain criminal complaints were also initiated against our Company and Promoters by some of our suppliers under Section 138 read with Sections 141 and 142 of the NI Act, in relation to dishonour of cheques. While these matters related are being addressed, there is no assurance that such legal proceedings will not be initiated against our Company or our Promoters in future. Any such legal proceedings against our Company and our Promoters which in addition to having an adverse impact on our results of operations, cash flows and financial conditions would also lead to significant time being spent by our Promoters and management team in addressing such matters. For details, see "*Outstanding Litigation and Material Developments*" on page 290.

5. ***We have been involved in disputes and litigation with certain vendors and suppliers in the past and may continue to face such disputes in the future. Further, we do not have long-term agreements with most of our suppliers for the supply of raw materials. Any disruption in procurement of raw materials or deterioration of supplier relationships could adversely affect our business, financial condition and results of operations.***

   In the ordinary course of our business, we engage with multiple vendors and suppliers for the procurement of raw materials, packaging materials and other operational requirements required in the manufacture of our confectionery products. Due to the nature of such commercial arrangements and the volume of transactions undertaken with suppliers, disputes may arise from time to time relating to matters such as payment terms, supply arrangements, quality specifications, delivery schedules, contractual obligations or other commercial issues. In the past, certain such disputes have resulted in litigation or legal proceedings being initiated against our Company by some of our vendors or suppliers, including proceedings relating to non-payment of outstanding dues and instances of cheque dishonour. For further details, see "*Outstanding Litigation and Material Developments*" on page 290. Any adverse outcome in such proceedings may result in financial liabilities, including payment of damages, penalties or settlement amounts, and may also require significant management time and attention as well as legal and administrative expenses.

   Further, such disputes or litigations may adversely affect our relationships with existing suppliers and may also impact our ability to procure raw materials from them in the future. In the event that such suppliers discontinue supplies, tighten credit terms or otherwise restrict supply arrangements due to such disputes, we may face difficulties in sourcing raw materials on favourable commercial terms or within required timelines, which could adversely affect our manufacturing operations.

   We are dependent on suppliers for certain of our primary raw materials such as cocoa, sugar, milk solids, cereal flours and edible fats, which are essential inputs used in the manufacture of our products. During the period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, we sourced raw materials from 177 suppliers, 218 suppliers, 212 suppliers and 210 suppliers, respectively. While we procure raw materials from a relatively broad supplier base, we do not have long-term supply agreements with most of our suppliers and generally procure such materials through purchase orders or short-term arrangements. As a result, our suppliers are not contractually obligated to continue supplying raw materials to us on existing terms, or at all. Any disruption in supply due to operational issues at the supplier level, financial distress of suppliers, discontinuation of operations, contractual disputes or other factors beyond our control could adversely impact our ability to procure raw materials in a timely manner.

   Further, if we experience significant increases in demand for our products or if we are required to replace an existing supplier due to operational, commercial or legal reasons, we may not be able to identify and engage suitable substitute suppliers on commercially acceptable terms or within required timelines, if at all. Any delay in securing alternative sources of supply may adversely affect our production schedules and our ability to meet customer demand.

   For the period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, our total cost of materials consumed was ₹6,019.12 lakhs, ₹15,689.67 lakhs, ₹14,163.08 lakhs and ₹13,262.09 lakhs, representing 72.20%, 89.77%, 91.47% and 86.10%, respectively, of our total expenses. Accordingly, our profitability and operations are significantly dependent on the timely availability of raw materials at competitive prices. The availability and pricing of such raw materials may be

affected by several factors beyond our control, including economic conditions, seasonal fluctuations, climatic and environmental factors, supply chain disruptions, changes in agricultural output and changes in government policies or regulatory frameworks.

Although there have been no instances during the last three Fiscals and the current Fiscal where we have faced a shortage of raw materials, there can be no assurance that we will continue to be able to procure sufficient quantities of raw materials of the required quality at commercially acceptable prices in the future. Further, we may not always be able to pass on increases in raw material costs to our customers. Any disruption in supply of raw materials, deterioration in supplier relationships due to disputes or litigation, or inability to procure raw materials on commercially acceptable terms may lead to production disruptions, reduced sales volumes, pressure on profit margins and may adversely affect our business, financial condition, cash flows and results of operations.

6. ***We do not have long-term agreements with majority of our customers. Any changes or cancellations to our orders or our inability to forecast demand for our products may adversely affect our business, results of operations and financial condition.***

We do not have firm commitments or long-term supply agreements with our customers and instead rely on purchase orders. We also do not enter contracts for a specific term with our customers. Therefore, there are no past instances of termination of contracts before the completion of its term. The sales of our products or services to our customers are undertaken through purchase orders executed by our customers which are then fulfilled by our Company. Many of the purchase orders we receive from our customers specify quantities and price per unit. Further, our average delivery schedule is 2-4 weeks.

Set out below are details of the number of customers catered by us, number of purchase orders serviced by us during September 30, 2025, Fiscals 2025, 2024 and 2023:

Particulars	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of customers catered	295	470	508	612
Number of purchase orders serviced	2,664	5,268	4,682	5,104

While there has been no instance of cancellation of orders prior to their finalization during the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, the orders may be amended or cancelled prior to finalisation, in the future and should such an amendment or cancellation take place, it may adversely impact our production schedules. Cancellations or unanticipated variations or scope or schedule adjustments may occur due to unforeseen circumstances. The occurrence of any such events may lead to the cancellation of orders or the deferment of revenue, which may adversely affect our business, results of operations and financial condition. Set out in the table below is the share of the top 10 customers in our revenue from operations for the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

Particulars	September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Total Revenue	*% of Total Revenue*	Total Revenue	*% of Total Revenue*	Total Revenue	*% of Total Revenue*	Total Revenue	*% of Total Revenue*
Top 10 customers*	5,836.72	*63.53%*	8,457.32	*45.23%*	7,302.59	*44.96%*	7,649.76	*48.26%*

**We are unable to disclose the names of individual customers since this information is commercially sensitive to our business.*
As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Our top 10 customers contribute a significant portion of our revenue from operations. Our failure or inability to continue such relationship for any reason (including, due to failure to negotiate acceptable terms or adverse change in the financial or economic conditions) could have a material adverse impact on our business, results of operations, financial condition and cash flows. Additionally, as we do not bind majority of our customers to any long-term agreements specifying a certain volume of business required to be transacted between us, our customers may terminate their relationship with us, with or without cause, with no advance notice and without compensation. Consequently, there is no commitment on the part of the customer to continue to place new purchase orders with us and as a result, our sales from period to period may fluctuate significantly. Our Company cannot ascertain customer turnover ratio, as some of our customers may purchase goods from us in a particular Fiscal and these customers may not purchase goods from us in the following Fiscal. However, this does not prevent such customers from purchasing goods from the Company in the future.

Further, the absence of any contractual exclusivity in relation to our business arrangements with our customers poses a threat on our ability to be able to continue to supply our products to these customers in the future. If we overestimate demand, we may incur additional raw materials costs and manufacture a higher of number of products than required. Similarly, if we underestimate demand, we may not procure sufficient raw material in a timely manner, which could impact

our production and delivery schedules. While there has been no instance in the last 3 financial years and the current financial year of significant inaccuracy in demand forecasting, leading to an adverse impact on our ability to deliver products to customers in a timely manner, or at a competitive cost or any effect on our business, results of operations and financial condition, any significant inaccuracy in demand forecasting going forward may adversely impact our ability to deliver products to customers in a timely manner, or at a competitive cost, which may adversely affect our business, results of operations and financial condition.

7. ***During the period ended September 30, 2025, Fiscals 2025, 2024 and 2023, we derived 74.69%, 72.66%, 71.47% and 68.18% of our revenue from operations from our customers in North India, which exposes us to risks specific to these Indian geographies and market.***

We derived a significant portion of our revenue from our customers in Northern India during period ended September 30, 2025, Fiscals 2025, 2024 and 2023 as set out below:

(₹ in Lakhs)

Region	September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
North India*	6,861.78	*74.69%*	13,584.57	*72.66%*	11,607.50	*71.47%*	10,808.08	*68.18%*
East India	1,107.29	*12.05%*	2,386.48	*12.76%*	1,751.78	*10.79%*	1,822.56	*11.50%*
South India	924.56	*10.06%*	1,772.77	*9.48%*	1,566.48	*9.65%*	1,526.12	*9.63%*
West India	243.97	*2.66%*	781.71	*4.18%*	1,024.43	*6.31%*	1,394.72	*8.80%*
Exports	48.97	*0.53%*	171.79	*0.92%*	291.08	*1.79%*	300.70	*1.90%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

**Jharkhand & Bihar have been classified under North India as per our internal policy.*
As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Due to a significant concentration of our revenues in this region, we are highly impacted by risks specific to these geographies, such as civil unrest as well as other adverse social, economic and political events in these states, natural disasters, regional conflicts, and other unforeseen events and circumstances. If any of these risks materialise or if there is a significant downturn in these states, our results of operations and future profitability could be adversely impacted.

8. ***Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our reputation, business, results of operation and our financial performance.***

Our business operations depend on accurately forecasting consumer demand to plan production, manage procurement of raw materials, and maintain optimal inventory levels across our distribution network. The confectionery industry is characterized by high product turnover, short shelf life, and seasonal variations in demand, particularly during festivals and holidays. Any inaccuracy in forecasting demand could result in either overproduction or underproduction. Overproduction may lead to higher inventory holding costs, product wastage, or the need to sell products at discounted prices due to shorter shelf lives. On the other hand, underproduction or inadequate inventory levels could lead to stockouts, missed sales opportunities, and strained relationships with distributors and retailers who rely on consistent product availability.

Furthermore, since our products are priced in the low-value mass market segment, our margins are relatively narrow. As a result, efficient inventory management and demand planning are critical to maintaining profitability. Any inefficiency in tracking market trends, delays in production planning, or inaccurate assessment of regional demand could adversely affect our sales performance, cash flows, and overall financial condition.

Additionally, our dependency on distributors for secondary sales data and demand projections may limit our ability to obtain real-time market insights. If we are unable to effectively align our production and inventory management systems with market demand, it could result in operational inefficiencies, excess working capital requirements, and deterioration of product quality due to extended storage periods.

We maintain inventory across various categories, including raw materials, work-in-progress, and finished goods, which are stored at our manufacturing facilities and warehouses. Maintaining optimal inventory levels is critical to our operations, as it enables us to respond effectively to customer orders. However, given the working capital-intensive nature of our business,

managing inventory levels also ties up substantial funds. These funds are only realized upon the sale of finished goods, creating a time gap between inventory procurement and revenue realization, which impacts our cash flow cycle. As of September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023, our inventory as a percentage of current assets was 48.79%, 57.50%, 43.99%, and 36.36%, respectively based on the Restated Financial Information. Our inventory turnover ratio (calculated as cost of goods sold divided by average inventory) during these periods was 0.98 times, 2.46 times, 2.90 times, and 3.23 times, respectively based on the Restated Financial Information. Additionally, our inventory cycle (i.e., inventory days) was 187 days for the period ended on September 30, 2025, and 149 days, 126 days, and 113 days for Fiscals 2025, 2024, and 2023, respectively based on the Restated Financial Information. While we strive to avoid both under-stocking and over-stocking, our estimates and forecasts may not always be accurate, due to fluctuations in customer preferences, seasonal demand patterns, and market uncertainties. If we under-stock inventory, our ability to fulfil customer orders and meet market demand could be compromised, resulting in lost sales opportunities and damage to customer relationships. Conversely, if we over-stock inventory, we may incur higher working capital requirements, additional storage costs, and financing expenses. In such cases, we may be required to sell excess stock at a discount or write off unsold inventory, leading to potential losses. In summary, accurate demand forecasting and efficient inventory management are critical to our operations. Any inaccuracies in forecasting customer demand could lead to inventory imbalances, which may adversely impact our business, financial performance, and cash flows. Maintaining optimal inventory levels is key to managing working capital efficiently and reducing the risk of financial strain caused by blocked funds in inventory.

9. ***Our relationship with our super stockists is critical to our business. During the period ended September 30, 2025, Fiscals 2025, 2024 and 2023, 97.44%, 96.32%, 94.39% and 94.70% respectively, of our total revenue from operations was attributable to our super stockists. If we are unable to maintain successful relationships with our super stockists, our business, results of operations and financial condition may be adversely affected.***

   During the period ended September 30, 2025, Fiscals 2025, 2024 and 2023, 97.44%, 96.32%, 94.39% and 94.70% respectively, of our total revenue from operations was attributable to our super stockists. We rely significantly on our super stockists to sell our products, and we expect that sales through such super stockists will continue to account for a significant percentage of our revenues. Our super stockists' market and distribute our products to various end users in India. We sell our goods directly to the super stockists; these super stockists are incentivised with various rebates and discounts. We do not enter into any long-term contracts or formal arrangements or agreements with our super stockists. Further, these super stockists work with us on a non-exclusive basis.

   Our super stockists may discontinue their association without any notice and with little or no penalty. The loss of a considerable number of super stockists and the inability to replace them or the failure to recruit additional super stockists could materially and adversely affect our results of operations and cash flows and also the pricing of the products offered by us which may in turn materially and adversely affect our business prospects, financial condition, results of operations and cash flows. While it is also possible that, from time to time, our super stockists may violate the terms of our arrangements, such as the pricing terms, and we may need to sever ties with certain of our super stockists. Further, in certain instances, we have initiated legal proceedings against some of our super stockists for recovery of outstanding dues. For details, see "*Outstanding Litigation and Material Developments*" on page 290. Any termination of arrangements with such super stockists or disputes arising from recovery actions may disrupt our distribution network in the concerned regions and may adversely affect our ability to market and distribute our products, which could have an adverse effect on our business, financial condition and results of operations.

10. ***Our business prospects on the strength and market acceptance of our brands, and any inability to sustain or increase product sales could negatively impact our business performance.***

    Our business performance and future growth depend significantly on the strength, recognition, and continued market acceptance of our brands, primarily "*Hugs*" and "*Tosca*". These brands represent our reputation, consumer trust, and positioning in the mass-market confectionery segment. Any decline in brand perception, loss of consumer confidence, or inability to maintain the appeal of our brands could adversely impact our sales, profitability, and market share. Our brands operate in a highly competitive market where consumer loyalty is often influenced by pricing, taste, packaging, and availability. Since our core portfolio products are targeted mainly at value-oriented consumers at price points below ₹10/-, consumers are highly value-sensitive and may easily shift to other competing products. If we fail to maintain consistent quality or taste across product batches, or if our marketing and promotional strategies do not effectively reinforce brand recall, our ability to retain existing consumers and attract new ones could be impaired.

    Moreover, brand acceptance in the confectionery sector depends on the ability to innovate and regularly introduce new flavours, variants, and packaging formats to keep pace with evolving consumer preferences. Any delay in product development, limited visibility at retail outlets, or inadequate promotional activities may lead to reduced consumer engagement and affect sales volumes.

Among our existing brands, a significant portion of our total revenue is derived from the sale of products under our "*Hugs*" and "*Tosca*" brand. Set out below are details of the revenue for the period ended September 30, 2025 and Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

Market Segment	**September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Hugs	8,418.06	*91.63%*	17,119.03	*91.56%*	15,345.10	*94.48%*	14,928.59	*94.17%*
Tosca	59.97	*0.65%*	166.19	*0.89%*	148.42	*0.91%*	118.05	*0.74%*
Food & Bakery Ingredients (non-branded)	708.53	*7.71%*	1,412.10	*7.55%*	747.75	*4.60%*	805.54	*5.08%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

The revenue from our "*Hugs*" brand contributed to ₹8,418.06 lakhs, ₹17,119.03 lakhs, ₹15,345.10 lakhs and ₹14,928.59 lakhs, representing 91.63%, 91.56%, 94.48% and 94.17% of our revenue from operations for the period ended September 30, 2025, Fiscals 2025, 2024 and 2023, respectively. If the brand image, reputation or brand recall of our "*Hugs*" brand weakens or it experiences reduced sales for any reason, including the aforementioned risks, our business and results of operations may be adversely affected.

Sustaining brand strength requires continuous investment in marketing, innovation, and distribution efficiency. If we are unable to sustain or enhance consumer preference for our brands or fail to achieve targeted sales growth, our business prospects, operating results, and financial performance could be materially and adversely affected. We intend to continue to enhance the brand recall through the expansion of our footprint. Our marketing strategies rely on subtle, underlying core messages based on shared values and are focused on traditional Indian values and cultures. Our messages are contained in distinctive marketing, advertising and customer engagement initiatives. Many factors, some of which are beyond our control, are important in maintaining and enhancing our brand recall, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives, especially with respect to our emerging brands, the new products we launch or in geographic markets where we intend to expand our operations. Maintaining and enhancing our brands may require us to make substantial investments and incur substantial expenses in many areas including product design, marketing, advertising, e-commerce, community relations and employee training. For period ended September 30, 2025, Fiscals 2025, 2024 and 2023, our sales and marketing expenses amounted to ₹12.43 lakhs, ₹54.42 lakhs, ₹17.08 lakhs and ₹13.25 lakhs, respectively, amounting to 0.15%, 0.31%, 0.11% and 0.09% of our total expenses, respectively. Our investments in marketing our brands may not be successful, and our results of operations would also suffer if such investments and initiatives are not appropriately timed with market opportunities or are not effectively brought to market. We anticipate that, as our business continues to expand through entering new markets and launching new products, and as the market becomes increasingly competitive, maintaining and enhancing our brands may continue to take significant effort and be a significant cost for us. Consumers in new markets may be less compelled by our brand image as compared to consumers in our existing markets and thus may be less willing to purchase our products. If our marketing initiatives fail to yield the intended results, or we fail to maintain or enhance our brand recognition and reputation or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

Our brand image may also be adversely affected by negative publicity, product complaints, counterfeit products, or non-compliance with food safety standards. Such incidents may not only lead to regulatory scrutiny but also damage long-term consumer trust. Since our sales are concentrated in North India, any regional decline in brand perception or distributor dissatisfaction could disproportionately affect our performance.

11. Any non-compliance including contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.

We are subject to various contamination related risks which typically affect the confectionery industry, including risks posed by the following:

- product tampering;
- low shelf life of certain of our products;

- ineffective storage of finished goods as well as raw materials;
- product labelling errors;
- non-maintenance of high food safety standards;
- contamination of our products during processing; and
- wastage of certain products during transportation.

The risk of contamination or deterioration of our products exists at each stage of the life cycle of our products such as sourcing of raw materials, production and delivery of the final products. Sourcing, storage and delivery of the raw materials poses significant risk in relation to contamination and deterioration in quality. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products by our super stockists, distributors and retailers until final consumption by consumers are also subject to such contamination and deterioration risks. While we follow quality control processes and quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies, and though we have, in the past, not materially suffered due to any of the aforementioned, we cannot assure that our products will not be contaminated or suffer deterioration in the future.

Our manufacturing facilities for certain product categories are in proximity to the delivery locations. However, the finished products are primarily transferred on a 'free on board–destination' basis to our customers. We cannot assure that contamination and deterioration of our products or raw materials will not occur during the transportation, and distribution due to ineffective storage facilities or any other reasons including factors unknown to us or beyond our control. If our products or raw materials are found to be amongst others, spoilt, contaminated, adulterated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse medical condition or other damage resulting from consumption of such products by consumers which we may not be able to fully recover from our suppliers or insurance coverages. We may also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 ("**FSS Act**") along with relevant rules and regulations. Further, there was an instance of misbranding under FSS Act and the concerning rules. Subsequently notice was issued by the Adjudicating Authority and the matter has been resolved upon payment of penalty imposed by the said Authority. We may be subject to such an event in the future, which may have a material adverse effect on our reputation, business and financial condition.

12. Concerns over nutritional values of our products may reduce demand for our products or increase the cost of our products.

The growing global and domestic awareness of health and nutrition-related issues presents a significant challenge for the confectionery industry. Health organizations, consumer advocacy groups, and sections of the public increasingly associate the consumption of products high in sugar, fat, and calories including confectionery, and bakery products — with obesity, diabetes, tooth decay, cardiovascular disease, and other health problems. This changing perception has led to heightened scrutiny of products such as ours, which are often viewed as indulgent or non-essential. Children form a key consumer segment for our confectionery products. However, as awareness around childhood obesity and related health risks increases, parents and caregivers are becoming more cautious in their purchase decisions. Educational campaigns, public health advisories, and school-level restrictions on the sale or promotion of confectionery items could influence consumption patterns and reduce product demand. Any adverse publicity linking our products or category to health concerns could have a negative impact on our brand image, consumer trust, and overall sales.

Further, the regulatory landscape in India is evolving to address such concerns. The Food Safety and Standards (Advertising and Claims) Regulations, 2018 introduced specific norms governing nutritional claims, health benefits, and permissible advertising content, especially for products targeted at children. Authorities may impose more stringent guidelines in the future, including front-of-pack nutritional labelling, restrictions on advertising during children's programming, or mandatory reformulation of products to meet specified health criteria. Compliance with these evolving regulations may increase our operating costs due to reformulation, packaging redesign, and compliance reporting. Moreover, restrictions on marketing and advertising of high-sugar or high-fat products may reduce our visibility and limit promotional effectiveness, particularly in mass-market segments.

If our products are categorized or perceived as "unhealthy", it could adversely affect consumer demand, brand perception, and our ability to attract and retain distributors or retail partners. In addition, any new labelling requirements or advertising restrictions could necessitate significant investment in marketing realignment, thereby impacting our turnover and profitability. Collectively, growing health consciousness among consumers, increased regulatory scrutiny, and potential restrictions on product promotion pose material risks to our sales volumes, market positioning, and overall financial performance.

13. Our inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities may adversely affect our business, financial condition and results of operations.

Our operations are subject to a broad range of health, safety and environmental laws and regulations, which affect our day-to-day operations, and violations of these laws and regulations can result in fines or penalties, which may adversely affect our business, financial condition and results of operations. For instance, the provisions of the FSS Act along with relevant rules and regulations are applicable to us and our products, which sets forth requirements relating to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution of food products.

India's economical confectionery sector, which includes affordable and mass-market products like toffees, candies, and lollipops, faces considerable regulatory challenges that hinder its export growth. Both large players and SMEs are affected by a fragmented and often overlapping regulatory structure, inadequate food testing infrastructure, and the inability to consistently meet stringent international safety and packaging standards. FSSAI regulations for export certification ensure that confectionery products exported from India comply with international safety, quality, and labelling standards. Export consignments are frequently rejected due to non-compliance with food safety norms abroad; while evolving domestic policies such as bans on recycled packaging or sudden export restrictions further increase uncertainty for exporters. These challenges not only impact product credibility in overseas markets but also discourage long-term investments in export-focused growth strategies within the sector. India's food export sector is burdened by fragmented regulatory oversight, with multiple agencies like FSSAI, APEDA, and BIS imposing overlapping requirements that create confusion and increase compliance costs for confectionery exporters. Sudden policy shifts, such as changes in export tariffs or product bans, make it difficult for exporters to plan and maintain buyer relationships. The FSSAI has established comprehensive regulations governing the composition, use, and quality of sugars and sweetening agents used in confectionery products in India. FSSAI's labelling regulations require clear and accurate information on all pre-packaged confectionery products in India. Regulatory mandates from the FSSAI, such as compulsory labelling of sugar and fat content, have further raised compliance costs posing a challenge for manufacturers striving to keep products affordable. (*Source: Ken Report*)

Contravention of the requirement to obtain a license or carrying a business without obtaining a license under the FSS Act is punishable with imprisonment for a period of up to six months and fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements. For details, see "*Key Regulations and Policies*" on page 208.

We are also subject to laws and Government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981 (the "**Air Act**"), the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our manufacturing. Though, in the past, we have not been subject to any such violations, in the future, if we fail to meet environmental requirements, we may be subject to administrative, civil and criminal proceedings by Government entities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations.

Additionally, we export our products to various overseas markets including Spain, MENA region, Asia and South-East Asia. In the overseas market, maintaining certain standards are customarily expected and compliance with food safety laws of relevant jurisdictions is required and our inability to maintain such standards and non-compliance of jurisdictional food safety laws may impact our business, financial condition and results of operations. For details, see "*Our Business*" and "*Government and Other Approvals*" on pages 182 and 308, respectively.

We cannot assure that such non-compliance will not occur and regulatory actions including injunction orders will not be passed against us. Though we have not been involved in any such litigation or proceeding in the past, we may become involved in any such litigation or proceedings relating to food safety or environmental matters in the future, which could divert management time and attention, and consume financial resources in such legal proceedings or cause operational delays or result in a shutdown of our manufacturing facilities. We cannot assure that we will be successful in all, or any, of such proceedings. Further, the loss or shutdown of our operations over an extended period of time, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

14. If any new products that we launch are not as successful as we anticipate, our business, cash flows, results of operations and financial condition may be adversely affected.

Our business growth depends on our ability to successfully develop, launch, and sustain new products that meet consumer demand and market expectations. The confectionery industry is highly competitive and fast evolving, with consumer preferences influenced by taste, price, packaging, regional trends, and seasonal factors. Each new product launch requires significant investment in research, development, marketing, packaging design, and distribution support. If any newly launched product fails to achieve expected consumer acceptance or market traction, we may not be able to recover the associated costs, leading to adverse effects on our margins and profitability. Product failure could also result in inventory build-up, write-offs, or the need to sell at discounted prices, which may impact our cash flows and financial performance.

Furthermore, unsuccessful product launches may weaken our relationships with distributors and retailers who allocate shelf space based on product performance. A pattern of underperforming launches may also erode brand confidence among trade partners and limit our ability to introduce future products. Our business model depends on maintaining a strong product pipeline and responding quickly to emerging market trends. If we are unable to accurately assess consumer preferences, ensure quality consistency, or market new products effectively, our revenue growth, operating results, and financial condition could be materially and adversely affected.

Additionally, launching new product categories requires investment in research and development, marketing, and production capabilities, which may not always yield immediate or guaranteed returns. If customer reception to our new products is poor or if market demand shifts unexpectedly, the resources and capital we allocate to developing these products may not generate the anticipated returns, negatively impacting our financial condition and results of operations. Further, new product launches often require extensive promotion and marketing efforts to create brand awareness and customer interest. If our marketing strategies fail to reach the target audience or do not generate sufficient demand, the success of our new products could be compromised. Moreover, the confectionery market is highly competitive and fast-paced, making it critical to launch new products at the right time to capture market share. Delays in product development or launch could result in lost opportunities and reduced competitiveness, further impacting our business performance. In summary, failure of new product launches to meet market expectations or achieve the desired sales performance could result in lower revenues, increased costs, and reduced profitability, which would adversely affect our business, cash flows, results of operations, and financial condition.

If we are unable to successfully expand our business operations through our manufacturing facilities, increased capacity utilisation and supply our products to various regions of India, our business, financial condition and results of operation may be adversely affected.

15. We could be adversely affected due to restrictions on the use of our brand names or any negative publicity associated with our products.

Our business is substantially dependent on the use of the brand names "*Hugs*" and "*Tosca*," under which our products are marketed and sold. The trademarks "*Hugs*" and "*Tosca*" are registered in the name of our subsidiary, Shellz Overseas Private Limited. We do not own these trademarks directly.

We have entered into a Trademark User Agreement dated April 01, 2025 with Shellz Overseas Private Limited, pursuant to which we have been granted the right to use the trademarks "*Hugs*" and "*Tosca*," subject to the terms and conditions specified therein, including payment of a monthly consideration and compliance with usage restrictions. We have also received a no-objection certificate from the trademark owner permitting us to use the brand names and logos in connection with our business operations. However, our rights to use these trademarks are contractual in nature and not perpetual. The agreement is valid for a period of one year and is subject to renewal by mutual consent. The agreement may also be terminated by either party by providing advance notice. In the event the trademark user agreement is terminated, not renewed, or modified on terms that are averse to us, or if any dispute arises in relation to the interpretation, validity or enforcement of the agreement, our ability to continue using the brand names "*Hugs*" and "*Tosca*" may be restricted or discontinued. Any such restriction could require us to rebrand some or all our products, which may involve additional costs, operational disruptions, loss of brand recognition and adverse impact on sales.

Further, any adverse publicity, quality-related issues, regulatory action, consumer complaints or reputational issues associated with products sold under the "*Hugs*" or "*Tosca*" brand names, whether attributable to us or to any other entity using similar or related marks, could negatively affect consumer perception and demand for our products. Since brand recognition plays an important role in purchasing decisions in the confectionery and FMCG segment, any erosion of brand goodwill may have an adverse effect on our business, results of operations and financial condition.

Although the trademark owner and our Company are under common control and we currently do not anticipate any disruption in the use of these brand names, there can be no assurance that such arrangements will continue on the same

terms in the future. Any inability to use the "*Hugs*" and "*Tosca*" trademarks, or any reputational damage associated with these brands, could adversely affect our business prospects.

16. ***We operate in a competitive business environment. Pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sales, gross margin and profitability, which may materially and adversely affect our business, cash flows, financial condition and results of operations.***

The confectionery industry in India is highly competitive and fragmented, comprising large, organized players, regional brands, multinational companies, and a substantial unorganized sector. Competition is particularly intense in the mass-market confectionery segment in which we operate, where products are offered at low price points, often below ₹10/-, and purchasing decisions are primarily driven by price, taste, availability, and brand familiarity. Many competitors offer similar choco-based, baked, jelly-based, and sugar confectionery products at comparable or lower price points.

Pricing pressure from competitors may adversely affect our ability to maintain or increase product prices, which in turn could impact our revenue, gross margins, and profitability. Given the price-sensitive nature of mass market consumers, any increase in prices may result in reduced sales volumes or loss of market share to competitors offering similar products at lower prices. As a result, we may be required to reduce prices, offer higher trade discounts, promotional schemes, or extended credit terms to super stockists, distributors and retailers to remain competitive, which could negatively affect our margins and cash flows.

Additionally, competition from unorganized and regional players, who may operate with lower overhead costs, limited regulatory compliance, or informal supply chains, enables them to offer products at aggressive price levels. International brands or large domestic manufacturers may also benefit from economies of scale, backward integration, or stronger bargaining power with suppliers, allowing them to absorb cost increases or undercut prices in key markets.

The increasing penetration of modern trade, online platforms, and e-commerce channels has enhanced price transparency, allowing retailers and consumers to easily compare prices across brands. Promotional pricing, discounts, and bundled offers by competitors could exert further downward pressure on pricing and force us to respond with similar measures, adversely impacting our profitability.

At the same time, input costs such as sugar, cocoa, milk solids, edible oils, packaging materials, fuel, and power are subject to volatility and inflationary pressures. If we are unable to pass on increases in these costs to customers due to competitive pricing pressures, our gross margins may be adversely affected. Seasonal demand fluctuations, festive sales cycles, and inventory clearance by competitors may further intensify pricing pressure.

Moreover, frequent product launches and short consumption cycles in the confectionery industry increase price sensitivity, as competitors may reduce prices to clear inventory or gain shelf space. If pricing competition escalates into sustained price-based competition or pricing wars, it could adversely affect industry-wide margins.

While we seek to compete through product range, distribution reach, brand recognition, and manufacturing capabilities, there can be no assurance that these factors will be sufficient to offset pricing pressure from competitors. If we are unable to effectively manage competitive pricing dynamics, our business, results of operations, cash flows, financial condition, and market position could be materially and adversely affected.

17. ***If we are unable to successfully expand our manufacturing operations, improve capacity utilisation or supply our products across various regions of India, our business, financial condition and results of operations may be adversely affected.***

Our growth strategy is dependent on our ability to expand manufacturing operations, improve capacity utilisation and increase geographic reach for our products across India. We currently manufacture our products at our facility located in Delhi and have entered a long-term lease for an industrial premises at Barhi, Sonipat, Haryana, which we intend to develop as our new manufacturing and warehousing facility. Successful expansion and stabilisation of operations at this facility will require effective execution, capital deployment, workforce availability and operational coordination. Any delay, cost overrun or operational challenges in commissioning or scaling this facility could adversely affect our growth plans.

In addition, increasing capacity utilisation depends on sustained demand growth, distributor expansion, effective supply chain management and timely market penetration in new regions. If we are unable to scale sales volumes in line with installed capacity, we may experience under-utilisation of manufacturing resources, which could adversely impact operating efficiency and cost structures. Conversely, any inability to ramp up production in response to increased demand may result in supply constraints, loss of market opportunities or customer dissatisfaction.

Our ability to expand geographically is also subject to risks such as distributor onboarding challenges, logistics constraints, regional demand variability, regulatory requirements and competition from established local and national players. Entering new markets may require additional marketing expenditure, trade incentives and working capital support, and there can be no assurance that such investments will yield expected results within anticipated timelines.

Further, expansion across regions requires effective coordination of production planning, inventory management, transportation and compliance with applicable state-specific regulations. Any disruption or inefficiency in these areas may affect timely supply of products and adversely impact customer relationships. If we are unable to successfully execute our expansion plans, improve capacity utilisation or supply products consistently across regions, our business growth, financial condition and results of operations could be adversely affected.

18. The industry in which we operate poses various risks and challenges as provided in the Industry Report titled "India's Confectionery Market" dated March 25, 2026, which is exclusively prepared for the purposes of the Issue and issued by Ken Research and is commissioned and paid for by our Company ("Ken Report").

The India's Confectionery Industry, is exposed to multiple inherent risks and challenges as mentioned below:

- *Low brand loyalty in value segment for confectionery market:* In confectionery market, low brand loyalty remains one of the most continuous challenges, especially for SME players. High price sensitivity and low product differentiation make it difficult for brands to retain customers. Consumers, in rural and semi-urban areas, often view products like toffees, lollipops, and sugar candies as interchangeable, and switch brands based on minor changes in price, taste, or availability. This creates a tough battlefield where even quality or consistency may not be enough to secure repeat buyers. The low brand loyalty directly limits long-term brand value, market share stability, and investment returns for SMEs trying to grow sustainably.

- *Margin pressures due to input/raw material cost volatility:* Companies are struggling with significant margin pressures due to volatile raw material costs. Key inputs like sugar and edible oils have experienced notable price fluctuations. Manufacturers have limited flexibility to pass increased costs onto consumers. Consequently, SMEs face the dilemma of absorbing higher input costs, which erodes profit margins, or compromising on product quality, which can affect brand reputation and customer retention. The lack of economies of scale and limited access to procurement strategies further intensify these challenges for SMEs.

- *Competition from local unorganized players:* Despite the majority share of organized players, competition from local unorganized players remains a significant challenge. These players comprising regional manufacturers, cottage-scale producers, and local vendors, offer products at ultra-competitive price points, often in the INR 1 to INR 5 range, appealing to price-sensitive consumers and are dominant in rural and semi-urban areas, where they leverage minimal overheads, flexible supply chains, and strong relationships with local retailers to ensure last-mile availability. Moreover, the unorganized sector often operates with minimal compliance to food safety regulations, allowing them to reduce costs further.

- *Seasonal Demand Dependency:* Seasonal demand dependency remains a challenge within India's confectionery segment, interrupting supply chain management. The market typically sees a spike in demand during the festive period (July to February), aligned with Raksha Bandhan, Diwali, Christmas, and the academic calendar. However, these high-demand windows are offset by sharp declines during summer months and exam seasons, especially in rural markets where school children constitute a primary consumer base.

- *Rise of Healthier Options:* The rising consumer interest in healthier snacking driven by preferences for healthier alternatives, natural, and additive-free products is gradually influencing the consumer segment. A niche but growing segment of medicated and functional confectionery is gaining traction, especially in urban markets. Companies like Power Gummies, Kapiva, Man Matters, Gummy Vites, and Zingavita are offering products such as Ashwagandha-infused gummies, Shilajit toffees, biotin and multivitamin gummies. These products cater to health-conscious consumers seeking convenience and wellness.

- *Regulatory Challenges for Export Growth:* India's economical confectionery sector is affected by a fragmented and overlapping regulatory structure, inadequate food testing infrastructure, and a difficulty in consistently meeting international safety and packaging standards. Export consignments are frequently rejected due to non-compliance with food safety norms abroad, while evolving domestic policies such as bans on recycled packaging or sudden export restrictions increase uncertainty for exporters. India's food export sector is burdened by fragmented regulatory oversight, with agencies like FSSAI, APEDA, and BIS imposing requirements that increase compliance costs. India's inadequate food testing infrastructure often results in inconsistent quality checks and frequent rejection of confectionery export consignments.

These above challenges could have a material adverse effect on our business, financial condition, cash flow, and results of operations.

Other Risks relating to our Financial Position

19. Our previous statutory auditors have included basis for qualified opinion in their audit report for Fiscal 2023 and similar opinions may continue in future periods, which could adversely affect our financial statements and results of operations.

Our previous statutory auditors included basis for qualified opinion in their audit report for Fiscal 2023 as mentioned below:

Period	Details
Fiscal 2023	The company has not provided for the retirement benefit in term of gratuity as per the actuarial valuation which constitute a departure from the Accounting Standards prescribed u/s 133 of the Companies Act, 2013. In the absence of credible estimate provided by the management in respect of the said liability, it is impracticable to report the possible financial effect on the financial statements.

These opinions indicate non-compliance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013, arising from the Company's failure to recognise and provide for gratuity obligations based on actuarial valuation. Further, in the absence of a credible estimate of such liability from the management, the possible financial impact on the financial statements could not be determined. There can be no assurance that similar opinions, emphasis of matters, or observations will not arise in future audit reports. Any such adverse remarks may impact the perceived reliability of our financial statements, affect investor confidence, and could have an adverse effect on our business, financial condition, results of operations, and prospects.

Subsequent to the observations made by the auditors, we have taken steps to strengthen our corporate and financial governance framework. We have undertaken measures to ensure compliance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013, including initiating the process of obtaining actuarial valuation for gratuity obligations and implementing procedures to appropriately recognise and account for such employee benefit liabilities in our financial statements. In addition, we have streamlined our accounting processes and strengthened internal controls to improve financial reporting and compliance. We believe that these measures will help address the issues identified by our previous auditors; however, there can be no assurance that such corrective actions will be sufficient to prevent similar qualifications or observations in future audit reports.

20. Our previous Statutory Auditors, M/s Kumar V & Associates, Chartered Accountants, and our current Statutory Auditors, M/s RSAV & Company, Chartered Accountants, have included certain observations for Fiscals 2023, 2024 and 2025 in their reporting under the Companies (Auditors Report) Order, 2020.

Our previous Statutory Auditors, M/s Kumar V & Associates, Chartered Accountants, have included the following observations for Fiscals 2023 and 2024 and our current Statutory Auditors, M/s RSAV & Company, Chartered Accountants, have included the following observations for Fiscals 2023, 2024 and 2025 in their reporting under the Companies (Auditors' Report) Order, 2020 for our Company. There are no reservation, qualifications or adverse remarks in the respective audit reports which have not been given effect to in the Restated Financial Information. However, the following observations under the Companies (Auditors' Report) Order, 2020 have been included in the relevant reports, for the periods indicated:

Period	Details of Material Observation
2022-23	The Company had been sanctioned working capital limits in excess of ₹5 crore from banks based on security of current assets. The quarterly statements filed with banks in respect of inventory, trade receivables, trade payables and purchases showed certain differences when compared with the books of accounts for the respective quarters as detailed in Note (1).
	The Company issued a bank guarantee aggregating to ₹305 lakhs to Shellz Overseas Pvt. Ltd., which, as explained by management, was not prejudicial to the interests of the Company.
2023-24	The Company was sanctioned working capital limits in excess of ₹5 crore from banks on the basis of security of current assets. Differences were observed between the quarterly statements filed with banks and the books of accounts in respect of stock and trade receivables for certain quarters during the year as detailed in Note (2).
	Statutory dues relating to customs duty aggregating to ₹107.23 lakhs were under dispute and pending before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) under the Customs Act.
2024–25	The Company was sanctioned working capital limits in excess of ₹5 crore from banks on the basis of security of current assets. Differences were observed between the quarterly statements filed with banks and the books of accounts in respect of stock and trade receivables, sales and purchases for certain quarters during the year as detailed in Note (3).

Note (1): Summary of reconciliation of quarterly statements filed with banks for FY 2022–23

Current Assets Description	Quarter	Summary of Reconciliation
Stock	Quarter 1	Excess reporting of ₹96.42 lakhs
Stock	Quarter 2	Excess reporting of ₹55.93 lakhs
Stock	Quarter 3	Excess reporting of ₹98.48 lakhs
Stock	Quarter 4	Short reporting of ₹287.93 lakhs
Debtors	Quarter 1	Short reporting of ₹17.00 lakhs
Debtors	Quarter 2	Excess reporting of ₹423.32 lakhs
Debtors	Quarter 3	Excess reporting of ₹424.03 lakhs
Debtors	Quarter 4	Excess reporting of ₹632.62 lakhs

Note (2): Summary of reconciliation of quarterly statements filed with banks for FY 2023–24

Current Assets Description	Quarter	Amount reported to Banks (₹ in lakhs)	Amount as per Books (₹ in lakhs)	Difference (₹ in lakhs)	Nature of Difference
Stock	Quarter 1	3,540	3546	(6)	Short reporting
Stock	Quarter 2	3,644	3,644	Nil	No difference
Stock	Quarter 3	4,079	4,104	(25)	Short reporting
Stock	Quarter 4	5,468	5,481	(13)	Short reporting
Debtors	Quarter 1	4,041	4,049	(8)	Short reporting
Debtors	Quarter 2	5,285	5,286	(1)	Short reporting
Debtors	Quarter 3	5,880	5,895	(15)	Short reporting
Debtors	Quarter 4	5,614	5,615	(1)	Short reporting

Note (3): Summary of reconciliation of quarterly statements filed with banks for FY 2024–25

Quarter ended June 30, 2024

Particulars	Statement filed with the Bank (₹ lakhs)	Statement as per Books of Accounts (₹ lakhs)	Difference (₹ lakhs)
Stock	5,818.81	5,836.93	(18.12)
Debtors	5,232.35	5,233.31	(0.95)
– Less than 90 days	2,706.30	2,720.38	(14.08)
– Above 90 days	2,526.05	2,512.92	13.13
Total (Stock + Debtors)	**11,051.17**	**11,070.24**	**(19.07)**
Sales	4,410.43	4,411.10	(0.67)
Purchase	3,709.31	3,711.98	(2.67)
Creditors	3,482.16	3,484.62	(2.46)

Quarter ended September 30, 2024

Particulars	Statement filed with the Bank (₹ lakhs)	Statement as per Books of Accounts (₹ lakhs)	Difference (₹ lakhs)
Stock	6,402.99	6,404.29	(1.30)
Debtors	5,338.55	5,340.90	(2.35)
– Less than 90 days	2,166.83	2,142.35	24.48
– Above 90 days	3,171.72	3,198.55	(26.83)
Total (Stock + Debtors)	**11,741.55**	**11,745.20**	**(3.65)**
Sales	8,511.74	8,515.34	(3.60)
Purchase	6,818.44	6,820.87	(2.42)
Creditors	3,341.28	3,344.11	(2.83)

Quarter ended December 31, 2024

Particulars	Statement filed with the Bank (₹ lakhs)	Statement as per Books of Accounts (₹ lakhs)	Difference (₹ lakhs)
Stock	7,220.88	7,223.25	(2.36)

Particulars	Statement filed with the Bank (₹ lakhs)	Statement as per Books of Accounts (₹ lakhs)	Difference (₹ lakhs)
Debtors	4,919.54	4,917.42	2.11
– Less than 90 days	2,601.89	2,605.52	(3.63)
– Above 90 days	2,317.65	2,311.91	5.74
Total (Stock + Debtors)	**12,140.42**	**12,140.67**	**(0.25)**
Sales	13,256.05	13,265.88	(9.83)
Purchase	11,067.63	11,068.52	(0.89)
Creditors	3,259.42	3,260.95	(1.52)

Quarter ended March 31, 2025

Particulars	Statement filed with the Bank (₹ lakhs)	Statement as per Books of Accounts (₹ lakhs)	Difference (₹ lakhs)
Stock	6,566.82	6,565.88	0.94
Debtors	3,554.15	3,555.14	(1.00)
– Less than 90 days	2,447.04	2,447.31	(0.27)
– Above 90 days	1,107.11	1,107.84	(0.73)
Total (Stock + Debtors)	**10,120.97**	**10,121.03**	**(0.06)**
Sales	18,697.58	18,697.32	0.27
Purchase	14,697.39	14,703.48	(6.09)
Creditors	3,330.82	3,331.28	(0.46)

21. Our business requires significant amount of working capital. We may not be able to obtain future financing on favourable terms or at all. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.

Our business requires a significant amount of working capital for our day-to-day operations before payment is received from our customers. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. As on September 30, 2025, our Company had sanctioned working capital facilities aggregating to ₹2,165.70 lakhs from various banks and outstanding working capital facilities aggregating to ₹2,051.12 lakhs. Details of our working capital during September 30, 2025 and Fiscals 2025, 2024 and 2023 based on our Standalone Audited Financial Statements are set out below:

(₹ in Lakhs)

Sr. No.	Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A.	**Current Assets**				
	Inventories	7,088.62	6,565.88	5,480.65	3,853.77
	Trade receivables	4,100.57	3,555.14	5,571.50	5,289.56
	Short Term Loans and Advances	2,162.67	919.49	1,211.96	1,419.29
	Other Current Assets	618.94	376.33	23.59	17.69
	Total Current Assets (A)	**13,970.80**	**11,416.85**	**12,287.70**	**10,580.31**
	(-) Advance towards Machinery	(2,162.67)	-	-	-
	Operational Current Assets (A)	**11,808.13**	**11,416.85**	**12,287.70**	**10,580.31**
B.	**Current Liabilities**				
	Trade payables	3,299.39	3,331.28	3,952.87	3,289.13
	Other Current Liabilities	1,373.86	999.27	415.50	177.87
	Short Term Provisions	734.50	437.75	386.38	241.81
	Total Current Liabilities (B)	**5,407.75**	**4,768.30**	**4,754.75**	**3,708.81**
C.	**Total Working Capital requirements (C=A-B)**	**6,400.38**	**6,648.55**	**7,532.95**	**6,871.50**
D.	**Funding Pattern**				
	Borrowings from banks, financial institution and non-banking financial companies	4,283.67	5,042.70	4,007.88	3,599.82

Sr. No.	Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Unsecured loans from Related Parties	1,207.16	897.57	934.49	932.70
	Internal Accruals and Equity	909.55	708.27	2,590.58	2,338.98
	Total	**6,400.38**	**6,648.55**	**7,532.95**	**6,871.50**

There have been instances of claims filed for compensation for loss incurred pursuant to defaults by the customers. For details see, "*Outstanding Litigation and Material Developments*" on page 290. Further, claim for compensation, settlement of disputes, etc. may take time and involve us expending financial and other resources, and the outcome may be uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our customers to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims. However, there have been no instances of losses resulting from environmental liabilities in the last 3 financial years and the current financial year. We may also have a higher inventory level at our facilities due to various factors such as, delay in deliveries to the customers, natural disasters, pandemic, government-imposed restrictions, etc.

All these factors may result, in increase in the amount of receivables, inventory and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. While there have been no instances of inaccurate budgeting of working capital requirements in during period ended September 30, 2025, Fiscals 2025, 2024, and 2023, there may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Additionally, our Company intends to utilise ₹2,300.00 lakhs from the Net Proceeds to fund working capital requirements of our Company in Fiscal 2027. We intend to scale up production capacity for all our product categories from 17,100 MT ("**Metric Tonne**") to 34,500 MT. As we continue to expand our product offerings and penetrate new markets, both domestic and international, the demand for raw materials such as sugar, cocoa, milk solids, cereal flours and edible fats, polymer and paper-based packing materials is expected to increase, necessitating larger upfront procurement costs. Additionally, as we focus on offering value-added products and strengthening our distribution network in West and South India, our inventory holding period might grow, resulting in a higher requirement for working capital. Furthermore, the expansion into new geographic regions and the increased scale of production might lead to a larger receivables cycle, as we extend credit terms to our customers. This will further necessitate incremental working capital funding to ensure that we can efficiently manage cash flows, support day-to-day operations, and avoid any disruptions in production or customer fulfilment. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "*Objects of the Issue*" on page 107.

22. Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. For the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, our trade receivables were ₹4,100.57 lakhs, ₹3,555.14 lakhs, ₹5,571.49 lakhs and ₹5,289.54 lakhs, respectively based on our Restated Financial Information. Our trade receivables turnover ratio (i.e., revenue from operations divided by average trade receivables) for the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 was 2.40 times, 4.10 times, 2.99 times and 3.18 times, respectively based on our Restated Financial Information. Our trade receivable days during the period ended September 30, 2025 and each of Fiscals 2025, 2024, and 2023 was 76 days, 89 days, 122 days and 115 days, respectively based on our Restated Financial Information.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. We do not have any formal credit policy and details of our bad debts and our debtors' age analysis can be summarised as under:

As at 30/09/2025							
Particulars	**Unbilled**	**Less than 6 months**	**6 Months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
Trade Receivables - Considered good	-	3,512.46	100.16	81.60	31.05	5.52	3,730.79
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Disputed							
Trade Receivables - Considered good	-	0.01	29.22	81.93	47.11	211.51	369.79
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
TOTAL	**-**	**3,512.47**	**129.38**	**163.53**	**78.16**	**217.03**	**4,100.57**
As at 31/03/2025							
Particulars	**Unbilled**	**Less than 6 months**	**6 Months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
Trade Receivables - Considered good	-	2,981.17	103.87	80.02	39.00	7.32	3,211.37
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Disputed							
Trade Receivables - Considered good	-	30.85	40.80	32.51	31.82	207.79	343.77
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
TOTAL	**-**	**3,012.01**	**144.67**	**112.53**	**70.82**	**215.11**	**3,555.14**
As at 31/03/2024							
Particulars	**Unbilled**	**Less than 6 months**	**6 Months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
Trade Receivables - Considered good	-	4,029.66	993.47	195.68	47.78	41.76	5,308.35
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Disputed							
Trade Receivables - Considered good	-	-	15.26	36.11	27.72	184.05	263.14
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
TOTAL	**-**	**4,029.66**	**1,008.73**	**231.79**	**75.50**	**225.81**	**5,571.49**
As at 31/03/2023							
Particulars	**Unbilled**	**Less than 6 months**	**6 Months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed							
Trade Receivables - Considered good	-	3,732.76	956.94	294.54	21.68	29.17	5,035.09
Trade Receivables - Doubtful Debt	-	-	-	-	-	5.43	5.43
Disputed							
Trade Receivables - Considered good	-	38.40	7.91	21.25	3.07	183.82	254.45
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
TOTAL	**-**	**3,771.16**	**964.85**	**315.79**	**24.75**	**218.42**	**5,294.97**

For further details in relation to the trade receivables, please refer to "*Restated Financial Information*" on page 240. Any increase in the bad debts or increase in the debtor turnover ratio shall adversely affect our financial performance and our operating cash flows.

23. The Unaudited Pro Forma Consolidated Financial Information included in this Draft Red Herring Prospectus is presented for illustrative purposes only and may not accurately reflect our future financial condition, financial position or results of operations.

This Draft Red Herring Prospectus contains our Unaudited Proforma Consolidated Financial Information as of and for the year ended March 31, 2025, and for the period ended on September 30, 2025. The information has been prepared to illustrate the impact of the acquisition of Shellz Overseas Private Limited (the "**Acquisition**"), which was completed subsequent to the reporting periods presented but prior to the filing of this Draft Red Herring Prospectus.

The company acquired 100.00% stake of Shellz Overseas Private Limited with effect from March 23, 2026, and therefore the Proforma Financial Information for the Fiscal 2025 and for the period ended on September 30, 2025, has been included in this Draft Red Herring Prospectus. It illustrates the impact of acquisition made by company and its financial performance for the year ended March 31, 2025, and for the period ended on September 30, 2025, as if the acquisition had taken place at the beginning of the earliest reported year presented. For further details, see "*History and Certain Corporate Matters - Details regarding acquisition or divestment of Business or Undertakings*" and "*Unaudited Proforma Consolidated Financial Information*" on page 219 and 241 respectively.

The Unaudited Proforma Consolidated Financial Information addresses a hypothetical scenario and does not represent our actual consolidated financial condition or results of operations. It should not be regarded as indicative of our future financial position, results of operations, or cash flows. Further, it may not accurately present the financial impact that would have occurred had the acquisition been completed on the assumed dates, nor is it intended to forecast our future performance.

Additionally, the Unaudited Proforma Consolidated Financial Information has not been prepared in accordance with generally accepted accounting principles, including applicable Accounting Standards, and therefore should not be relied upon as if prepared under those principles. It has also not been prepared in accordance with accounting or reporting standards of other jurisdictions, such as Regulation S-X under the U.S. Securities Act of 1933, as amended, and therefore should not be interpreted or relied upon in the context of those standards or practices.

Accordingly, investors are advised to place limited reliance on the Unaudited Proforma Consolidated Financial Information included in this Draft Red Herring Prospectus. The actual financial condition and results of operations of our Company post-acquisition could differ materially from the Unaudited Proforma Consolidated Financial Information if the assumptions underlying its preparation do not materialize**.**

24. Our group companies have incurred losses in the Fiscal 2024 and may incur losses in the future.

Our group companies, Winola Private Limited and Euroville Private Limited, have incurred losses of ₹3.65 lakhs and ₹73.97 lakhs, respectively in Financial Year 2024 due to the discounts and marketing expenses. Further for Euroville Private Limited, such loss was primarily on account of activities towards the launch and market development of new products, including expenditure on marketing initiatives, promotional activities and trade schemes to support initial distribution and consumer adoption. While the financial results of these companies are not consolidated with our Company and do not directly impact our financial statements, any continued losses may indirectly affect us. For instance, we may be required to extend financial support to such companies in the future, and our investments in them may eventually be written off. Further, sustained underperformance of our Group Companies could adversely affect our reputation, divert management's attention, and limit our ability to pursue growth opportunities. Any such events may indirectly impact our business operations and financial condition.

25. We have experienced negative cash flows in previous Fiscals and may continue to have negative cash flows in the future.

Our cash flow for the financial years and for the period ended on September 30, 2025, March 31, 2025, 2024 and 2023 are set forth in the table below:

(₹ in Lakhs)

Particulars	**For the period ended September 30, 2025**	**For Fiscals**		
		2025	**2024**	**2023**
Net cash flow from/ (used in) from operating activities (A)	(735.82)	2,579.36	892.62	191.78
Net cash flow from/ (used in) investing activities (B)	(165.80)	(3,421.37)	(449.19)	(409.87)
Net cash flow from/ (used in) financing activities (C)	1,457.51	673.11	(290.23)	43.87

The negative cash flow from operating activities for the period ended September 30, 2025 was primarily attributable to advance payments of ₹2,162.37 lakhs made for the procurement of machinery required for our business operations.

Although such payments are generally associated with investing activities, the advances provided during the period impacted the working capital position and were reflected within operating cash flows. Consequently, the increase in advances led to a temporary reduction in operating cash flows during the period. For further details in relation to the reasons for negative cash flows from operating activities, investing activities and financing activities for Fiscals 2023 to 2025 and for the period ended on September 30, 2025, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 245. The markets for our confectionery industry are evolving, and it is difficult for us to predict our future results of operations or the limits of our market opportunity. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected.

26. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialize.

The following table sets forth our contingent liabilities as of September 30, 2025, as derived from our Restated Financial Information as per AS 29:

(₹ in Lakhs)

Particulars	For the period ended September 30, 2025	For Fiscals		
		2025	2024	2023
Claims against the company not acknowledged as debts	348.56	348.56	152.93	791.17
Disputed Statutory Demand	-	-	107.23	107.23
Guarantees	85.24	106.53	100.67	402.55

For further information, please see "*Restated Financial Information*" and "*Outstanding Litigation and Other Material Developments*" on page 240 and 290, respectively. We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialize, our financial condition and results of operations may be adversely affected.

27. We have unsecured loans outstanding from our related parties, which may be recalled at any time and could adversely affect our financial condition.

We have unsecured loans outstanding from our related parties, which may be recalled at any time and could adversely affect our business, financial condition, and results of operations. As of September 30, 2025, we had unsecured loans outstanding from our related parties aggregating to ₹1,207.16 lakhs. These loans have been availed to meet our business requirements and working capital needs from time to time. The terms of such loans are not governed by detailed loan agreements, are not secured against any of our assets, and generally do not carry fixed repayment schedules. Consequently, such loans may be repayable on demand, subject to applicable laws.

There can be no assurance that our related parties will not seek repayment of these loans at short notice. If such repayment is demanded, we may be required to arrange funds at short notice, either from our internal accruals or by raising debt or equity financing, which may not be available on favourable terms, or at all. This could adversely impact our liquidity, strain our cash flows, and materially affect our ability to fund our operations and growth initiatives.

Further, reliance on unsecured loans from our related parties may give rise to a perception of financial dependence, which could negatively affect investor confidence and our ability to raise external financing. In the event we are unable to replace such funding with borrowings from banks, financial institutions, or other investors on acceptable terms, our business operations, financial condition, and results of operations may be materially and adversely affected.

28. We are exposed to foreign currency fluctuation risks, particularly in relation to export of our products, which may adversely affect our results of operations, financial condition and cash flows.

We present our financial statements in Indian Rupees. Our revenue from operations from outside India, as per AS 17, were ₹48.97 lakhs, ₹171.79 lakhs, ₹291.08 lakhs and ₹300.70lakhs, constituting 0.53%, 0.92%, 1.79% and 1.90% of our revenue from operations in the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 respectively. Although, we generally seek to pass exchange rate fluctuations to our customers through increases in our prices, there can be no assurance that we will be able to do so immediately or fully, which could adversely affect our business, financial condition, results of operations and cash flows. The following table sets forth details of our foreign currency exposure as at indicated dates:

(₹ in Lakhs)

Name of Country	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Bangladesh	-	18.83	-	-
Hongkong	-	-	-	55.17
Iraq	-	-	-	50.57
Myanmar	-	-	-	41.43
Nepal	17.41	91.70	78.28	58.89
Oman	22.05	9.62	122.30	-
Qatar	-	10.60	-	-
Saudi Arabia	-	12.56	-	33.72
Spain	9.51	28.48	50.66	42.19
UAE	-	-	-	0.22
Yemen	-	-	39.83	18.51

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Our international operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with international operations in general. Our international operations are subject to, among other risks and uncertainties, the following:

- demand for our services by our customers located outside India;
- social, economic, political, geopolitical conditions and adverse weather conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action would affect our business and operations and may also prevent us from delivery of our services to our customers;
- compliance with local laws, including legal constraints on ownership and corporate structure, environmental, health, safety, labour and accounting laws, may impose onerous and expensive obligations. If we are unable to comply with such laws, our business, results of operations, financial condition and cash flows could be adversely affected;
- changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies, may affect our ability to both operate and the way in which we manage our business in the countries in which we operate;
- fluctuations in foreign currency exchange rates against the Indian Rupee, may affect our results of operations, the value of our foreign assets, such as export receivables, the relative prices at which we and our competitors sell products in the same markets and the cost of certain non-inventory items required for our operations. For instance, fluctuation of the Pound Sterling, Euro and U.S. Dollar would have an impact on the export revenues and profits of our operations;
- anti-competitive behaviour, money laundering, bribery and corruption by third parties as well as crime and fraud; and
- inability to effectively enforce contractual or legal rights and adverse tax consequences; differing accounting standards and interpretations.

In addition, we may not perform as expected in our international markets, because our competitors and the established players in these markets may have a more established presence and have more experience in operating in such market, which could allow them to have better relationships with customers, gain early access to information regarding attractive sales opportunities and, in general, be better placed with other advantages of being a first mover. Any of these risks could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects

29. Any future penalties or demands raised by statutory authorities may adversely impact the financial position of the Company.

As part of our business operations, we are required to comply with various statutory obligations under applicable tax and labour laws, including timely filing and payment of GST, Employees' Provident Fund ("**EPF**"), Employees' State Insurance ("**ESI**"), and Tax Deducted at Source ("**TDS**"). These filings are governed by the Central Goods and Services Tax Act, 2017, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948, and the Income Tax Act, 1961, respectively.

Failure to make timely payments or file accurate returns under these laws may result in penalties, interest liabilities, and even prosecution. For instance, non-payment or delayed payment of GST can attract interest under Section 50 of the CGST Act and penalties under Section 122. Similarly, failure to deposit EPF and ESI contributions within prescribed timelines may result in damages, penalties, and legal action from the respective enforcement authorities. TDS defaults, including non-deduction, short deduction, or delayed payment, can also lead to disallowance of expenses, interest under Section 201, and penalties under the Income Tax Act.

Further, there have been delays in filing EPF, ESIC, GST and TDS return in the period ended September 30, 2025 and last three financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 as mentioned below:

Financial Year	Unit	Month to which the amount relates	Return Type	Due Date of filing	Actual Date of filing	No of days Late Filling
2022-23	Delhi	April	GSTR3B	20-05-22	09-06-22	20
2022-23	Delhi	July	GSTR3B	20-08-22	29-08-22	9
2022-23	Delhi	August	GSTR3B	20-09-22	10-10-22	20
2022-23	Delhi	September	GSTR3B	20-10-22	21-10-22	1
2022-23	Delhi	November	GSTR3B	20-12-22	07-01-23	18
2022-23	Delhi	December	GSTR3B	20-01-23	25-01-23	5
2022-23	Delhi	January	GSTR3B	20-02-23	27-02-23	7
2022-23	Delhi	February	GSTR3B	20-03-23	23-03-23	3
2022-23	Delhi	December	GSTR9	31-12-23	28-11-23	698
2022-23	Delhi	December	GSTR9C	31-12-23	01-12-25	701
2023-24	Delhi	April	GSTR3B	20-05-23	30-05-23	10
2023-24	Delhi	September	GSTR3B	20-10-23	26-10-23	6
2023-24	Delhi	October	GSTR3B	20-11-23	21-11-23	1
2023-24	Delhi	January	GSTR3B	20-02-24	21-02-24	1
2023-24	Delhi	February	GSTR3B	20-03-24	21-03-24	1
2023-24	Delhi	March	GSTR3B	20-04-24	29-04-24	9
2023-24	Delhi	December	GSTR9	31-12-24	25-11-25	329
2023-24	Delhi	December	GSTR9C	31-12-24	25-11-25	329
2024-25	Delhi	April	GSTR3B	20-05-24	23-05-24	3
2024-25	Delhi	June	GSTR3B	20-07-24	22-07-24	2
2024-25	Delhi	August	GSTR3B	20-09-24	25-09-24	5
2024-25	Delhi	October	GSTR3B	20-11-24	21-11-24	1
2024-25	Delhi	December	GSTR3B	20-01-25	21-01-25	1
2024-25	Delhi	March	GSTR3B	20-04-25	01-05-25	11
2025-26	Delhi	September	GSTR3B	20-10-25	25-10-25	5
2022-23	Haryana	April	GSTR3B	20-05-22	21-05-22	1
2022-23	Haryana	July	GSTR3B	20-08-22	23-08-22	3
2022-23	Haryana	August	GSTR3B	20-09-22	07-10-22	17
2022-23	Haryana	December	GSTR9	31-12-23	02-05-25	488
2022-23	Haryana	December	GSTR9C	31-12-23	17-11-25	687
2023-24	Haryana	December	GSTR9	31-12-24	02-05-25	122
2023-24	Haryana	December	GSTR9C	31-12-24	17-11-25	321
2022-23	Hyderabad	April	GSTR3B	20-05-22	24-05-22	4
2022-23	Hyderabad	August	GSTR3B	20-09-22	07-10-22	17
2022-23	Hyderabad	December	GSTR9	31-12-23	04-06-25	521
2022-23	Hyderabad	December	GSTR9C	31-12-23	17-11-25	687
2023-24	Hyderabad	December	GSTR9	31-12-24	04-06-25	155
2023-24	Hyderabad	December	GSTR9C	31-12-24	18-11-25	322
2022-23	Indore	April	GSTR3B	20-05-22	24-05-22	4
2022-23	Indore	May	GSTR3B	20-06-22	08-07-22	18
2022-23	Indore	June	GSTR3B	20-07-22	02-08-22	13
2022-23	Indore	July	GSTR3B	20-08-22	23-08-22	3
2022-23	Indore	August	GSTR3B	20-09-22	08-10-22	18
2023-24	Indore	September	GSTR1	11-10-23	05-11-23	25
2023-24	Indore	August	GSTR3B	20-09-23	05-11-23	46

Financial Year	Unit	Month to which the amount relates	Return Type	Due Date of filing	Actual Date of filing	No of days Late Filling
2023-24	Indore	September	GSTR3B	20-10-23	05-11-23	16
2022-23	Indore	December	GSTR9	31-12-23	08-08-25	586
2022-23	Indore	December	GSTR9C	31-12-23	17-11-25	687
2023-24	Indore	December	GSTR9	31-12-24	04-06-25	155
2023-24	Indore	December	GSTR9C	31-12-24	17-11-25	321
2022-23	Bhiwandi	April	GSTR3B	20-05-22	21-05-22	1
2022-23	Bhiwandi	August	GSTR3B	20-09-22	07-10-22	17

The following are the details of delays in filing EPFO and ESIC returns including the period of delay, payment dates are as follows:

Financial Year	Monthly/Quarter/Yearly to which the	Return Type	Actual Date of filing	Due Date of filing	No of days Late Filling
2022-2023	April 2022	EPFO	14-05-22	15-05-22	1
	June 2022	EPFO	13-07-22	15-07-22	2
	July 2022	EPFO	13-08-22	15-08-22	2
	August 2022	EPFO	13-09-22	15-09-22	2
	September 2022	EPFO	13-10-22	15-10-22	2
	October 2022	EPFO	09-11-22	15-11-22	6
	November 2022	EPFO	09-12-22	15-12-22	6
	December 2022	EPFO	12-01-23	15-01-23	3
	January 2023	EPFO	14-02-23	15-02-23	1
	February 2023	EPFO	13-03-23	15-03-23	2
	March 2023	EPFO	14-04-23	15-04-23	1
2023-2024	April 2023	EPFO	13-05-23	15-05-23	2
	May 2023	EPFO	14-06-23	15-06-23	1
	June 2023	EPFO	13-07-23	15-07-23	2
	July 2023	EPFO	12-08-23	15-08-23	3
	September 2023	EPFO	13-10-23	15-10-23	2
	October 2023	EPFO	11-11-23	15-11-23	4
	November 2023	EPFO	13-12-23	15-12-23	2
	January 2024	EPFO	13-02-24	15-02-24	2
	February 2024	EPFO	14-03-24	15-03-24	1
	March 2024	EPFO	13-04-24	15-04-24	2
2024-2025	April 2024	EPFO	14-05-24	15-05-24	1
	May 2024	EPFO	13-06-24	15-06-24	2
	June 2024	EPFO	13-07-24	15-07-24	2
	July 2024	EPFO	13-08-24	15-08-24	2
	August 2024	EPFO	14-09-24	15-09-24	1
	September 2024	EPFO	10-10-24	15-10-24	5
	October 2024	EPFO	14-11-24	15-11-24	1
	November 2024	EPFO	06-12-24	15-12-24	9
	January 2025	EPFO	14-02-25	15-02-25	1
	February 2025	EPFO	13-03-25	15-03-25	2
	March 2025	EPFO	08-04-25	15-04-25	7
2025-2026	May 2025	EPFO	13-06-25	15-06-25	2
	June 2025	EPFO	09-07-25	15-07-25	6
	July 2025	EPFO	12-08-25	15-08-25	3
	August 2025	EPFO	12-09-25	15-09-25	3
	January 2026	EPFO	26-02-26	15-02-26	11
Financial Year	**Monthly/Quarter/Yearly to which the**	**Return Type**	**Actual Date of filing**	**Due Date of filing**	**No of days Late Filling**
2022-2023	April 2022	ESIC	14-05-22	15-05-22	1
	June 2022	ESIC	13-07-22	15-07-22	2

Financial Year	Monthly/Quarter/Yearly to which the	Return Type	Actual Date of filing	Due Date of filing	No of days Late Filling
	July 2022	ESIC	13-08-22	15-08-22	2
	August 2022	ESIC	14-09-22	15-09-22	1
	September 2022	ESIC	12-10-22	15-10-22	3
	October 2022	ESIC	10-11-22	15-11-22	5
	November 2022	ESIC	09-12-22	15-12-22	6
	December 2022	ESIC	12-01-23	15-01-23	3
	January 2023	ESIC	14-02-23	15-02-23	1
	February 2023	ESIC	13-03-23	15-03-23	2
	March 2023	ESIC	14-04-23	15-04-23	1
2023-2024	April 2023	ESIC	13-05-23	15-05-23	2
	May 2023	ESIC	14-06-23	15-06-23	1
	June 2023	ESIC	14-07-23	15-07-23	1
	September 2023	ESIC	14-10-23	15-10-23	1
	October 2023	ESIC	11-11-23	15-11-23	4
	November 2023	ESIC	14-12-23	15-12-23	1
	March 2024	ESIC	13-04-24	15-04-24	2
2024-2025	May 2024	ESIC	13-06-24	15-06-24	2
	June 2024	ESIC	13-07-24	15-07-24	2
	July 2024	ESIC	14-08-24	15-08-24	1
	August 2024	ESIC	13-09-24	15-09-24	2
	September 2024	ESIC	11-10-24	15-10-24	4
	October 2024	ESIC	14-11-24	15-11-24	1
	November 2024	ESIC	06-12-24	15-12-24	9
	January 2025	ESIC	14-02-25	15-02-25	1
	February 2025	ESIC	13-03-25	15-03-25	2
	March 2025	ESIC	08-04-25	15-04-25	7
2025-2026	April 2025	ESIC	14-05-25	15-05-25	1
	May 2025	ESIC	13-06-25	15-06-25	2
	June 2025	ESIC	09-07-25	15-07-25	6
	July 2025	ESIC	12-08-25	15-08-25	3
	August 2025	ESIC	12-09-25	15-09-25	3
	January 2026	ESIC	2-02-26	15-02-26	11

The following are the details of delays in filing TDS returns including the period of delay, payment dates are as follows:

Financial Year	Quarter to which the	Return Type	Due Date of filing	Date of filing	No of days Late Filling
2022-23	Q-1	26Q	31-07-22	16-03-23	228
	Q-2		31-10-22	16-03-23	136
	Q-3		31-01-23	16-03-23	44
	Q-4		31-05-23	24-07-23	54
	Q-1	24Q	31-07-22	22-03-23	234
	Q-2		31-10-22	18-03-23	138
	Q-3		31-01-23	20-03-23	48
	Q-4		31-05-23	18-07-23	48
2023-2024	Q-1	26Q	31-07-23	22-02-24	206
	Q-2		31-10-23	22-02-24	114
	Q-3		31-01-24	06-05-24	96
	Q-4		31-05-24	12-06-24	12
	Q-1	24Q	31-07-23	04-03-24	217
	Q-2		31-10-23	04-03-24	125
	Q-3		31-01-24	04-05-24	94
	Q-4		31-05-24	17-07-24	47
2024-25	Q-1	26Q	31-07-24	08-08-24	8
	Q-4		31-05-25	06-06-25	6
	Q-4	24Q	31-05-25	16-06-25	16

Financial Year	Quarter to which the amount relates	Return Type	Due Date of filing	Actual Date of filing	No of days Late Filling
2022-2023	Q4	27EQ	31-05-23	24-07-23	35
2023-2024	Q4	27EQ	15-05-24	10-07-24	145
2024-2025	Q1	27EQ	15-07-24	21-08-24	125
2024-2025	Q2	27EQ	15-10-24	25-10-24	125
2024-2025	Q3	27EQ	15-01-25	06-02-25	125
2024-2025	Q4	27EQ	15-05-25	30-05-25	125

Additionally, in the event of scrutiny, audit, or inspection by the concerned departments, if any discrepancies or noncompliance are identified, we may be liable to pay additional taxes, penalties, and interest. These financial outflows may adversely affect our profitability, cash flows, and overall financial condition. Further, any such non-compliance could impact our credibility with customers, lenders, investors, and regulatory bodies and may result in reputational damage.

Although we endeavour to ensure compliance with all applicable laws through our internal processes and third-party consultants, there can be no assurance that inadvertent lapses or interpretational differences will not arise in the future. Any such instances may have a material adverse effect on our business, financial performance, and operational continuity.

Legal and Regulatory Risks

30. There has been delay in filing of forms with the Registrar of Companies as per the stipulated timelines prescribed under the Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for delay in such compliances could impact the reputation and financial position of the Company to that extent.

Our Company in the past have made delay in filings of some RoC forms as per the stipulated timelines prescribed under the Companies Act, 2013. The details of ROC late filings are as follows:

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
AOC-4	September 30, 2016	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2015-2016	30 Days from the date of event	November 29 ,2016	30
AOC-4	September 29, 2017	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2016-2017	30 Days from the date of event	December 18, 2017	50
AOC-4	September 30, 2019	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2018-2019	30 Days from the date of event	September 19, 2020	294
MGT-7	September 30, 2019	Form for filing financial statements and other documents with the registrar for the Financial Year 2018-2019	60 Days from the date of event	September 19, 2020	263
AOC-4	December 31, 2020	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2019-2020	30 Days from the date of event	February 15, 2021	03
MGT-7	December 31, 2020	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2019-2020	60 Days from the date of event	March 04, 2021	04
AOC-4XBRL	November 30, 2021	Form for filing annual return by a company having a share capital with the Registrar for the financial year 2020-2021	30 Days from the date of event	April 22, 2022	38
MGT-7	November 30, 2021	Form for filing annual return by a company having a share	60 Days from the date of event	April 01, 2022	01

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
		capital with the Registrar for the financial year. 2020-2021			
AOC-4XBRL	September 30, 2022	Form for filing financial statements and other documents with the Registrar For the Financial Year. 2021-2022	30 Days from the date of event	March 06, 2023	128
MGT-7	September 30, 2022	Form for filing financial statements and other documents with the Registrar for the Financial Year. 2021-2022	60 Days from the date of event	July 28, 2023	240
AOC-4XBRL	September 30, 2023	Form for filing financial statements and other documents with the Registrar for the financial Year. 2022-2023	30 Days from the date of event	February 15, 2024	109
MGT-7	September 30, 2023	Form For filing financial statements and other documents with the Registrar for the Financial Year. 2022-2023	60 Days from the date of event	February 23, 2024	86
AOC-4XBRL	September 30, 2024	Form for filing financial statements and other documents with the Registrar for the financial Year. 2023-2024	30 Days from the date of event	February 04, 2025	97
MGT-7	September 30, 2024	Form for filing financial statements and other documents with the registrar for the Financial Year. 2023-2024	60 Days from the date of event	January 27 ,2025	58
AOC-4XBRL	September 29, 2025	Form for filing financial statements and other documents with the Registrar for the financial Year. 2024-2025	30 Days from the date of event	March 21, 2026	144
MGT-7	September 29, 2025	Form for filing financial statements and other documents with the registrar for the Financial Year. 2024-2025	60 Days from the date of event	March 21 ,2026	114
Form ADT 1	September 30, 2014	Notice to the Registrar by company for appointment of auditor	15 days from the Date of Appointment	May 20, 2019	1,678
Form ADT 1	September 30, 2019	Notice to the Registrar by company for appointment of auditor	15 days from the Date of Appointment	June 08, 2020	237
Form ADT 1	September 30, 2024	Notice to the Registrar by company for appointment of auditor	15 days from the Date of Appointment	December 17, 2024	63
MGT-14	July 21, 2024	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	November 17, 2014	119
DPT-3	For Financial Year ending on March 31, 2019	Return of deposits	June 30th each year	September 12, 2020	440
DPT-3	For Financial Year ending on March 31, 2020	Return of deposits	June 30th each year	January 07, 2021	191

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
DPT-3	For Financial Year ending on March 31, 2021	Return of deposits	June 30th each year	June 28 ,2022	301
BEN-2	January 25, 2021	Return to the Registrar in respect of declaration under section 90	30 days of receiving the declaration form BEN-1	March 22, 2026	1,852
DPT-3	For Financial Year ending on March 31, 2023	Return of deposits	June 30th each year	September 07, 2023	69
PAS-3	December 29, 2020	Return of allotment	30 Days from the date of event	February 03,2021	5
MGT14	July 17, 2020	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	December 29, 2020	135
INC-28	April 10, 2018	Notice of order of the court or tribunal or any other competent authority	30 Days from the date of event	May 15, 2018	5
MGT14	July 21, 2014	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	November 17, 2014	89
GNL 02	April 01, 2014	Form for submission of documents with registrar	30 Days from the date of event	June 30 ,2014	60
PAS-3	March 12, 2014	Return of allotment	30 Days from the date of event	June 26, 2014	76
Form 32	May 15, 2012	Appointment of Managing Director, directors, manager and secretary and the changes among them or consent of candidate to act as a Managing Director or director or manager or secretary of a company and/ or undertaking to take and pay for qualification shares	30 Days from the date of event	July 19, 2012	35
MGT14	September 02, 2022	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	March 18, 2026	1,263
DPT-3	For Financial Year ending on March 31, 2024	Return of deposits	June 30th each year	August 09, 2024	40
PAS-3	February 10, 2025	Return of allotment	30 Days from the date of event	April 08, 2024	28
MGT14	January 15, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	April 01, 2025	46
MGT14	March 03, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	June 09, 2025	68
MGT14	March 28, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	June 13, 2025	47
MR-1	March 03, 2025	Return of appointment of managerial personnel	60 Days from the date of event	May 07, 2025	5
MGT14	August 25, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	October 01, 2025	7
DPT-3	For Financial Year ending on March 31, 2025	Return of deposits	June 30th each year	November 04, 2025	127
MGT14	September 29, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	December 19, 2025	51
MGT14	September 07, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	December 23, 2025	78

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
MGT14	September 29, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	December 30, 2025	63
MSME	April 01, 2022 to September 30, 2022	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	1,237
MSME	October 01, 2022 to March 31, 2023	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	1,055
MSME	April 01, 2023 to September 30, 2023	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	871
MSME	October 01, 2023 to March 31, 2024	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	690
MSME	April 01, 2024 to September 30, 2024	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	506
MSME	October 01, 2024 to March 31, 2025	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	325
MSME	April 01, 2025 to September 30, 2025	MSME Form I	45 days from the date of acceptance or deemed acceptance of the goods or services	March 21, 2026	142
MGT14	March 03, 2025	Filing of Resolutions and agreements to the Registrar	30 Days from the date of event	April 30, 2025	28
CHG-7	September 26, 2025	Registration of Charge	30 Days from the date of event	December 02, 2025	37
CHG-7	August 30, 2025	Registration of Charge	30 Days from the date of event	October 16,2025	37
CHG-7	July 08, 2025	Registration of Charge	30 Days from the date of event	August 14, 2025	08
CHG-7	June 16, 2025	Registration of Charge	30 Days from the date of event	August 13, 2025	29
CHG-7	October 25, 2024	Registration of Charge	30 Days from the date of event	January 06, 2025	43
CHG-4	September 20, 2025	Satisfaction of Charge	30 Days from the date of event	November 18, 2025	29
CHG-7	October 25, 2024	Registration of Charge	30 Days from the date of event	November 28, 2024	04
CHG-7	September 30, 2024	Registration of Charge	30 Days from the date of event	November 27, 2024	28
CHG-7	August 31, 2023	Registration of Charge	30 Days from the date of event	November 09, 2023	40
CHG-7	July 26, 2022	Registration of Charge	30 Days from the date of event	September 06 ,2022	12

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
CHG-4	June 07, 2023	Satisfaction of Charge	30 Days from the date of event	July 18, 2023	11
CHG-7	February 08, 2022	Registration of Charge	30 Days from the date of event	April 15, 2022	36
CHG-7	March 22, 2021	Registration of Charge	30 Days from the date of event	May 04, 2021	13
CHG-7	March 19, 2021	Registration of Charge	30 Days from the date of event	May 04, 2021	16
CHG-7	March 15, 2021	Registration of Charge	30 Days from the date of event	May 13, 2021	29
CHG-4	October 26, 2021	Satisfaction of Charge	30 Days from the date of event	December 28, 2021	33
CHG-7	March 15, 2021	Registration of Charge	30 Days from the date of event	May 13, 2021	29
CHG-7	December 08, 2020	Registration of Charge	30 Days from the date of event	January 23, 2021	16
CHG-4	December 31, 2021	Satisfaction of Charge	30 Days from the date of event	June 18, 2022	139
CHG-4	January 18, 2022	Satisfaction of Charge	30 Days from the date of event	July 04, 2022	168
CHG-7	October 31, 2019	Registration of Charge	30 Days from the date of event	December 04, 2019	4
CHG-4	October 26, 2021	Satisfaction of Charge	30 Days from the date of event	December 28, 2021	33
CHG-7	June 19, 2019	Registration of Charge	30 Days from the date of event	July 31 , 2019	13
CHG-7	September 24, 2018	Registration of Charge	30 Days from the date of event	October 30, 2018	7
CHG-7	June 28, 2018	Registration of Charge	30 Days from the date of event	October 12, 2018	76
CHG-7	June 28, 2018	Registration of Charge	30 Days from the date of event	October 10, 2018	74
CHG-7	April 24, 2018	Registration of Charge	30 Days from the date of event	June 21 ,2018	29
CHG-4	January 06, 2022	Satisfaction of Charge	30 Days from the date of event	July 04, 2022	149
CHG-7	June 01, 2017	Registration of Charge	30 Days from the date of event	September 23, 2017	85
CHG-4	November 17, 2021	Satisfaction of Charge	30 Days from the date of event	July 04, 2022	200
CHG-7	June 01, 2017	Registration of Charge	30 Days from the date of event	September 23, 2017	85
CHG-7	June 01, 2017	Registration of Charge	30 Days from the date of event	September 23, 2017	85
CHG-4	November 17, 2021	Satisfaction of Charge	30 Days from the date of event	July 04, 2022	200
CHG-7	March 30, 2017	Registration of Charge	30 Days from the date of event	May 08, 2017	9
CHG-7	November 09, 2016	Registration of Charge	30 Days from the date of event	February 07, 2017	60
CHG-7	October 28, 2016	Registration of Charge	30 Days from the date of event	January 04, 2017	31
CHG-7	July 30, 2016	Registration of Charge	30 Days from the date of event	October 26, 2016	58
CHG-1	May 18, 2018	Modification of Charge	30 Days from the date of event	August 27, 2018	71
CHG-7	March 23, 2016	Registration of Charge	30 Days from the date of event	April 30, 2016	8

ROC Form	Event Date	Particulars of Event	Due Date of Compliance	Actual Date of Compliance	Delay in days
CHG-7	June 30, 2014	Registration of Charge	30 Days from the date of event	August 20, 2018	8
CHG-7	June 28, 2014	Registration of Charge	30 Days from the date of event	August 08, 2014	11
CHG-4	October 18, 2017	Satisfaction of Charge	30 Days from the date of event	July 16, 2018	28
CHG-7	January 10, 2013	Registration of Charge	30 Days from the date of event	February 26, 2013	17

Although, our Company has paid requisite late fees for such filings, no show cause notice in respect of the same has been received by our Company till date. Further, if any such action is initiated by the regulatory authority, then our Company will have to abide by the order of such regulatory authority or pay any penalty that may be imposed by any regulatory authorities in future for non-compliance with provisions of corporate and other law which could impact the financial position of the Company to that extent.

31. ***The logo used by our Company is not registered under the Trade Marks Act, 1999. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.***

Presently, our Company is using Shellz INDIA logo and we have not applied for registration of this logo under the Trade Marks Act, 1999. For details, see "*Our Business – Intellectual Property*" and "*Government and Other Approvals*" on pages 207 and 308. Therefore, as on date we do not enjoy the statutory protections that are accorded to a registered trademark. Further, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our marketing strategies or brand names of our products, which could adversely affect our business, prospects, results of operation and financial condition. In case we are unable to obtain the registration for the said trademark in our name, our business revenues and profitability may be impacted.

32. ***Certain of the trademarks, logos and copyrights used in our business are either unregistered or registered in the name of our subsidiary, and any inability to protect or continue using such intellectual property may adversely affect our business, brand recognition and prospects.***

While certain of the trademarks and copyrights used by us in connection with our business operations are registered, a few of our logos and brand identifiers are currently not registered. Our intellectual property plays an important role in maintaining brand recognition and supporting the marketing and distribution of our products. Any inability to adequately protect our intellectual property from infringement, unauthorized use, or misappropriation by third parties may adversely affect our business, reputation, and prospects. Unauthorized use of our trademarks, logos, brand names, or copyrighted materials by third parties may lead to dilution of brand value, consumer confusion in the marketplace, and potential loss of business opportunities. Further, protecting and enforcing our intellectual property rights may require us to initiate legal proceedings, which may involve significant time, costs, and management attention, and there can be no assurance that such actions would be successful.

Certain trademarks and copyrights used in our business are registered in the name of our subsidiary entity. We have obtained a No Objection Certificate (NOC) from the said subsidiary permitting us to use these trademarks and copyrights for our business operations. However, since a few of our logos are not currently registered and certain intellectual property assets are held in the name of our subsidiary, any delay or inability to obtain registrations, any challenge to such rights, or any revocation or limitation in our right to use such intellectual property may adversely affect our branding, marketing activities, and overall business operations.

33. ***We require certain approvals, licenses, registrations and permits for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our business, results of operations and financial condition.***

Our operations are subject to government regulations and we are required to obtain and maintain number of statutory and regulatory registrations and approvals under central, state and local government rules in India, generally for carrying out our business and for each of our facilities such as Tax Registration, Udyam Registration, Importer Exporter Code, and etc.

for running our operations in a smooth manner. Presently, we are in the process for updating licenses and approvals in the name of "*Shellz India Private Limited*" to "*Shellz India Limited*". For details, see "*Government and Other Approvals*" on page 308. The regulatory licenses that we require are typically granted for a limited term and are subject to renewal at the end of such terms. We cannot assure that we will be able to obtain or renew all necessary licenses and registrations as and when required, within a reasonable time, or at all.

Our application for Fire NOC for 99, Kh. No. 40/12, Samaipur Industrial Area, Delhi-110042, Application for Consent to Establish for 427 F, HSIIDC, Barhi Sonepat, Application for obtaining Consent to Operate for 427 F, HSIIDC, Barhi Sonepat, Application for obtaining Consent to Operate for 99, Kh. No. 40/12, Samaipur Industrial Area, Delhi - 110 042, Application for Ground Water Extraction for Plot No 427-F, Phase-1, HSIIDC, Industrial Estate, Barhi, Sonipat, Haryana, Application for Ground Water Extraction for 99, Main Chowk, Samaipur, Delhi – 110 042, FSSAI Certificate under Food Safety and Standards Act, 2006 for Manufacturing Unit at - 427 – F, Phase – 1, Industrial Estate, Barhi, Sonipat – 132 001, Contract Labour certificate for the manufacturing unit at 99, Main Chowk, Samaipur, Delhi – 110 042, Application for Factory license under Delhi Municipal Corporation Act, 1957 for Premises No. 99 KH NO. 40/12 Samaipur, Delhi – 110042. An absence of such certificates on accord of the lessors could also adversely affect our business and operations.

Further, if we fail to obtain or renew any applicable approvals, licenses, registrations or consents in a timely manner, we may not be able to undertake certain operations of our business, or at all, which may affect our business, results of operations and financial condition. We cannot assure you that the approvals, licenses, registrations or permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licenses, registrations or consents, or any suspension or revocation of any of the approvals, licenses, registrations or consents that have been or may be issued to us, may adversely affect our business, results of operations and financial condition.

34. India has stringent labour legislations that protect the interests of workers, and if our employees unionize, we may be subject to industrial unrest, slowdowns and increased wage costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to state and local laws and regulations, governing our relationships with our employees, including those relating to minimum wage, bonus, gratuity, overtime, working conditions, recruitment and termination of employment, non-discrimination, work permits and employee benefits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and our business may be adversely affected. Further, if we are unable to negotiate with employees, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits.

Risks Relating to the Issue and the Objects of the Issue

35. The Objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to use the Net Proceeds towards repayment or prepayment, in full or in part, of certain borrowings availed by our company, funding our incremental working capital requirements and general corporate purposes. The proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions and historic level of expenditures. Since, the proceeds from Issue is less than ₹5,000.00 lakhs, there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, as per the Section 177 of the Companies Act, 2013 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds. Further, pursuant to Section 27 of the Companies Act and Regulation 281A of the SEBI ICDR Regulations read with Schedule XX of the SEBI ICDR Regulations, any variation in the utilization of the Net Proceeds shall be on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management, would require special resolution of the Shareholders and the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects of the Issue, at such price and in such manner in accordance with applicable law. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and

may have an adverse impact on our business, financial condition, results of operations and cash flows. The Issue expenses are estimated to be approximately ₹ [●] lakhs. For details, see "*Objects of the Issue*" on page 107.

Various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business, including delaying the schedule of implementation of objects for which the Net Proceeds are intended for. Our actual deployment of funds may be higher than our management estimates, for which we may require additional funding that we may not be able to arrange on commercially acceptable terms, or at all. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. Accordingly, the use of the Net Proceeds to fund our growth and for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

36. The Objects of the Issue include funding incremental working capital requirements, which is based on certain assumptions and estimates. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial conditions.

The proposed deployment of Net Proceeds includes funding working incremental capital requirements, which is based on management estimates and certain assumptions. For details, see "*Objects of the Issue*" on page 107. Our business requires working capital, and the actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, fluctuations in input material costs, economic conditions, growth in revenue, changes in the terms of our financing arrangements, vendor and customers payment terms, equipment maintenance and upgrades, and additional market developments and new opportunities in the FMCG business. For further details of funding our working capital requirements, see "- *Our business requires significant amount of working capital. We may not be able to obtain future financing on favourable terms or at all. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations*" on page 41. Any delay in the Issue may impact the funding of our working capital requirements, and adversely affect our business, operations, cash flows and financial condition.

Operational Risks

37. Our proposed shifting of manufacturing operations from Delhi to Sonipat, Haryana may involve operational risks and uncertainties which could adversely affect our business, operations and financial condition.

We currently carry out our confectionery manufacturing operations at our existing facility located in Delhi. We propose to shift our entire manufacturing operations to our facility located at Barhi, Sonipat, Haryana in order to consolidate operations, improve operational efficiencies and support our future growth plans. However, the relocation and transition of manufacturing activities involve several operational and logistical challenges, and there can be no assurance that such shifting will be completed within the expected timelines or without disruptions to our business operations.

The process of shifting operations requires relocation and installation of machinery and equipment, establishment of utilities and infrastructure, obtaining and maintaining regulatory approvals, transferring production processes, and stabilising manufacturing operations at the new facility. During this transition period, we may face temporary disruptions in production, delays in installation and commissioning of equipment, challenges in process stabilisation, and interruptions in supply of finished goods to our distributors and customers.

Further, the relocation may require recruitment or relocation of skilled manpower and training of employees at the new facility. There can be no assurance that we will be able to retain existing employees or attract adequately skilled personnel required for operating the manufacturing processes at the new location. Any shortage of skilled labour or delays in workforce stabilisation could affect production efficiency and product quality.

In addition, the new facility will require continued compliance with applicable environmental, food safety, labour, and manufacturing regulations, including approvals and registrations under various applicable laws. Any delays in obtaining, renewing, or maintaining such approvals or any non-compliance with regulatory requirements could affect our ability to commence or continue operations at the new facility.

During the transition period, we may also incur additional costs relating to relocation of machinery, modification of infrastructure, logistics arrangements, and potential duplication of certain operational expenses. Such costs may be higher than anticipated and may adversely affect our profitability.

Accordingly, any delays, operational inefficiencies, regulatory challenges, or disruptions arising from the proposed shifting of our manufacturing operations from Delhi to Sonipat may adversely affect our production schedules, supply chain, business operations, financial condition, and results of operations.

38. We have recently backward integrated production of packaging materials for our products as part of our ongoing integrated operations, which exposes us to operational and execution risks, which could further adversely affect our business, financial condition and results of operations.

We have recently undertaken backward integration of packaging material production as part of our integrated operations by commencing operations at our facility located at Barhi, Sonipat, Haryana. As part of this initiative, one floor of the facility has been utilised for the in-house manufacturing of certain packaging materials required for our products, which were previously procured from third-party suppliers. The packaging materials produced at this location are primarily intended for captive consumption, meaning they are used internally within our manufacturing and packaging processes rather than being sold to external customers. This initiative has been undertaken to support better integration of our production and packaging activities and to improve supply chain coordination.

While we have commenced and operationalised the production of the aforementioned packaging materials, we have limited operating experience in the manufacturing of such materials. The stabilisation and efficient functioning of these newly established processes are subject to several factors, including the performance and maintenance of installed machinery, availability and retention of skilled manpower, procurement of raw materials and inputs, and adherence to required quality and regulatory standards. As the packaging materials manufactured at this facility are intended for captive consumption and must meet the specifications required for our finished products, any difficulties in maintaining consistent production standards may affect the reliability of internal supply.

Although this backward integration is intended to support our internal packaging requirements through captive consumption, there can be no assurance that these in-house packaging operations will operate without interruptions or achieve the expected levels of consistency, quality, or efficiency. We may face operational risks such as machinery breakdowns, technical faults, process inefficiencies, quality issues, or disruptions in the supply of raw materials required for the production of packaging materials. Any such disruptions may affect the timely availability of packaging materials for internal use and could consequently disrupt the production, packaging, and dispatch of our finished goods.

Further, our increased reliance on captive consumption of packaging materials produced in-house may reduce operational flexibility compared to sourcing such materials from third-party suppliers. In the event of operational issues at our in-house packaging production unit, we may be required to procure such materials from external vendors. There can be no assurance that such materials will be available from third-party suppliers on comparable commercial terms, quality specifications, or within the timelines required to support our production schedules.

Any operational disruption, inefficiency, or limitation associated with our in-house packaging material production, including factors affecting captive consumption of such materials, may adversely affect our manufacturing operations, supply chain continuity, production planning, financial condition, and results of operations.

39. Any disruption, shutdown or under-utilisation of our current manufacturing facility in Delhi, delay in commissioning our new facility in Sonipat, Haryana could adversely affect our business, financial condition and results of operations.

Our business operations are dependent on the uninterrupted functioning of our manufacturing and warehousing facilities. We currently manufacture our products at our facility located in Delhi, and we have entered a long-term lease for an industrial premises at Barhi, Sonipat, Haryana, which we intend to commission as our primary manufacturing and warehousing facility. For further details, see "*Our Business – Our Manufacturing facilities*" on page 194. Any disruption, shutdown or operational inefficiency at our existing facility, or any delay or failure in successfully commissioning or stabilising operations at the Sonipat facility, could adversely affect our production schedules, supply commitments and business operations.

Further, our manufacturing activities are subject to various operational risks, including breakdown or failure of machinery and equipment, power supply interruptions, process inefficiencies, labour-related issues, fire, natural disasters, industrial accidents, and compliance with directives of governmental and regulatory authorities. We rely on specialised machinery for the manufacture and packaging of our products, and any material malfunction or breakdown of such machinery may result in partial or complete suspension of manufacturing activities until repairs or replacements are carried out. Such events could lead to production delays, increased repair and maintenance costs and loss of revenue. While we undertake routine maintenance and have not experienced any material disruption in the past that has materially impacted our operations, there can be no assurance that similar disruptions will not occur in the future.

Any, under-utilisation of manufacturing capacity may occur due to fluctuations in market demand, changes in product mix, distributor ordering patterns or delays in scaling new product categories. Prolonged under-utilisation of capacity may adversely impact cost efficiency and operating margins.

Set out in the table below are the installed capacity, actual production and capacity utilisation details of our Delhi facility for the periods indicated below:

Product Name	Actual											
	September 30, 2025			FY 2024-2025			FY 2023-2024			FY 2022-2023		
	Installed Capacity (MT)	Utilized Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Utilized Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Actual Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Actual Capacity (MT)	Utilized Capacity (%)
Baked Treats	2,850	1,847	64.80%	5,700	4,402	77.22%	5,700	4,149	72.79%	5,700	4,269	74.90%
Choco Delights	2,550	2,027	79.50%	5,100	3,075	60.29%	4,350	2,580	59.30%	3,600	2,518	69.94%
Jellies	2,400	913	38.03%	4,800	3,112	64.84%	3,600	2,038	56.62%	3,000	1,351	45.02%
Panned & Sugar Candies	225	91	40.48%	450	187	41.56%	450	407	90.42%	450	331	73.57%
Food & Bakery Ingredients	525	354	67.48%	1,050	706	67.24%	1,050	374	35.61%	1,050	403	38.36%
Total	**8,550**	**5,232**	**61.20%**	**17,100**	**11,482**	**67.15%**	**15,150**	**9,547**	**63.02%**	**13,800**	**8,871**	**64.29%**

The above capacity and production figures are calculated considering that the plant operates for 300 working days in a year. Accordingly, half-yearly capacities have been derived on a pro-rata basis. As certified by Er. Aayushman Chauhan, Chartered Engineer pursuant to certificate dated March 21, 2026.

Set out in the table below are the proposed installed capacity details of our Sonipat facility:

Products	Proposed Installed Capacity (MT)
Baked Treats	7,500
Choco Delights	6,600
Jellies	7,200
Panned & Sugar Candies	750
Food & Bakery Ingredients	1,500
New Equipment Phase 1	2,850
New Equipment Phase 2	4,500
New Equipment Phase 3	3,600
Total	**34,500**

The above capacity and production figures are calculated considering that the plant operates for 300 working days in a year.
As certified by Er. Aayushman Chauhan, Chartered Engineer pursuant to certificate dated March 21, 2026.

Our revenue from operations during the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 was ₹9,186.57 lakhs, ₹18,697.32 lakhs, ₹16,241.26 lakhs and ₹15,852.18 lakhs, respectively. Further, due to the geographic concentration of our manufacturing facility in Delhi and Sonipat, our operations are susceptible to local and regional factors, such as accidents, system failures, civil unrest as well as other adverse social, economic and political events in India, weather conditions, natural disasters, regional conflicts and demographic and population changes, and other unforeseen events and circumstances which may disrupt our production and significantly affect our business, financial condition and profitability.

40. Our manufacturing operations involve cooking and heat-based processes, and any disruption, inefficiency, or failure in such processes may adversely affect our production, product quality and results of operations.

The manufacture of our confectionery products involves various cooking and heat-based processing stages, including heating, boiling, mixing and controlled temperature processing of ingredients such as cocoa, sugar, milk solids, cereal flours and edible fats. These processes require specialised equipment, controlled operating conditions and strict adherence to quality and food safety standards. Any malfunction, breakdown or inefficiency in the cooking equipment, boilers, heating systems or related machinery could disrupt our manufacturing operations.

The cooking process also requires precise control over temperature, timing and ingredient composition in order to maintain the required taste, texture, consistency and quality of our products. Any deviation in these parameters due to equipment failure, power interruptions, human error or process inefficiencies may result in defective batches, product wastage or

failure to meet quality standards. Such issues could lead to production losses, increased operating costs and potential delays in meeting customer demand.

Further, cooking operations involve the use of heat-generating equipment and pressurised systems, which may expose us to operational risks including equipment damage, workplace accidents, fire hazards or safety incidents. Any such incident may require temporary shutdown of production lines, repairs to equipment or compliance with additional safety requirements, which could disrupt our manufacturing activities.

In addition, the cooking processes are subject to compliance with food safety, hygiene and manufacturing regulations, including those prescribed under applicable food safety laws and standards. Any failure to maintain the required operational controls or regulatory compliance during cooking and processing stages could result in regulatory actions, product recalls or reputational damage.

While there have been no instances of any disruption, inefficiency, or failure in such cooking and heat-based processes during the period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, there can be no assurance that such issues will not arise in the future. Accordingly, any disruption, failure or inefficiency in our cooking and heat-based manufacturing processes could adversely affect our production capacity, product quality, operational efficiency, financial condition and results of operations.

41. We have a large work force, and our employee benefit expense and labour charges are one of the larger components of our fixed operating costs. An increase in employee benefit expenses and/ or labour charges could reduce our profitability. Further, our operations could be adversely affected by work stoppages or increased wage demands by our employees or any other kind of dispute with our employees.

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry. Our success depends on our ability to effectively source and staff people with the right mix of skills and experience. If we are unable to effectively utilise our personnel on a timely basis to fulfil the needs of our customers, our business could suffer. Our business model is human resource intensive, and our pool of employees consists of employees and workers as part of inter alia production, procurement, packaging, engineering, logistics, sales, marketing, quality control. Set out below are the details of our permanent employees and our employee benefit expense and labour charges for the period indicated below:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Permanent employees and workers	167	160	130	81
Employee benefit expense and labour charges (in ₹ lakhs)	302.22	507.15	260.66	240.38

Set out below are the details of attrition rates, no. of employees resigned and total no. of employees for the periods indicated below:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Attrition Rates [(1)]	15.49%	21.33%	30.00%	18.04%
No. of employees who resigned during the period	22	8	24	12
Total as of the end of the period [(2)(3)]	150	134	91	69

Note:
(1) Attrition percentage = (Cumulative voluntary attrition during the period / average headcount during the period) x 100.
(2) Includes full-time employees of the company.
As certified by M/s RSAV & Co. Chartered Accountants, by way of their certificate dated March 25, 2026.

Further, the attrition rate of our employees and labours is in the ordinary course of business which has not had any financial impact on the Company. We cannot guarantee that we will be able to recruit and retain qualified and capable employees and skilled/ unskilled labours. In addition, our recruiting personnel, methodology, and approach may need to be altered to address a changing candidate pool and profile. We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors before we realise the benefit of our investment in recruiting and training them. If we fail to attract new personnel or fail to retain and motivate our current personnel who can meet our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be harmed.

42. We have incurred significant capital expenditure in the past and will continue to incur significant capital expenditure in the future, and such expenditure may not yield the benefits we anticipate.

During the period ended September 30, 2025 and Fiscals 2025, 2024, and 2023 we incurred capital expenditure of ₹283.71 lakhs, ₹632.28 lakhs, ₹446.19 lakhs and ₹427.42 lakhs, representing 3.40%, 3.62%, 2.88% and 2.77% of our total expenses, respectively. The capital expenditure was mainly incurred for increasing capacities in our manufacturing facility located in Delhi. We may incur further significant capital expenditure in the future. While the expected benefits while making acquisitions / investments in the past have been realized, we cannot assure that we will be able to get the benefits of the generally growing demand in the textile sector and accordingly the benefits accruing to us from the planned capacity expansion may be less than what is anticipated.

43. We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products and any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.

We rely on third party logistic and support service providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our manufacturing facility to our customers and warehousing facilities. We generally use water, road and rail transportation services to meet our transportation requirements. However, we do not enter any long-term contracts with any logistics service provider. The aggregate freight costs incurred for the period ended September 30, 2025, and for the Fiscals 2025, 2024 and 2023 was ₹41.41 lakhs, ₹51.67 lakhs, ₹27.27 lakhs and ₹35.55 lakhs, aggregating 0.50%, 0.30%, 0.18% and 0.23% of our total expenses, respectively. Our Company, Promoters, members of Promoter Group, Directors and Key Managerial Personnel do not have any direct or indirect conflict of interest with such third party logistic and support service providers.

We typically engage and hire service providers through the spot contracts based on factors including cost, availability and delivery schedules. Accordingly, our transportation costs may vary and are based on rates that are offered to us from time to time. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in waterways and road infrastructure, currency fluctuations, changes in tariff or import policies, political uncertainty or other similar events.

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we adjust freight costs in the cost of products sold to our customers, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

Our operations and profitability are dependent upon the availability of reliable logistic and support services in a timely and cost-efficient manner and any disruption in these services including transportation services or increase in their cost may affect our business, financial condition and results of operations.

44. Our business, results of operations and financial condition may be adversely affected if operations at the facilities of our raw material suppliers are disrupted. Our business, results of operations and financial condition may also be affected if the operations of our customers are disrupted.

The facilities of our raw material suppliers are subject to various operating risks, including some of which are beyond their control, such as the breakdown and failure of equipment, industrial accidents, employee unrest, severe weather conditions and natural disasters. Further, since a significant majority of the facilities of our raw materials suppliers are in particular regions in India, any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting these regions may adversely affect operations at our raw materials suppliers' facilities. Further, if our suppliers fail to comply with applicable laws, including environmental laws, they risk having their facilities shut down, which may adversely affect our operations.

However, the occurrence of any such event in the future may adversely affect our business, results of operations and financial condition. We cannot assure you that we will always be able to arrange alternate sources of our raw materials, at prices acceptable to us, or at all, or that we will be able to pass on any increase in cost to our customers, although we endeavour to do so. Any inability on our part to arrange for alternate sources for raw materials, on commercially acceptable terms, may have an adverse effect on our business, results of operations and financial condition. Further, there have been

no instances during the last 3 financial years and current financial year where the Company has been impacted by if operations at the facilities of our raw material suppliers are disrupted.

Further, our top 10 customers contribute a significant portion of our revenue from operations. For details see "- *We do not have long-term agreements with majority of our customers. Any changes or cancellations to our orders or our inability to forecast demand for our products may adversely affect our business, results of operations and financial condition.*" on page 30. Any disruption in the operations of our customers or any downturn in the industries in which our customers operate may impact the demand of our products by our customers which may adversely affect our business, results of operations and financial condition. We cannot assure you that we will be able to arrange alternate customers to supply our products. Any inability on our part to arrange for alternate customers, on commercially acceptable terms, may have an adverse effect on our business, results of operations and financial condition.

45. Our inability to expand or effectively manage our super stockist and distribution network, or any disruption in our supply or distribution infrastructure, could adversely affect our business, financial condition and results of operations.

Our sales and market reach are substantially dependent on a network of third-party super stockists, distributors, wholesalers and retailers, through which our products are supplied across various regions in India. Under our Super Stockist Model, we sell products to super stockists, who in turn supply distributors, wholesalers or intermediaries, ultimately reaching *kirana* stores and retail outlets. Our ability to expand sales volumes and geographic coverage depends on our capacity to appoint additional super stockists, retain existing channel partners and manage these relationships effectively.

We may face challenges in identifying, appointing or retaining suitable super stockists and distributors in new or existing regions due to factors such as competition, commercial terms, credit requirements, logistics constraints or market dynamics. We also compete with other FMCG companies, including larger and better-funded players, which may offer more favourable trade terms, incentives or support to their channel partners. If competitors offer more attractive commercial arrangements, our existing or prospective super stockists or distributors may choose to reduce their engagement with us or discontinue distribution of our products.

Further, our distribution network is subject to operational risks, including inadequate distributor coverage, inefficiencies in last-mile delivery, delayed replenishment, inventory mismanagement or disruptions in transportation and logistics. If our super stockists or distributors are unable to maintain effective downstream distribution networks, our products may not achieve the desired market reach or shelf presence, which could result in reduced sales and loss of market share.

We may also face difficulties in timely onboarding of alternative super stockists or distributors in the event of termination or disengagement by existing channel partners. Any delay or failure in replacing such partners could disrupt product availability in certain regions and adversely affect revenue. Additionally, managing a growing distribution network requires increased operational oversight, working capital support and coordination, and any inability to scale these capabilities in line with network expansion could impact performance.

Although we seek to continuously strengthen and expand our distribution footprint, there can be no assurance that we will be able to successfully expand, retain or effectively manage our super stockist and distributor network in the future. Any disruption, inefficiency or contraction in our distribution infrastructure could adversely affect our business, financial condition and results of operations.

46. We are dependent on several key personnel, including our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

Our performance depends largely on the efforts and abilities of our Key Managerial Personnel. Our promoters, our directors and senior managerial personnel have adequate experience in the confectionary industry. The inputs and experience of our Key Managerial Personnel are valuable for the development of business and operations, and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires.

Our sustained growth and efficient operations depend on our ability to attract, train, motivate, and retain qualified and experienced personnel across various functions, including manufacturing operations, quality control, procurement, supply chain management, sales, marketing, finance, and administration. Our inability to retain and/or attract such skilled personnel, could result in a decrease in the quality of our services. We also cannot assure you that these individuals will not leave us or join a competitor. Therefore, the loss of services of our technicians, failure to recruit suitable replacements in a timely manner or the need to incur additional expenses to recruit and train new personnel could adversely affect our operations.

Further, if any of our executive officers or key employees joins a competitor or forms a competing company, we may lose know-how, trade secrets, customers and key professionals and staff. The occurrence of any such events could have an adverse effect on our business, results of operations and financial condition.

47. Any inadequacy in packaging, storage, handling, or transportation of our products, or any failure or delay in delivery to distributors, retailers, or customers, could adversely affect our business, results of operations and financial condition.

Our business involves the manufacturing, packaging, storage, transportation, and distribution of confectionery products and is dependent on the effectiveness and reliability of our internal processes as well as third-party logistics providers. Any inadequacy, error, or failure in packaging, labelling, storage, or handling of our products may result in damage to products, contamination, spoilage, or non-compliance with applicable quality or food safety standards, which could adversely affect our ability to supply products to the market.

The packaging, warehousing, transportation, and timely delivery of our products depend on multiple factors, some of which are beyond our control, including weather conditions, road infrastructure, availability of transport services, strikes, lockouts, natural disasters, fuel shortages, or other disruptions. Any delay, disruption, or inefficiency in transportation or logistics operations could lead to delayed deliveries, stock shortages at distributor or retailer locations, increased costs, or loss of sales.

Further, our products may be damaged, lost, or rendered unsaleable due to improper handling, storage conditions, temperature variations, or transit-related issues. Such events could result in additional costs, including product replacement, increased logistics expenses, inventory write-offs, or recall-related costs. In certain cases, delays or failures in delivery may also impact our relationships with distributors, retailers, or customers and could adversely affect our market presence and brand perception.

While we have not experienced any material disruptions in the past that have significantly affected our operations due to packaging, storage, or transportation-related issues, there can be no assurance that such events will not occur in the future. Any significant failure or delay in the packaging, handling, storage, or delivery of our products could adversely affect our business operations, financial performance, and cash flows.

48. We are subject to labour laws and other industry standards, and our operations could be adversely affected by strikes, work stoppages or increase in wage demands.

Our manufacturing, warehousing and distribution operations are dependent on the availability of skilled, semi-skilled and unskilled labour. We are subject to various central and state labour laws and regulations, including those relating to wages, working conditions, social security benefits, health and safety standards and employment practices. Compliance with these laws requires continuous monitoring and adherence, and any non-compliance could result in penalties, fines, litigation or operational restrictions.

Our operations may be affected by labour-related disruptions such as strikes, work stoppages, absenteeism, disputes with workers or trade unions, or other forms of industrial unrest. Such disruptions, whether at our existing manufacturing facility or at the proposed facility, could interrupt production schedules, delay order fulfilment and adversely affect our ability to meet market demand. Any prolonged disruption may result in loss of revenue, increased operating costs and potential damage to customer relationships.

Further, we may face increased labour costs due to revisions in minimum wages, statutory benefits, social security contributions or changes in labour laws at the central or state level. Any increase in wage levels or compliance-related costs may adversely affect our operating margins, particularly if we are unable to pass on such increased costs to customers in a timely manner. Additionally, challenges in hiring or retaining trained manpower, especially during periods of expansion or transition of operations, could impact productivity and operational efficiency.

Although we have not experienced any material labour disputes or prolonged work stoppages in the past that have had a material adverse impact on our operations, there can be no assurance that such events will not occur in the future. Any inability to manage labour relations effectively, ensure workforce availability or comply with evolving labour regulations could adversely affect our business, financial condition and results of operations.

49. Interruption or failure of our information technology systems or data backup processes could adversely affect our manufacturing, logistics and business operations, and may result in loss of operational or business data.

Our operations are dependent on information technology systems used for functions such as inventory management, production planning, procurement, sales tracking, invoicing and coordination with our distribution network. We rely on certain software applications, hardware and communication systems to support these activities.

Our systems may be vulnerable to disruptions due to events such as power outages, telecommunications failures, hardware or software malfunctions, computer viruses, cyber-attacks or other external factors beyond our control. In addition, our systems may not be fully redundant, and our data backup and recovery processes may not be adequate to address all contingencies.

Any interruption or failure of our information technology systems may result in delays in production planning, inventory mismatches, disruption in order processing or delays in dispatch of finished goods. Further, any failure of data backup systems could result in loss of operational data, customer records, supplier information or other business-critical data.

Such disruptions may affect our ability to manage operations efficiently, lead to increased costs, and adversely affect our business, financial condition and results of operations.

50. Our failure to protect confidential information like our product recipes, pricing or launch information could adversely affect our competitive position.

Our business involves the use of confidential and proprietary information, including but not limited to product formulations and recipes, pricing structures, sourcing arrangements, customer and distributor terms, marketing plans and information relating to new product launches. Such information is critical to maintaining our competitive position in the confectionery and FMCG segment, where product differentiation, pricing discipline and timely market introduction are important factors.

We share confidential information with certain employees, consultants, suppliers, contract manufacturers, distributors and other third parties in the ordinary course of business. Although we seek to protect such information through internal controls, access restrictions and contractual arrangements such as confidentiality or non-disclosure obligations where appropriate, there can be no assurance that these measures will be sufficient to prevent unauthorised use, disclosure or misappropriation of confidential information.

Any actual or perceived failure to safeguard our proprietary information may result in competitors replicating our product offerings, undercutting our pricing strategies or pre-empting our product launches. Such events could reduce our competitive advantage, impact sales, and require us to incur additional costs to modify formulations, pricing or marketing strategies. Further, unauthorised disclosure of sensitive commercial information could damage relationships with distributors, suppliers or private label clients and expose us to contractual disputes or legal proceedings.

In addition, risks relating to data security breaches, cyber incidents, employee misconduct or inadvertent disclosure may increase as our operations expand, including with the addition of new manufacturing facilities, channel partners or digital platforms. Although we have not experienced any material incidents relating to loss or misuse of confidential information in the past, there can be no assurance that such incidents will not occur in the future. Any inability to protect our confidential information could adversely affect our business, competitive position, financial condition and results of operations.

51. We may be unable to grow our business in semi-urban and rural markets, which may adversely affect our business prospects and results of operations.

A significant portion of the potential growth in demand for packaged confectionery comes from semi-urban and rural markets. Expansion in semi-urban and rural areas involves challenges such as fragmented retail structures, limited distributor reaches, lower purchasing power, price sensitivity, higher logistics costs and dependence on effective last-mile delivery infrastructure.

Consumer preferences in semi-urban and rural markets may differ from those in urban markets, including preferences relating to price points, pack sizes, flavours and purchasing frequency. If we are unable to align our product offerings, pricing or packaging formats with the requirements of consumers in these regions, our products may not achieve expected acceptance or sales volumes. In addition, limited availability of cold storage or controlled storage facilities in certain regions may affect stocking and handling of specific product categories.

Further, expanding distribution in semi-urban and rural markets requires sustained engagement with super stockists, distributors and retailers, as well as working capital support, credit management and logistics coordination. Any inability to appoint or retain suitable channel partners, manage credit exposure or ensure consistent product availability in these regions could limit our market penetration and affect revenue growth.

Although we have established presence in several regions through our existing distribution network, there can be no assurance that we will be able to scale or maintain growth in semi-urban and rural markets at the same pace as in urban markets. Any failure to effectively expand or deepen our reach in these markets could adversely affect our business prospects, financial condition and results of operations.

52. Our company may be subject to claims of infringement of third-party intellectual property rights that are costly to defend, result in the diversion of management's time and efforts, require the payment of damages and limit our ability to use particular technologies in the future.

Third parties could in the future assert claims against our company for alleged infringement of its patent, copyright, trademark or other intellectual property rights in relation to technologies that are important to our business. In addition, we may not be aware of whether our services do or will infringe existing or future patents or the intellectual property rights of others. In addition, there can be no assurance that one or more of our competitors who have developed competing technologies or our other competitors will not be granted patents for their technology and allege that our company has infringed on such patents.

Any claims that our services or processes infringe the intellectual property rights of others, regardless of the merit or resolution of such claims, could entail significant costs in responding to, defending and resolving such claims and may divert the efforts and attention of our management and technical personnel away from our business. The party claiming infringement might have greater resources than we do to pursue its claims, and we could be forced to incur substantial costs and devote significant management resources to defend against such litigation, even if we ultimately prevail. Our company could also be required to pay substantial damages. An adverse determination in any intellectual property claim could require us to pay damages, pay licensing fees to continue to use such technology and/or stop using its technologies, trademarks, copyrighted works and other material found to be in violation of another party's rights and could prevent us from licensing its technologies to others. In addition, such claims may result in negative publicity about our company, which could harm our reputation.

Any successful infringement or other intellectual property claim made against our company or its failure to develop non-infringing technology or obtain a license to the rights to the intellectual property of others on commercially reasonable terms could have a material adverse effect on our business, financial condition, cash flow and results of operations.

53. Our registered and corporate office, manufacturing and warehousing facilities are operated on lease basis and our inability to renew such lease agreements may adversely affect our business, results of operations and financial condition.

Our registered and corporate office is taken on a lease agreement for three years expiring on March 12, 2027. Additionally, our registered and corporate office premises are used pursuant to arrangements with our subsidiary, and we do not own such premises. Further, our manufacturing facilities in Delhi and Sonipat are taken on lease basis. Further we have depot in Hyderabad which is taken on lease basis. If the existing arrangement is terminated or it is not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations in a timely manner, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, the lease agreement are required to be duly registered and adequately stamped under Indian law and if our lease agreements entered into by us, are not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India along with the requisite stamp duty prescribed under applicable Indian law being paid.

Any unforeseen complications, such as legal disputes, changes in property ownership, or regulatory hurdles, could adversely affect our ability to secure the property, potentially impacting our planned business activities and expansion strategies.

54. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

Notwithstanding that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscals 2025 and 2024 did not contain a qualified opinion or disclaimer of opinion, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part

to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, each of which may have an adverse effect on our business, financial condition, results of operations and cash flows.

Further, we may be exposed to the risk of fraud or other misconduct by employees or customers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon technical systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

55. Our manufacturing operations depend on the availability of groundwater, and any restrictions on extraction, depletion of groundwater levels, or regulatory actions relating to groundwater usage may adversely affect our operations.

Our manufacturing operations at our facilities located at Delhi and Sonipat require a continuous and adequate supply of water for processing, cleaning, sanitation and other operational requirements in the manufacture of our confectionery products. We primarily rely on groundwater sources for meeting a portion of our water requirements at these facilities.

Groundwater extraction in India is subject to various environmental and regulatory requirements, including permissions from relevant authorities and compliance with applicable groundwater management regulations. Any restrictions imposed by regulatory authorities on groundwater extraction, changes in environmental regulations, delays in obtaining or renewing permissions, or non-compliance with applicable laws may limit our ability to draw groundwater for our manufacturing activities.

Further, groundwater availability may also be affected by declining water tables, seasonal variations, environmental factors, climate conditions or over-extraction in the surrounding areas, which are beyond our control. Any depletion or contamination of groundwater sources could affect the adequacy or quality of water available for our operations.

In the event of any disruption, restriction or insufficiency in groundwater supply, we may be required to procure water from alternative sources such as tankers or third-party suppliers, which may not be available on a timely basis or at commercially viable costs. Any prolonged disruption or inadequacy in water supply could lead to interruption or slowdown of manufacturing operations, delays in production schedules and increased operating costs, which may adversely affect our business, financial condition and results of operations.

56. Our manufacturing operations are dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Unavailability of such adequate and uninterrupted supply of electrical power may significantly impact our business and results of operations.

Failure on account of unavailability of electrical power may restrict us in utilizing our full capacity and, hence, may impact our business and results of operation. Adequate and cost-effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we source our power requirements from external electricity distribution utilities and captive/renewable sources. Our Delhi manufacturing facility sources power from Tata Power Delhi Distribution Limited, which supplies electricity through the local grid network and our Sonipat facility sources power from Uttar Haryana Bijli Vitran Nigam Limited. There can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. For the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, our total electricity cost was ₹180.88 lakhs, ₹506.80 lakhs, ₹484.13 lakhs and ₹441.28 lakhs representing 2.17%, 2.90%, 3.13% and 2.86% respectively, of our total expenses. While there has not been any instance of any abrupt power failure in our production facilities in the last 3 Fiscals and the current Fiscal, any such event in the future may adversely affect our operations. Further, if the per unit cost of electricity is increased by the state electricity boards, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins.

Other Risks

57. Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.

We could be held liable for accidents that occur at any of our offices, manufacturing facilities and warehouse. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that

we were negligent, provided inadequate supervision or be otherwise liable for the injuries. There are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our policies are subject to standard limitations that apply to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, insurance policies. We cannot assure you that the operation of our business will not be affected by any of the risks and hazards listed above. In addition, our insurance may not provide adequate coverage in certain circumstances including losses arising due to third-party claims that are either not covered by insurance or the values of which exceed insurance limits, economic or consequential damages that are outside the scope of insurance coverage and claims that are excluded from coverage. If our arrangements for insurance are not adequate to cover claims, we may be required to make substantial payments, and our results of operations, financial condition and cash flows may therefore be adversely affected.

We may not have identified every risk, and further may not be insured against every risk, including operational risks that may occur, and the occurrence of an event that causes losses more than the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate. Any of the above could materially harm our financial condition and future results of operations and cash flows. There can be no assurance that any claims filed will be honoured fully or in a timely fashion under our insurance policies. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

58. We have commissioned an industry report from Ken Research Private Limited, which has been used for industry related data in this Draft Red Herring Prospectus.

We have commissioned and paid for a report titled "*India's Confectionery Market*" dated March 25, 2026, which is exclusively prepared for the purposes of the Issue and issued by Ken Research and is commissioned and paid for by our Company, which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. Our Company, our Promoters and our Directors are not related to Ken Research. Ken Research uses certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of 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. Ken Research has advised that while it has taken reasonable care to ensure the accuracy and completeness of the Ken Report, it believes that the Ken Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive, and that the results that can be or are derived from these findings are based on certain assumptions and parameters/ conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Further, the Ken Report is not a recommendation to invest / disinvest in any company covered in the Ken Report. Accordingly, prospective investors should not base their investment decision solely on the information in the Ken Report.

The commissioned Ken Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Ken Research's assumptions are correct and will not change and, accordingly, our position in the market may differ, favourably or unfavourably, from that presented in this Draft Red Herring Prospectus.

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

Risks Relating to the Promoters and Promoter Group

59. Our success depends largely upon the knowledge and experience of one of our Promoter, Kapil Garg.

Our Company has a strong management team with extensive industry experience. Our Promoter, Kapil Garg has an experience of has over two decades of experience in scaling businesses within the confectionery industry. Our Company also depends on the management skills and guidance of our Promoter for marketing and growth of our business. Our Promoter, along with our management team, who form an integral part of our Company, have over the years-built relations

with customers. Our future performance will depend largely on our ability to retail the continued service of our Promoter along with the senior management team.

60. Our Promoters and Promoter Group will continue to retain a majority shareholding in our Company after the Issue, which will allow them to exercise significant influence over us.

After the completion of the Issue, our Promoters and Promoter Group is expected to hold [●] % of our outstanding Equity Shares. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters' shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's or your favour.

61. Our Directors and Promoters may enter into ventures which are in businesses similar to ours.

The interests of our directors or Promoters may not align with the interests of our other Shareholders due to their involvement in other ventures which are in businesses similar to ours or that may compete with our business or may benefit from preferential treatments when doing business with our Company. Our Directors, or Promoters, as applicable, may, for business considerations or otherwise, in transactions with other ventures where they have interest, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.

As a result, conflicts of interest may arise when we sell our solutions to such Promoter Group at lower prices or give it any other form of preferential treatment. There can be no assurance that our Promoters or any company controlled by our Promoters will not enter into businesses similar to ours or compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations, cash flows and financial condition.

62. Our group companies and our wholly owned subsidiary may have conflict of interest that may arise out of common business pursuits in the ordinary course of business.

Our company, our group companies, and our wholly owned subsidiary, Shellz Overseas Private Limited, from to time, be authorised under their respective memorandum of association or constitutional documents to undertake a similar line of business. While we do not currently have any conflict management policy or similar arrangement in place, we may in the future be required to assess any potential conflicts of interest and take appropriate steps to address such conflicts of interest, as and when they may arise.

While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner. Further, our Promoters and certain of our directors may also hold equity shares and be interested to the extent of any dividend payable to them by entities with such similar lines of business, which include members of our Promoter Group and Group Companies. We cannot assure you that our Promoters and such Directors will not favour the interests of such entities over our interests in future or that we will be able to suitably resolve any such conflicts without an adverse effect on our business.

In addition, as there is no formal non-compete arrangement between our group companies, our wholly owned subsidiary, Shellz Overseas Private Limited and us, they may in certain circumstances, pursue business opportunities or undertake corporate strategies which may not be aligned with our interests. If any such conflict of interest arises, we will attempt to resolve such conflicts in a fair and reasonable manner. Investors should be aware that conflicts will not necessarily be resolved in favour of our interests thereby causing, among others, a loss of business opportunities.

For further details, see "*History and Certain Corporate Matters*" on page 208.

63. We have entered, and will continue to enter, into related party transactions which may involve conflicts of interest. Further, our Promoters, Directors and Key Managerial Personnel may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

We have in the past entered into certain related party transactions with our Key Managerial Personnel, Directors, relatives of Directors. Further, our Promoters, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits. For further details in relation to our related party transactions for the period ended September 30, 3035 and for the Fiscals 2025, 2024 and 2023, see "*Summary of Related Party Transactions*" and "*Other Financial Information – Related Party Transactions*" on pages 84, and 244, respectively. For further details in relation to interest of our directors, and Key Managerial Personnel and Senior Management, see "*Our Management - Interest of Directors*" and "*Our Management - Interest of Key Managerial Personnel and Senior Management*" on pages 225 and 235 respectively.

While we believe that all such related party transactions for period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 have been conducted on an arm's length basis in accordance with the Companies Act, 2013 and applicable law and were not prejudicial to our interests, we may enter into related-party transactions in the future which will be subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, 2013 and the SEBI LODR Regulations, we cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition, cash flows and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such future related-party transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such future transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations.

Other Risks Relating to the Issue

64. The determination of the Price Band is based on various factors and assumptions, and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including those described under "*Basis for Issue Price*" on page 123, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

65. We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under AS.

This Draft Red Herring Prospectus includes our Net Asset Value per Equity Share, EBITDA, EBITDA Margin, Capital Employed, Return on Capital Employed, Debt to Equity Ratio, Net Debt to Equity Ratio and Net Worth (collectively "**Non-GAAP Measures**") and certain other industry measures related to our operations and financial performance, which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with, AS, IFRS or U.S. GAAP. For further details in relation to reconciliation of Non-GAAP Measures, see "*Other Financial Information*" on page 242.

Further, these Non-GAAP Measures and industry measures are not a measurement of our financial performance or liquidity under AS, 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 AS, IFRS or U.S. GAAP. In addition, such Non-GAAP Measures and industry measures are not standardized terms, and may vary from any standard methodology that is applicable across the Indian financial services industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies, and hence a direct comparison of these Non-GAAP Measures and industry measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures and industry measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures and industry 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. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar

nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by AS and may not be comparable to similarly titled measures presented by other companies.

66. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Financial Information are derived from our Audited Financial Statements as at and for the period ended on September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with Indian GAAP, and all restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations, and the Guidance Note on "*Reports in Company Prospectuses (Revised 2019)*" issued by ICAI. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP, IFRS or any other system of accounting principles 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, IFRS or any other accounting principles. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

67. 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 Exchange 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, GSM and ESM. These measures 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, or where the trading price of securities witnesses an abnormal rise not commensurate with the financial health and fundamentals of such company, including parameters such as earnings, book value, fixed assets, net worth, price/earnings multiple and market capitalization. Under the refined ESM framework, securities may also be placed under enhanced surveillance if they display abnormal price movement and are either loss-making or trading at valuations significantly higher than broad market benchmarks.

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 abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the ASM, GSM or ESM 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, settlement on a trade-for-trade basis without netting, limiting trading frequency (for example, trading only once in a week or month), reduction of applicable price band, settlement on a gross basis, freezing of price on the upper side of trading, as well as mention of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of such restrictions and curbs on trading may have an adverse effect on the market price, trading and liquidity of our Equity Shares and on the reputation and perception of our Company.

External Risk Factors

Risks Related to India

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our advertising services may be adversely affected by an economic downturn in domestic, regional and global economies. Our results of operations are significantly affected by factors influencing the Indian economy. Economic growth in India is affected by various factors including:

- domestic consumption and savings, and prevailing income conditions among consumers and corporations in India;
- any increase in Indian interest rates or inflation;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets;
- global economic uncertainty and liquidity crisis and volatility in exchange currency rates; and
- other significant regulatory or economic developments in or affecting India or its confectionery industry.

Further, given the current global geopolitical tensions such as the US-China tariffs war, the Russia-Ukraine conflict and the ongoing Israel-US-Iran tensions, any potential developments might result in increased volatility in the India financial markets due to heightened global risk aversion, capital flow disruptions and commodity price fluctuations. Any significant financial disruption could have an adverse effect on our business, financial condition and results of operation. Furthermore, the recent U.S. 50% tariff imposition on India are examples of geopolitical events which might create more volatility in the Indian financial markets.

To date, we have not experienced any material interruptions in our business operations in connection with these conflicts. We have no way to predict the progress or outcome of these conflicts, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

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

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. The Competition Act has been recently amended pursuant to Companies (Amendment) Act, 2023, which has, inter-alia increased the scope of agreements to be reviewed by the Competition Commission of India and reporting of transaction to Competition Commission of India will be based on deal value of acquisition, merger or amalgamation, instead on asset or turnover. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings

initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it may adversely affect our business, financial condition, cash flows, results of operations and prospects.

71. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, changes in corporate tax rate may affect our business, prospects and results of operations.

Moreover, the Government of India implemented a comprehensive national GST regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain state governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit ("**ITC**"). The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases in taxation or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Further, the Finance Act, 2023 considers perquisites or benefits arising from business whether convertible into money or not or payable in cash or kind, as taxable income. Such changes may adversely affect our business, prospects, financial condition, cash flows and results of operations.

Further, on July 1, 2024, the Government implemented The Bharatiya Nyaya Sanhita, 2023, Bharatiya Nagrik Suraksha Sanhita, 2023 and Bhartiya Sakshya Adhiniyam, 2023, which have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Also, the Government of India has announced the Union Budget for Fiscal 2027, pursuant to which the Finance Bill, 2026, introduced various amendments to taxation laws in India. The Finance Bill has been passed by Lok Sabha on March 25, 2026 and awaits final assent from the President of India to become law, and to be enacted as the Finance Act, 2026. We cannot predict whether any amendments made pursuant to such Finance Bill, 2026 or Finance Act, 2026 would have an adverse effect on our business and operations or on the industry in which we operate.

72. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other exceptions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If a transfer of shares, which are sought to be transferred, is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. 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. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 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 of India. These investment restrictions shall also apply

to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 365.

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

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

74. A third party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

Risks Related to the Issue

75. We cannot assure payment of dividends on the Equity Shares in the future.

Our Company adopted a formal dividend policy on November 10, 2025. Our Company has not declared dividends on the Equity Shares during the current Fiscal Year and the last three Fiscal Years.

Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our Directors and Shareholders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned during the relevant fiscal, earning stability and outlook, past dividend pattern, cash flow position of our Company, capital expenditure to be incurred by our Company, accumulated reserves, statutory requirements like transfer to statutory reserve fund, liquidity position of our Company including its working capital requirements and debt servicing obligations. In addition, our ability to pay dividends may be impacted by a number of factors such as economic environment, changes in the Government policies, industry specific rulings and regulatory provisions, industry outlook for the future years, and inflation rate. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to our dividend policy, see "*Dividend Policy*" on page 239.

76. The Issue Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.

Set forth below are details regarding our restated revenue from operations and restated profit / (loss) after tax on corresponding year 2025:

Particulars	**Amount (₹ in Lakhs)**
Restated Revenue from Operations	18697.32
Restated profit / (loss) after tax	830.20

Our market capitalization to revenue from operations (Fiscal 2025) multiple is [●] times and our price to earnings ratio (based on Fiscal 2025 restated profit / (loss) after tax for the year) is [●] at the Issue Price. The Issue Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through Book Building process, and certain quantitative and qualitative factors as set out in "*Basis for Issue Price*" on page 123 and the Issue Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. Investors are advised to make an informed decision while investing in our Company taking into consideration the price per

share that will be published in price band advertisement, the revenue generated per share in the past and the market capitalization of our company vis-à-vis the revenue generated per share.

Accordingly, any valuation exercise undertaken for the purposes of the Issue by our Company would not be based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

77. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market for our Equity Share on the Stock Exchange may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Furthermore, the Issue Price of the Equity Shares will be determined through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Issue Price*" on page 123 and may not be indicative of the market price for the Equity Shares after the Issue.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts, the activities of competitors and suppliers, future sales of the Equity Shares by our Company or our shareholders, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Issue Price.

78. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue price determined in consultation with Book Running Lead Manager in accordance with the SEBI ICDR Regulations.

The average cost of acquisition of Equity Shares for our Promoters may be lower than the Issue Price. The details of the average cost of acquisition of Equity Shares held by our Promoters as at the date of the Draft Red Herring Prospectus is set out below:

S. No.	Name of the Promoter	Equity shareholding as on the date of this Draft Red Herring Prospectus	Average cost of Acquisition per Equity Share (in ₹) *
1.	Kapil Garg	62,40,000	8.06
2.	Shalini Garg	14,40,000	34.92

Note: Average cost of acquisition of Equity Shares of the Company held by the Promoters in respect of their respective shareholding in the Company is calculated as per FIFO Method.
As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

79. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Issue Price.

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Issue Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see "*Capital Structure*" on page 96.

80. Investors may be subject to Indian taxes arising out of income arising from distribution of dividend and sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. Investors may be subject to payment of long-term or short-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more or less than 12 months immediately preceding the date of transfer. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose a tax on capital gains arising from the sale of shares of an Indian company.

In terms of the Finance Act (No.2), 2024, with effect from August 16, 2024, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 12.50%, where the long-term capital gains exceed ₹1.25 lakhs. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

81. QIBs, Non-Institutional Bidders and Individual 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.

Pursuant to the SEBI ICDR Regulations, QIBs, Non-Institutional Bidders and Individual 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. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within three (3) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading 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 Issue or may cause the trading price of our Equity Shares to decline on listing.

82. 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, 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. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company would be reduced.

83. Future issuances or sales of Equity Shares, or convertible securities or other equity-linked securities could adversely affect the trading price of the Equity Shares.

Our future issuances of Equity Shares, convertible securities or securities linked to the Equity Shares by us (including under employee stock option plans) or the disposal of Equity Shares by our Promoters or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

84. Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Subject to requisite approvals, on listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

85. There is no guarantee that our Equity Shares will be listed on the BSE SME Platform in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE SME within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

86. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid/ Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within three Working Days of the Bid/ Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see "*Issue Procedure*" on page 345.

The remainder of this page has been intentionally left blank

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes details of the Issue:

Issue of Equity Shares [(1) (2) (10)]	Up to 40,00,000 Equity Shares aggregating ₹ [●] Lakhs
Of which:	
Market Maker Reservation Portion [(3)]	Up to [●] Equity Shares aggregating ₹ [●] Lakhs
Net Issue to Public [(10)]	Up to [●] Equity Shares aggregating ₹ [●] Lakhs
The Net Issue comprises [(4)]**:**	
A) QIB Portion [(5) (6)]	Not more than [●] Equity Shares
Of which:	
i) Anchor Investor Portion	Up to [●] Equity Shares
ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) [(10)]	[●] Equity Shares
b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion [(6) (7) (8) (9)]	Not less than [●] Equity Shares
Of which:	
i) One-third of the Non-Institutional Portion reserved for applicants with an application size of more than two lots and up to ₹10.00 lakhs	Up to [●] Equity Shares
ii) Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹10.00 lakhs	Up to [●] Equity Shares
C) Individual Bidder Portion [(6) (7) (9)]	Not less than [●] Equity Shares
Pre and Post Issue Equity Shares	
Equity shares outstanding prior to the Issue (as at the date of this Draft Red Herring Prospectus)	87,16,704 Equity Shares
Equity shares outstanding after the Issue	Up to [●] Equity Shares
Use of Net Proceeds	See "*Objects of the Issue*" on page 107 for information on the use of proceeds arising from the Issue

Notes:

(1) This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations and accordance with Rule 19(2)(b) of the SCRR.

(2) The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on September 07, 2025 and by our Shareholders pursuant to a Special Resolution passed at the Annual General Meeting held on September 29, 2025.

(3) Our company, in consultation with the BRLM, shall allocate at least 5% of the Issue to the Designated Market Maker under the Market Maker Reservation Portion as per the Regulation 261(4) of the SEBI ICDR Regulations.

(4) The allocation in the Net Issue to the public shall be made as per the Regulation 253(1) and 253(2) of the SEBI ICDR Regulations.

(5) Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis of which 40% shall be reserved in the following manner: (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% shall be available for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension

Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds. In the event of under-subscription 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 Issue Price. In the event 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 QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 345.

(6) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue 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.

(7) Allocation to all categories, except Anchor Investors, if any, Non-Institutional Bidders and Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Individual Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to each Non-Institutional Bidders shall be more than two lots, subject to the availability of Equity Shares in Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. For details, see "Issue Procedure" on page 345.

(8) Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders out of which: (a) one third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs; (b) two third of the portion available to non-institutional bidders shall be reserved for applicants with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional bidders. For details, see "Issue Procedure" on page 345.

(9) SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual Bidders applying in initial public offerings opening on or after May 1, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through 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.

(10) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to 8,00,000 Equity Shares of face value of ₹10/- each, 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue 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 Prospectus.

For details, including in relation to grounds for rejection of Bids, refer to "*Issue Structure*" and "*Issue Procedure*" on pages 340 and 345, respectively. For details of the terms of the Issu, see "*Terms of the Issue*" on page 332.

The remainder of this page has been intentionally left blank

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Information. The restated financial information presented below may differ in certain significant respects from financial statements prepared in accordance with generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with "Restated Financial Information", including the notes and annexures thereto, on page 240 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 245. Further, financial information for the period ended September 30, 2025, has not been annualised unless otherwise specified. Further, financial information for the period ended September 30, 2025 is not comparable with the annual financial information.

Summary Derived from our Restated Financial Information

Summary Balance Sheet Data

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	72.64	69.28	64.00	64.00
Reserves and surplus	5,104.11	3,988.91	2,635.41	2,109.96
Total shareholders' funds	**5,176.75**	**4,058.20**	**2,699.41**	**2,173.96**
Non-current liabilities				
Long-term borrowings	3,910.84	2,117.04	2,635.05	2,469.78
Deferred Tax liability (Net)	-	-	8.18	29.91
Long-term provisions	32.50	27.19	18.75	22.42
Total non-current liabilities	**3,943.34**	**2,144.23**	**2,661.98**	**2,522.10**
Current liabilities				
Short-term borrowings	5,205.16	5,701.43	4,457.56	4,188.27
Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	87.20	139.34	85.74	179.72
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,212.19	3,191.94	3,867.13	3,109.41
Other current liabilities	1,373.86	938.49	576.59	401.66
Short-term provisions	859.31	562.56	355.20	221.87
Total current liabilities	**10,737.72**	**10,533.77**	**9,342.22**	**8,100.92**
TOTAL EQUITY AND LIABILITIES	**19,857.81**	**16,736.20**	**14,703.61**	**12,796.99**
ASSETS				
Non-current assets				
Property, Plant and Equipment and Intangible assets				
- Property, Plant and Equipment	1,757.00	1,811.28	1,949.41	1,932.62
- Intangible assets	-	-	-	-
- Capital work-in-progress	554.72	393.58	6.95	33.70
Long-term loans and advances	2,548.77	2,437.09	-	-
Deferred tax assets (net)	34.48	18.17	-	-
Other Non-Current Assets	434.27	657.03	288.47	232.49
Total non-current assets	**5,329.24**	**5,317.15**	**2,244.83**	**2,198.81**
Current Assets				
Inventories	7,088.62	6,565.88	5,480.64	3,853.78
Trade receivables	4,100.57	3,555.14	5,571.49	5,289.54
Cash and cash equivalents	558.08	2.18	171.10	17.87

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Short term loans and Advances	2,162.37	931.99	525.37	1,029.02
Other current assets	618.94	363.83	710.18	407.96
Total current assets	**14,528.58**	**11,419.03**	**12,458.78**	**10,598.17**
TOTAL ASSETS	**19,857.81**	**16,736.20**	**14,703.61**	**12,796.99**

The remainder of this page has been intentionally left blank

Summary of Profit and Loss Data

(₹ in Lakhs)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Income				
Revenue from operations	9,186.57	18,697.32	16,241.26	15,852.18
Other income	23.82	41.93	39.48	24.98
Total Income	**9,210.39**	**18,739.24**	**16,280.74**	**15,877.16**
Expenses				
Cost of materials consumed	6,019.12	15,689.67	14,163.08	13,262.09
Changes in inventories of finished goods and work-in- progress	650.66	(896.56)	(632.82)	230.41
Employee benefits expense	361.44	637.67	291.27	267.92
Finance costs	427.76	850.26	827.41	784.08
Depreciation and amortisation expense	176.85	383.78	411.33	433.95
Other expenses	700.77	812.26	423.45	424.28
Total expenses	**8,336.60**	**17,477.08**	**15,483.72**	**15,402.73**
Profit before tax	**873.80**	**1,262.16**	**797.02**	**474.43**
Tax expenses				
Current tax	271.55	458.31	293.30	165.63
Deferred tax (credit)/charge	(16.31)	(26.35)	(21.73)	(10.50)
	255.25	**431.96**	**271.57**	**155.13**
Net profit for the period/ year after tax	**618.55**	**830.20**	**525.45**	**319.30**
Earnings per equity share:				
Basic and diluted earnings per share (In ₹)	89.25	124.20	82.10	49.89
Basic and diluted after considering bonus issue from retrospective effect (in ₹)	7.12	9.59	6.09	3.70
(Nominal value of share ₹10/- each)				

The remainder of this page has been intentionally left blank

Summary of Cash Flow Data

(₹ in Lakhs)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit before Extraordinary items	**618.55**	**830.20**	**525.45**	**319.30**
Adjustments:				
Provision for tax	255.25	431.96	271.57	155.13
Depreciation and Amortization	176.85	383.78	411.33	433.95
Interest Expense	340.02	674.69	724.79	648.00
Adjustment of Prior Period Item	-	(93.35)	-	(19.33)
Profit on Sale of Fixed Asset	-	-	-	(0.55)
Interest & Other income	(6.82)	(16.55)	(8.18)	(5.57)
Increase /(Decrease) in Long Term Provision	5.31	8.44	(3.67)	22.42
Operating Profit before Working Capital Changes	**1,389.16**	**2,219.16**	**1,921.30**	**1,553.35**
Movements in working capital:				
(Increase)/Decrease in Inventories	(522.73)	(1,085.24)	(1,626.86)	636.47
(Increase)/Decrease in Trade Receivables	(545.43)	2,016.35	(281.95)	(607.63)
(Increase)/Decrease in Loans & Advances	(1,230.38)	(406.62)	503.65	(157.22)
(Increase)/Decrease in Other Current Assets	(255.11)	346.35	(302.22)	(392.02)
Increase /(Decrease) in Other Current Liabilities	435.37	361.90	174.93	(370.77)
Increase /(Decrease) in Trade Payables	(31.89)	(621.59)	663.74	(366.64)
Increase/ (Decrease) in Short Term Provisions	25.19	0.91	(0.08)	2.49
Cash Generated from Operations				
Direct taxes paid	-	251.87	159.89	106.26
NET CASH FLOWS FROM OPERATING ACTIVITIES	**(735.82)**	**2,579.36**	**892.62**	**191.78**
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(283.71)	(632.28)	(446.19)	(427.42)
Sale of Fixed Assets	-	-	44.81	96.45
(Increase) / Decrease in non-current asset	222.76	(368.56)	(55.99)	(84.47)
(Increase) / Decrease in Long term loans and advances	(111.68)	(2,437.09)	-	-
Interest and other income	6.82	16.55	8.18	5.57
NET CASH USED IN INVESTING ACTIVITIES	**(165.80)**	**(3,421.37)**	**(449.19)**	**(409.87)**
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long-term borrowing	(724.41)	(1,926.57)	(131.98)	(763.30)
Increase in long term borrowing	2,518.21	1,408.56	297.25	581.75
Repayment of short-term borrowing	(1,835.66)	(2,278.31)	(1,938.74)	(134.28)
Increase in short term borrowing	1,339.39	3,522.18	2,208.03	1,007.70
Increase in share capital	500.00	621.94	-	-
Interest paid	(340.02)	(674.69)	(724.79)	(648.00)
NET CASH FLOWS FROM FINANCING ACTIVITIES	**1,457.51**	**673.11**	**(290.23)**	**43.87**
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	555.89	(168.90)	153.22	(174.22)
Cash and cash equivalents at beginning of the year/period	2.18	171.10	17.87	192.11
Cash and cash equivalents at the end of the year	**558.08**	**2.18**	**171.10**	**17.87**

SUMMARY OF CONTINGENT LIABILITIES

The following is a summary of our contingent liabilities as at September 30, 2025, as derived from our Restated Financial Information:

(₹ in lakhs)

Particulars	For the period ended September 30, 2025	As at and for the Fiscal ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Claims against the company not acknowledged as debts	348.56	348.56	152.93	791.17
Disputed Statutory Demand	-	-	107.23	107.23
Guarantees	85.24	106.53	100.67	402.55

For further details, see "*Restated Financial Information*" on page 240.

The remainder of this page has been intentionally left blank

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of the related party transactions entered by our Company for the period ended September 30, 2025, and for the Financial Years ended on March 31, 2025, March 31, 2024 and March 31, 2023, as per AS 18 – Related Party Disclosures read with SEBI ICDR Regulations derived from the Restated Financial Information is detailed below:

i. List of related parties as per the requirements of AS 18 - Related Party Disclosures

Sr. No	Name of the Related Party	Relationship	
1.	Kapil Garg	Managing Director & Chairman	Key Managerial Personnel
2.	Shalini Garg	Director	Key Managerial Personnel
3.	Prem Lata Garg	Relative of Director	Relative of Key Managerial Personnel
3.	Shellz Overseas Private Limited	Common Director	Enterprise owned or significantly influenced by Key Management Personnel
4.	Skyway Polymers Private Limited	Relative of Director	Enterprise owned or significantly influenced by Key Management Personnel
5.	Winola India Private Limited	Common Director	Enterprise owned or significantly influenced by Key Management Personnel
6.	Euroville Private Limited	Relative of Director	Enterprise owned or significantly influenced by Key Management Personnel
7.	Pavil Garg	Relative of Director	Relative of Key Managerial Personnel
8.	Sumit Kumar	Company secretary	Key Managerial Personnel
9.	Sangeeta Thakur	Chief Financial Officer	Key Managerial Personnel
10.	Narinder Sethi	Independent Director	Key Managerial Personnel
11.	Sapna Tomar	Independent Director	Key Managerial Personnel
12.	Sunbeen Impex Pvt Ltd	Relative of Director	Relative of Key Managerial Personnel

ii. Transactions carried out with Related Party referred to 1 above in ordinary course of business:

Transactions	For the period ended		As at and for the Fiscal ended March 31,					
	September 30, 2025	***%age of Revenue from Operations***	**2025**	***%age of Revenue from Operations***	**2024**	***%age of Revenue from Operations***	**2023**	***%age of Revenue from Operations***
Director Remuneration								
Kapil Garg	7.50	*0.08%*	3.00	*0.02%*	3.00	*0.02%*	3.00	*0.02%*
Sitting Fee								
Narinder Sethi	0.50	*0.01%*	0.50	*0.00%*	-	-	-	-
Sapna Tomar	0.50	*0.01%*	-	-	-	-	-	-
Salary Paid to Relative of Director								
Pavil Garg	6.00	*0.07%*	12.00	*0.06%*	12.00	*0.07%*	6.00	*0.04%*
Salary Expenses								
Sumit Kumar	5.31	*0.06%*	11.18	*0.06%*	1.88	*0.01%*	-	-
Sangeeta Thakur	5.45	*0.06%*	10.08	*0.05%*	10.88	*0.07%*	9.47	*0.06%*
Purchase of Goods/ Services								
Winola India Private Limited	-	-	126.89	*0.68%*	4.64	*0.03%*	21.08	*0.13%*

Transactions	For the period ended		As at and for the Fiscal ended March 31,					
	September 30, 2025	***%age of Revenue from Operations***	**2025**	***%age of Revenue from Operations***	**2024**	***%age of Revenue from Operations***	**2023**	***%age of Revenue from Operations***
Shellz Overseas Private Limited	-	-	-	-	18.11	*0.11%*	20.48	*0.13%*
Skyway Polymers Private Limited	228.64	*2.49%*	464.68	*2.49%*	616.80	*3.80%*	715.53	*4.51%*
Euroville Private Limited	1.78	*0.02%*	-	-	-	-	0.45	*0.00%*
Sunbeen Impex Pvt Ltd	-	-	-	-	2.02	*0.01%*	-	-
Sale of Goods/ Services								
Winola India Private Limited	11.84	*0.13%*	64.95	*0.35%*	100.44	*0.62%*	214.79	*1.35%*
Shellz Overseas Private Limited	-	-	411.15	*2.20%*	676.21	*4.16%*	220.49	*1.39%*
Skyway Polymers Private Limited	54.53	*0.59%*	501.84	*2.68%*	465.99	*2.87%*	149.81	*0.95%*
Euroville Private Limited	-	-	0.05	*0.00%*	-	-	55.18	*0.35%*
Unsecured Loans Received								
Kapil Garg	10.64	*0.12%*	-	-	17.86	*0.11%*	-	-
Shalini Garg	178.00	*1.94%*	235.50	*1.26%*	-	-	-	-
Interest Paid								
Shellz Overseas Private Limited	15.51	*0.17%*	12.42	*0.07%*	11.49	*0.07%*	10.62	*0.07%*
Kapil Garg	-	-	-	-	42.68	*0.26%*	-	-
Skyway Polymers Private Limited	-	-	1.48	*0.01%*	2.74	*0.02%*	2.53	*0.02%*

Balances	For the period ended September 30, 2025	As at and for the Fiscal		
		March 31, 2025	**March 31, 2024**	**March 31, 2023**
Remuneration/ Salary Payable				
Kapil Garg	7.50	0.48	-	-
Unsecured Loans Payable				
Kapil Garg	437.21	426.58	763.67	707.40
Shalini Garg	413.50	235.50	-	-
Prem Lata Garg	-	-	-	-
Shellz Overseas	356.45	235.49	137.95	127.61
Skyway Polymers Private Limited	-	-	32.87	30.41
Payable/ (Receivables) to Related Party				
Winola India Private Limited	272.10	39.03	0.05	(21.13)
Shellz Overseas Private Limited	221.02	34.03	89.25	(96.83)
Skyway Polymers Private Limited	(125.54)	9.11	(70.03)	(28.55)
Euroville Private Limited	6.06	-	-	(69.91)
Sunbeen Impex Pvt Ltd	0.14	0.14	0.14	-

For details, please refer to chapter titled "*Other Financial Information – Related Party Transactions*" on page 244.

GENERAL INFORMATION

Our company was incorporated as a private limited company under the name "*Tifosi Foods Private Limited*" under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 07, 2012, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, the name of our company was changed from "*Tifosi Foods Private Limited*" to "*Shellz India Private Limited*" pursuant to a special resolution passed in the extraordinary general meeting of our shareholders held on August 04, 2020 with the fresh certificate of incorporation dated September 21, 2020 issued by the Registrar of Companies, Delhi. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed in the extraordinary general meeting of our shareholders held on December 12, 2024 and the name of our Company was changed to "*Shellz India Limited*" with the fresh certificate of incorporation dated February 04, 2025, issued by the Assistant Registrar of Companies/Deputy Registrar of Companies/Registrar of Companies, Central Processing Centre.

Registered and Corporate Office of our Company

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

Shellz India Limited
39/35, 2nd Floor, Main Rohtak Road,
Near Shivaji Park Metro Station,
West Punjabi Bagh, Shivaji Park (West Delhi),
Delhi – 110 026, India
Telephone: 011 - 4850 4850
Email: info@shellz.in
Investor Grievance E-mail: investor@shellz.in
Website: www.shellz.in

For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 217.

Company Registration Number and Corporate Identification Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	235397
Corporate Identity Number	U15490DL2012PLC235397

Registrar of Companies

Our Company is registered with the Registrar of Companies, Delhi II which is situated at the following address:

Registrar of Companies, Delhi II
Ministry of Corporate Affairs,
O/o RoC Delhi II (Central Delhi)
8th Floor, Lok Nayak Bhawan,
Khan Market, New Delhi – 110 003, India
Telephone: Not Available
Email: roc.delhicentral@mca.gov.in
Website: www.mca.gov.in

Board of Directors

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

Name	Designation	DIN	Residential Address
Kapil Garg	Chairman & Managing Director	00006050	House No 20, Second Floor, North Avenue Road, Punjabi Bagh (West), Punjabi Bagh, West Delhi, Delhi – 110 026, India
Shalini Garg	Non – Executive Director	00006159	House No 20, Second Floor, North Avenue Road, Punjabi Bagh (West), Punjabi Bagh, West Delhi, Delhi – 110 026, India

Name	Designation	DIN	Residential Address
Sapna Tomar	Independent Director	03385676	Tower-I, UG-003 Classic Residency, Raj Nagar Extension, Ghaziabad – 201 017, Uttar Pradesh, India
Narinder Sethi	Independent Director	01316823	C-2/2403, Cleo County, Near SRS Hospital, Sector-121, Gautam Buddha Nagar, Noida – 201 301, Uttar Pradesh, India

For further details of our Board of Directors, please see "*Our Management – Brief Profile of our Directors*" on page 222.

Company Secretary and Compliance Officer

Sumit Kumar is the Company Secretary and Compliance Officer of our company. His contact details are as follows:

Sumit Kumar
39/35, 2nd Floor, Main Rohtak Road,
Near Shivaji Park Metro Station,
West Punjabi Bagh, Shivaji Park (West Delhi),
Delhi – 110 026, India
Telephone: 011 - 4850 4850
Email: cs@shellz.in
Investor Grievance E-mail: investor@shellz.in
Website: www.shellz.in

Registrar to the Issue

Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400 093,
Maharashtra, India
Telephone: 022 – 6263 8200
Email: ipo@bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Babu Rapheal C
SEBI Registration Number: INR000001385

Book Running Lead Manager

Socradamus Capital Private Limited
Gala No. 303, Cama Industrial Estate,
Sun Mill Compound, Delisle Road,
Lower Parel (West), Mumbai – 400 013,
Maharashtra, India
Telephone: 022 – 4961 4235
Email: mb@socradamus.in
Website: https://socradamus.in/
Investor Grievance E-mail: investors@socradamus.in
Contact Person: Kritika Rupda
SEBI Registration Number: INM000013138

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied

for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than IBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of IBs using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

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

Legal Advisor to the Issue

Zenith India Lawyers
D-49, Sushant Lok III, Sector-57
Gurugram – 122 003, Haryana, India
Telephone: 0124 – 424 0681
Email: raj@zilawyers.com
Contact Person: Raj Rani Bhalla
Website: www.zilawyers.com

Statutory Auditors of our Company

M/s RSAV & Company
Chartered Accountants
317/276, Second Floor, Lane No. 3, Mehrauli Road,
Saidulajab, Saket, New Delhi – 110 030, India
Telephone: +91 98186 66165
Email: abhinaya.verma@rsav.co.in
Contact Person: CA Abhinaya Verma
Membership No: 511290
Firm Registration No.: 022058N
Peer Review No.: 017215

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

Particulars	Date of change	Reason for change	Period
M/s RSAV & Company **Chartered Accountants** 317/276, Second Floor, Lane No. 3, Mehrauli Road, Saidulajab, Saket, New Delhi – 110 030, India **Telephone:** +91 98186 66165 **Email:** abhinaya.verma@rsav.co.in **Contact Person:** CA Abhinaya Verma **Membership No:** 511290 **Firm Registration No.:** 022058N	Appointment on September 30, 2024	Appointed as statutory auditors for five years	Financial Year 2024-25 to 2028-29
M/s Kumar V & Associates 104A, Lusa Tower, Azadpur Commercial Complex, Delhi – 110 033, India **Telephone:** 011 – 2768 1990 **Email:** office@kumarv.in **Contact Person:** CA Vijay Kumar **Membership No:** 500802 **Firm Registration No.:** 009501N	Appointment on September 30, 2019	Resignation due to expiry of the term up to Financial Year 2023-24	Financial year 2019-20 to 2023-24

Bankers to our Company

Axis Bank Limited
Second Floor, Plot No. 25, Pusa Road,
New Delhi – 110 005, India
Telephone: +91 85270 65757
Email: himanshu48.sharma@axisbank.com
Website: www.axis.bank.in
Contact Person: Himanshu Sharma

Bankers to the Issue

Escrow Collection Bank, Refund Bank and Sponsor Bank

[●]

Public Issue Account Bank and Sponsor Bank

[●]

Syndicate Members

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://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.

A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks Eligible as Issuer Banks for UPI

In accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI ICDR Master Circular read with other applicable UPI circulars, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than IBs), including details such as postal address, telephone number and e-mail address, is provided on the website of on the websites of the Stock Exchange at https://www.bseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than IBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at https://www.bseindia.com, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than IBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the website of Stock Exchange at https://www.bseindia.com, as updated from time to time.

Credit Rating

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

Grading of the Issue

Since this Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, there is no requirement of appointing any credit agency registered with SEBI for obtaining grading for the Issue.

Debenture Trustee

As this is an Issue consisting only of Equity Shares, the appointment of a debenture trustee in not required.

Monitoring Agency

As this is an Issue for less than ₹5,000.00 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations. However, pursuant to Regulation 262 (5) of the SEBI ICDR Regulations, we shall submit a certificate of the statutory auditor for utilization of issue proceeds to BSE SME while filing the quarterly or half yearly financial results, till the issue proceeds are fully utilized. Further, pursuant to Regulation 262 (6) of the SEBI ICDR Regulations, since funding the incremental working capital requirements is the Objects of the Issue and the amount raised for the said object exceeds ₹500.00 lakhs, we shall submit a certificate of the statutory auditor to BSE SME while filing the quarterly or half yearly financial results, for use of funds as working capital in the same format as disclosed in the Offer Document, till the proceeds raised for the said object are fully utilized.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors, the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Appraising Entity

No appraising entity has been appointed in relation to the Issue.

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band will be decided by our Company, in consultation with the Book Running Lead Manager and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of [●], a widely circulated English national daily newspaper, and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located), at least two Working Days prior to the Bid / Issue Opening Date and shall be made available to the Stock Exchange for the purposes of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, after the Bid / Issue Closing Date. For details, see "*Issue Procedure*" on page 345.

All Bidders, other than Anchor Investors, shall only participate in this Issue through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹5,00,000 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 Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs, Non-Institutional Bidders and Individual Bidders are not permitted 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. Further, Anchor Investors in the Anchor Investor Portion cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non – Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For an illustration of the Book Building Process and further details, see "*Terms of the Issue*" and "*Issue Procedure*" on pages 332 and 345, respectively.

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

Bidders should note that the Issue is also subject to obtaining final listing and trading approvals from the Stock Exchange, which our Company shall apply for after Allotment within two Working Days of the Bid / Issue Closing Date or such other time period as may be prescribed under applicable law.

For further details on the method and procedure for Bidding, see "*Issue Procedure*" on page 345.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Expert Opinion

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

Our Company has received written consent from the Statutory Auditors namely, M/s RSAV & Company, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Information dated March 11, 2026 and the Statement of Special Tax Benefits dated March 25, 2026 issued by them and included in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as "Expert" as defined under section 2 (38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated March 24, 2026, from Er. Aayushman Chauhan, Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certificate dated March 21. 2026 certifying, inter alia, the details of the installed and production capacity of our manufacturing facility at Delhi and proposed capacity of our manufacturing facility at Sonipat and plant and machineries installed at both of our manufacturing facilities.

Filing of the Offer Document

A copy of this Draft Red Herring Prospectus has been filed through the BSE SME portal at https://listing.bseindia.com/home.htm and will also be filed with BSE at the following address:

BSE Limited
SME Platform of BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India

In accordance with the Regulation 247 of the SEBI ICDR Regulations, this Draft Red Herring Prospectus along with the draft abridged prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website www.shellz.in, BSE SME's website www.bsesme.com and Book Running Lead Manager's website https://socradamus.in/.

Our Company shall, within two working days of filing the Draft Red Herring Prospectus with BSE SME, make a public announcement in all editions of [●] (a widely circulated English national daily newspaper), and all editions of the [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located), disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME Exchange, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus.

In accordance with the Regulation 246 of the SEBI ICDR Regulations and in accordance with the SEBI ICDR Master Circular, a copy of the Red Herring Prospectus and Prospectus along with the abridged prospectus shall be filed through the SEBI Intermediary Portal at https://siportal.sebi.gov.in. However, SEBI will not issue any observation on the Offer Document.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC at least three working days prior from the date of opening of the Bid / Issue period in accordance with Section 32 of the Companies Act, 2013 and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at Delhi and through the electronic portal of the MCA.

Underwriting

This Issue is 100% underwritten by Socradamus Capital Private Limited in the capacity of Underwriter to the Issue. Pursuant to the terms of the Underwriting Agreement dated [●], the obligations of the Underwriter are several and are subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of specified securities being issued through this Issue:

Details of the Underwriter	No. of Equity Shares Underwritten^	Amount Underwritten (₹ in Lakhs)	% of the Issue size underwritten
Socradamus Capital Private Limited Gala No. 303, Cama Industrial Estate, Sun Mill Compound, Delisle Road, Lower Parel (West), Mumbai – 400 013, Maharashtra, India **Telephone:** 022 – 4961 4235 **Email:** mb@scoradamus.in **Website:** https://socradamus.in/ **Investor Grievance E-mail:** investors@socradamus.in **Contact Person:** Kritika Rupda **SEBI Registration Number:** INM000013138	Up to 40,00,000	[●]	100.00%
Total	**Up to 40,00,000**	**[●]**	**100.00%**

**Includes up to [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.*

^ Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to 8,00,000 Equity Shares of face value of ₹10/- each, 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

In accordance with Regulation 260 (2) of the SEBI ICDR Regulations, this Issue has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the BRLM have underwritten at least 15% of the total Issue Size.

In the opinion of the Board of our Directors of our company, 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 as merchant bankers or stock brokers.

The Book Running Lead Manager shall file an undertaking to the SEBI that the Issue has been 100% underwritten along with the list of underwriters indicating the extent of underwriting or subscription commitment made by each of them, one day before the opening of Issue. If any of the underwriters fail to fulfil their underwriting obligations, the Book Running Lead Manager shall fulfil the underwriting obligations. Further, the underwriters, other than the Book Running Lead Manager, who have entered into an agreement for subscribing to the issue in case of under-subscription, shall not subscribe to this issue in any manner except for fulfilling their obligations under the Underwriting Agreement with the Book Running Lead Manager in this regard.

Market Making

[●], registered with BSE will act as the Market Maker in accordance with Regulation 261 of the SEBI ICDR Regulations. Our company has entered into an agreement dated [●], with the Book Running Lead Manager and the Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of our equity shares on BSE SME or for a period as may be notified by any amendment in the SEBI ICDR Regulations.

Our company, in consultation with the Book Running Lead Manager, shall allot at least 5% of the Issue to the Market Maker under the Market Maker Reservation Portion as per the Regulation 261 (4) of the SEBI ICDR Regulations:

Details of the Market Maker	No. of Equity Shares	Amount (₹ in Lakhs)	% of the Issue
[●] (Address) **Telephone:** **Email:** **Website:** **Investor Grievance E-mail:** **Contact Person:** **SEBI Registration Number:** **BSE Clearing Number:**	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

Pursuant to BSE Circular no. 20190718-28 dated July 18, 2019, the Market Maker shall confirm that it has sufficient net worth to enable them to discharge their respective market making obligations in full.

The Market Maker shall at all times adhere to the byelaws, rules and regulations of BSE and shall comply with such operational parameters, rulings, notices, guidelines and instructions of BSE as may be applicable from time to time. The Market Maker shall also comply with the SEBI ICDR Regulations, circulars issued by SEBI from time to time and such other rules, regulations and or guidelines issued by SEBI from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall provide eligible 2-way quotes for 75% of the market time for each trading session of the normal market from the date of listing of the equity shares. The same shall be monitored by the BSE. Further, the Market Maker shall inform BSE in advance for each and every black out period when the quotes are not being issued by the Market Maker.

2. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- per equity share, the minimum lot size is [●] Equity Shares, thus minimum depth of the quote shall be ₹ [●] until the same would be revised by BSE.

3. After first three (3) months of the market making period, the Market Maker would be exempted to provide quote if the Equity Shares of the Market Maker in our company reaches to 20% of the issue size (including [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken into consideration of computing the threshold of 20% of the issue size. As soon as the Equity Shares of the Market Maker in our Company reduces to 19%, the Market Maker will resume providing 2-way quotes.

4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process, BSE may intimate the same to SEBI after due verification.

5. On the first day of the listing, there will be a pre-opening session (call auction) for a duration of 60 minutes i.e. from 9:00 a.m. to 10:00 a.m., out of which 45 minutes shall be allowed for order entry, order modification and order cancellation, 10 minutes for order matching and trade confirmation and the remaining 5 minutes shall be the buffer period to facilitate the transition from pre-open session to the normal trading session. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The equity shares of the company would remain in Trade for Trade segment for 10 days from the date of listing of Equity shares on BSE.

6. Pursuant to SEBI Circular no. CIR/MRD/DP/ 02/2012 dated January 20, 2012 and BSE Circular no. 20141201-18 dated December 01, 2014, the applicable price bands for the first day for Issue size up to ₹250 Crores shall be:

   a) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price;

   b) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

   Further, the following spread will be applicable on the BSE SME:

Sr. No	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1.	Up to 50	9%
2.	50 to 75	8%
3.	75 to 100	6%
4.	Above 100	5%

7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by them.

8. During the compulsory market making period, the Market Maker shall not buy equity shares from the promoters or any persons belonging to the promoter group or any person who has acquired equity shares from such promoters or promoter group.

9. There would not be more than five (5) Market Makers for the company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the Bidders. At this stage, [●] is acting as the sole Market Maker.

10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from BSE, while no prior approval for non-controllable reasons. The decision of the BSE for deciding controllable and non-controllable reasons would be final.

12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a new Market Maker.

    In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number

of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time.

13. BSE SME will have all the margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

14. BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the BSE on the Market Maker, in case they are not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines are set by the BSE from time to time. BSE will impose a penalty on the Market Maker in case they are not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the BSE would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

15. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and BSE from time to time.

The remainder of this page has been intentionally left blank

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus and after giving effect to this Issue, is set forth below:

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	**Authorized Share Capital**		
	1,30,00,000 Equity Shares of face value of ₹10/- each	1,300.00	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	87,16,704 Equity Shares of face value of ₹10/- each	871.67	-
C.	**Present Issue in terms of this Draft Red Herring Prospectus**		
	Issue of up to 40,00,000 Equity Shares of face value of ₹10/- each (1) (5)	[●]	[●]
	The Issue includes:		
	Market Maker Reservation Portion of up to [●] Equity Shares of face value of ₹10/- each (2)	[●]	[●]
	Net Issue to Public of up to [●] Equity Shares of face value of ₹10/- each (3)	[●]	[●]
D.	**Issued, Subscribed and Paid-up Share Capital after the Issue***		
	Up to 1,27,16,704 Equity Shares of face value of ₹10/- each	[●]	-
E.	**Securities Premium Account**		
	Before the Issue (4)	977.59	
	After the Issue	[●]	

** Assuming full subscription of the Issue.*

(1) The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on September 07, 2025 and by our Shareholders pursuant to a Special Resolution passed at the Annual General Meeting held on September 29, 2025.

(2) Our company, in consultation with the Book Running Lead Manager, shall allocate at least 5% of the Issue to the Designated Market Maker under the Market Maker Reservation Portion as per the Regulation 261(4) of the SEBI ICDR Regulations.

(3) The allocation in the Net Issue to the public shall be made as per the Regulation 253(1) and 253(2) of the SEBI ICDR Regulations.

(4) Securities Premium before the Issue as on date of this Draft Red Herring Prospectus.

(5) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to 8,00,000 Equity Shares of face value of ₹ 10/- each, 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Class of Shares

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

Notes to the Capital Structure

1. Share Capital History

i) Changes in Authorized Share Capital

For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*" on page 217.

ii) Equity Share Capital History of our Company

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

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Name of Allottees
Upon Incorporation (May 07, 2012)	10,000	10/-	10/-	Cash	Incorporation	10,000	Subscribers to Memorandum of Association [(i)]
March 12, 2014	90,909	10/-	55/-	Cash	Further Issue	1,00,909	Allotment to Promoters and Promoter Group [(ii)]
March 18, 2016	3,89,091	10/-	90/-	Cash	Rights Issue	4,90,000	Allotment to Promoters and Promoter Group [(iii)]
December 29, 2020	1,50,000	10/-	210/-	Cash	Rights Issue	6,40,000	Allotment to Promoters and Promoter Group [(iv)]
August 31, 2024	47,435	10/-	1,165/-	Cash	Preferential Issue	6,87,435	Allotment of Equity Shares to persons other than Promoters and Promoter Group [(v)]
February 26, 2025	5,400	10/-	1,490/-	Cash	Preferential Issue	6,92,835	Allotment of Equity Shares to persons other than Promoters and Promoter Group [(vi)]
September 29, 2025	33,557	10/-	1,490/-	Cash	Preferential Issue	7,26,392	Allotment of Equity Shares to persons other than Promoters and Promoter Group [(vii)]
November 10, 2025	79,90,312	10/-	-	Nil	Bonus Issue	87,16,704	Issue of bonus shares in the ratio of 11:1 (i.e. 11 new Equity Shares for every 1 Equity Share held) [(viii)]

(i) Subscribers to the Memorandum of Association of our company:

Sr No	Name	No of Equity Shares
1.	Kapil Garg	9,998
2.	Prem Lata Garg	1
3.	Varun Garg	1
	Total	**10,000**

**Our company was incorporated as a private company under the provisions of the Companies Act.*

(ii) Further Issue of 90,909 Equity Shares on March 12, 2014:

Sr. No	Name	No of Equity Shares
1.	Kapil Garg	90,909
	Total	**90,909**

(iii) Rights Issue of 3,89,091 Equity Shares in the ratio of 1:4 i.e., 4 Equity Shares for 1 equity share held and allotted on March 18, 2016. The details of Equity Shares offered, received, renounced and subscribed by the Existing shareholders is as under:

Sr. No	Name	Equity Shares Offered	Equity Shares Received/ Renounced	Net Balance of Equity Shares	Equity Shares Subscribed/ Received by Renunciation	Lapse of Equity Shares
1.	Kapil Garg	4,03,628	-	4,03,628	3,89,083	14,545
2.	Prem Lata Garg	4	-	4	4	-
3.	Varun Garg	4	-	4	4	-
	Total	**4,03,636**	**-**	**4,03,636**	**3,89,091**	**14,545**

(iv) Rights Issue of 1,50,000 Equity Shares in the ratio of 3:1 i.e., 1 Equity Share for 3 equity shares held and allotted on December 29, 2020. The details of Equity Shares offered, received, renounced and subscribed by the Existing shareholders is as under:

Sr. No	Name	Equity Shares Offered	Equity Shares Received/ Renounced	Net Balance of Equity Shares	Equity Shares Subscribed/ Received by Renunciation	Lapse of Equity Shares
1.	Kapil Garg	1,63,330	(1,50,000)	13,330	-	13,330
2.	Prem Lata Garg	2	-	2	-	2
3.	Varun Garg	2	-	2	-	2
4.	Shellz Overseas Private Limited	-	1,50,000	1,50,000	1,50,000	-
	Total	**1,63,334**	**-**	**1,63,334**	**1,50,000**	**13,334**

(v) Preferential Issue of 47,435 Equity Shares on August 31, 2024:

Sr. No	Name	No of Equity Shares
1.	Viral Suresh Jain HUF	3,450
2.	Vishnuma Global Solutions Private Limited	12,875
3.	Gunchandra C Mehta HUF	4,300
4.	A G Mehta HUF	4,300
5.	Dhaval Pramodchandra Vakharia	2,580
6.	Brightful Commercial Private Limited	6,180
7.	Arwa Umesh	13,750
	Total	**47,435**

(vi) Preferential Issue of 5,400 Equity Shares on February 26, 2025:

Sr. No	Name	No of Equity Shares
1.	Asha Deepak Goradia	2,000
2.	Vipul Rashiklal Shah	1,700
3.	Khursheed Keki Turel	1,700
	Total	**5,400**

(vii) Preferential Issue of 33,557 Equity Shares on September 29, 2025:

Sr. No	Name	No of Equity Shares
1.	Arwa Umesh	28,523
2.	Aditya Rashmikant Dharia	3,356
3.	Husain Asgar Asgar	1,678
	Total	**33,557**

(viii) Bonus Issue of 79,90,312 Equity Shares on November 10, 2025:

Sr. No	Name	No of Equity Shares
1.	Kapil Garg	57,20,000
2.	Shalini Garg	13,20,000
3.	Viral Suresh Jain HUF	37,950
4.	Vishnuma Global Solutions Private Limited	1,41,625
5.	Gunchandra C Mehta HUF	47,300
6.	A G Mehta HUF	47,300
7.	Dhaval Pramodchandra Vakharia	28,380
8.	Brightful Commercial Private Limited	67,980
9.	Arwa Umesh	4,65,003
10.	Asha Deepak Goradia	22,000
11.	Vipul Rashiklal Shah	18,700
12.	Khursheed Keki Turel	18,700
13.	Aditya Rashmikant Dharia	36,916
14.	Husain Asgar Asgar	18,458
	Total	**79,90,312**

The bonus issue was authorised by the resolutions passed by our Board of Directors and Shareholders at their meeting held on October 08, 2025 and November 03, 2025, respectively and was undertaken by capitalizing the reserves and surplus amount of ₹799.03 lakhs in the reserves and surplus account. The bonus issuance was not undertaken out of the revaluation reserves of the Company and hence eligible for Minimum Promoters' Contribution.

iii) Preference Share Capital History of our Company

Our Company has not issued any preference shares since incorporation.

2. Shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue

Our Company has not issued any Equity Shares out of its revaluation reserves. Further, except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company
November 10, 2025	79,90,312	10/-	-	Issue of bonus shares in the ratio of 11:1 (i.e. 11 new Equity Shares for every 1 Equity Share held)	Nil, except for expansion of capital base of our Company

3. Equity Shares allotted in terms of any schemes of arrangement

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or under Section 230-234 of the Companies Act, 2013.

4. ESOP Schemes

Our Company has not issued any shares pursuant to an Employee Stock Option Scheme for our employees.

5. Shares allotted at a price lower than the Issue Price in the last year

The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid / Issue Closing Date.

Except as disclosed below, we have not issued any Equity Shares at price which may be lower than the Issue price within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company
November 10, 2025	79,90,312	10/-	-	Issue of bonus shares in the ratio of 11:1 (i.e. 11 new Equity Shares for every 1 Equity Share held)	Nil, except for expansion of capital base of our Company

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

(i) Equity Shareholding of the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in the aggregate, 76,80,000 Equity Shares, equivalent to 88.11% of the issued, subscribed and paid-up Equity Share capital of our Company.

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

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

Build-up of the equity shareholding of our Promoters in our Company since incorporation is set forth below:

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No. of Equity Shares	Face Value (₹)	Issue Price / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Kapil Garg (A)							
On Incorporation	Subscriber to Memorandum of Association	Cash	9,998	10/-	10/-	0.11%	[●]%
March 12, 2014	Further Issue	Cash	90,909	10/-	55/-	1.04%	[●]%
March 18, 2016	Rights Issue	Cash	3,89,083	10/-	90/-	4.46%	[●]%
March 28, 2023	Transfer from Shellz Overseas Private Limited	Nil	4,000	10/-	340/-	0.05%	[●]%
March 28, 2023	Transfer from Shalini Garg	Nil	26,000	10/-	340/-	0.30%	[●]%
August 23, 2024	Gift from Varun Garg	Nil	5	10/-	Nil	Negligible	[●]%
September 16, 2024	Gift from Prem Lata Garg	Nil	5	10/-	Nil	Negligible	[●]%
November 10, 2025	Bonus Issue	Nil	57,20,000	10/-	-	65.62%	[●]%
Sub-Total (A)			**62,40,000**			**71.59%**	**[●]%**
Shalini Garg (B)							
March 24, 2023	Transfer from Shellz Overseas Private Limited	Cash	26,000	10/-	340/-	0.30%	[●]%
March 28, 2023	Transfer to Kapil Garg	Cash	(26,000)	10/-	340/-	(0.30%)	[●]%
March 28, 2025	Transfer from Shellz Overseas Private Limited	Nil	1,20,000	10/-	419/-	1.38%	[●]%
November 10, 2025	Bonus Issue	Nil	13,20,000	10/-	-	15.14%	[●]%
Sub-Total (B)			**14,40,000**			**16.52%**	**[●]%**
Total (A+B)			**76,80,000**			**88.11%**	**[●]%**

(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) Aggregate shareholding of the Promoter Group

Name	Pre- Issue		Post- Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**

(vii) Equity Shares purchased/sold by the Promoter Group, Directors of our Company and their relatives in the preceding six months from the date of this Draft Red Herring Prospectus

Except as disclosed below, there were no equity shares purchased/sold by the Promoter Group, Directors of our Company and their relatives in the preceding six months from the date of this Draft Red Herring Prospectus:

Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
Kapil Garg	November 10, 2025	Promoter, Chairman & Managing Director	57,20,000	-	Acquired by way of Bonus Issue
Shalini Garg	November 10, 2025	Promoter & Non – Executive Director	13,20,000	-	

(viii) Financing arrangements by the Promoter group, the Directors of the company and their relatives in the preceding six months from the date of this Draft Red Herring Prospectus

None of the members of the Promoter Group, Directors of our company and their relatives have entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person other than in the normal course of the business of the financing entity in the last six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

7. Promoters' Contribution and Lock-in

(i) Details of minimum Promoters' contribution locked in for three years or any other period as may be prescribed under applicable law

Pursuant to the Regulation 236 and 238 of the SEBI ICDR Regulations, an aggregate of at least 20.00% of the post issue 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 from the date of allotment in this Issue. Further (i) fifty percent of promoters holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in this Issue; and (ii) remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in this Issue.

As on date of this Draft Red Herring Prospectus, our Promoters hold 76,80,000 equity shares constituting 88.11% of the issued, subscribed and paid-up equity share capital of our Company.

Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20.00% of the post issue Equity Share capital of our Company as Promoters' Contribution.

Further, since the post Issue shareholding of our promoters is more than 20.00%, alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least 5.00% of the post Issue capital or any entity (individual or non-individual) forming part of our promoter group other than the promoter(s), do not require to contribute to meet the shortfall in minimum Promoters' contribution as specified in the SEBI ICDR Regulations.

Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Equity Shares which will be locked-in for minimum 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 Promoter	Date of Allotment/Acquisition	Nature of Allotment	No of Equity shares	Face Value (in ₹)	Issue Price (in ₹)	No of Equity shares locked in	% Of Post-Issue Paid-up Capital	Lock-in Period
Kapil Garg	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Shalini Garg	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

- Equity Shares acquired three years preceding the date of this Draft Red Herring Prospectus for (a) consideration other than cash and out of revaluation of assets or capitalization of intangible assets, 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;

- Equity Shares acquired by our promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least 5.00% of the post Issue equity share capital or any entity (individual or non-individual) forming part of our promoter group other than the promoter(s) 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 Issue. However, if any such Equity Shares are acquired during the one year preceding the date of this Draft Red Herring Prospectus, then the difference between the price at which they were acquired and the price at which the Equity Shares are being offered to the public in the Issue, will be paid;

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

Further, our promoters have not acquired equity shares in terms of the scheme under sections 230 to 234 of the Companies Act, 2013, as approved by a High Court or a tribunal, as applicable, in lieu of business and invested capital that had been in existence for a period of more than one year prior to such approval.

We are not a government company, statutory authority or corporation or any special purpose vehicle set up by any of them, which is engaged in the infrastructure sector.

As on date of this Draft Red Herring prospectus, our company has not allotted equity shares arising from the conversion or exchange of fully paid-up compulsorily convertible securities, including depository receipts, that have been held by our promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least 5.00% of the post Issue equity share capital or any entity (individual or non-individual) forming part of our promoter group other than the promoter(s), as applicable, for a period of at least one year prior to the filing of this Draft Red Herring Prospectus.

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

(ii) Details of share capital locked-in for one year or any other period as may be prescribed under applicable law

In terms of Regulation 239 of the SEBI ICDR Regulations, the entire pre-issue equity share capital of our Company will be locked-in for a period of one year from the date of allotment in this Issue except for:

(a) Equity Shares allotted to employees, whether currently an employee or not, under an employee stock option or employee stock purchase scheme or a stock appreciation right scheme of our company prior to the initial public offer;

(b) Equity Shares held by an employee stock option trust or transferred to the employees by an employee stock option trust pursuant to exercise of options by the employees, whether currently employees or not, in accordance with the employee stock option plan or employee stock purchase scheme or a stock appreciation right scheme.

Provided that the equity shares allotted to the employees shall be subject to the provisions of lock-in as specified under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(c) Any equity shares held by a VCF or Category I AIF or Category II AIF or FVCI (as defined under the SEBI FVCI Regulations), as applicable, provided that such Equity Shares shall be locked in for a period of at least one year prescribed under the SEBI ICDR Regulations from the date of purchase by such shareholders, and such VCF or Category I AIF or Category II AIF or a FVCI holds, individually or with persons acting in concert, less than 20% of pre-issue Equity Share capital of the Company.

(iii) 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.

(iv) Other details with respect to lock-in, pledge and transferability

As on the date of this Draft Red Herring Prospectus, none of our Equity Shares are held by any VCF or Category I AIF or Category II AIF or FVCI. As required under Regulation 241 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 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked in, may be transferred to Promoters or members of the Promoter Group or to any new Promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the SEBI SAST 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 one year from the date of Allotment in the Issue, may be transferred to any other person holding Equity Shares which are locked -in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the SEBI SAST Regulations.

In terms of Regulation 242 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 238 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 housing finance companies as collateral security for loans granted by such entity, provided that if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the our company for the purpose of financing one or more of the Objects of the Issue and pledge of specified securities is one of the terms of sanction of the loan; or if the equity shares are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the 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.

8. Proposal or intention, negotiations and consideration of the company to alter the capital structure

Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

9. Shareholding Pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Red Herring Prospectus

The remainder of this page has been intentionally left blank

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. 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)				No. of Underlying Outstanding convertible securities	Shareholding as a % assuming full convertible securities	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoter & Promoter Group	2	76,80,000	-	-	76,80,000	88.11	-	-	76,80,000	88.11	-	-	-	-	-	-	76,80,000
B	Public	13	10,36,704	-	-	10,36,704	11.89	-	-	10,36,704	11.89	-	-	-	-	-	-	10,36,704
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**15**	**87,16,704**	**-**	**-**	**87,16,704**	**100.00**	**-**	**-**	**87,16,704**	**100.00**	**-**	-	**-**	**-**	**-**	**-**	**87,16,704**

10. Details of equity shareholding of the major shareholders of our Company

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

Sr. No.	Name of the Shareholder	Number of Equity shares	% of the pre- Issue Equity Share Capital
1.	Kapil Garg	62,40,000	71.59%
2.	Shalini Garg	14,40,000	16.52%
3.	Arwa Umesh	5,07,276	5.82%
4.	Vishnuma Global Solutions Private Limited	1,54,500	1.77%
	Total	**83,41,776**	**95.70%**

(ii) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	% of the pre- Issue Equity Share Capital
1.	Kapil Garg	62,40,000	71.59%
2.	Shalini Garg	14,40,000	16.52%
3.	Arwa Umesh	5,07,276	5.82%
4.	Vishnuma Global Solutions Private Limited	1,54,500	1.77%
	Total	**83,41,776**	**95.70%**

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

Sr. No.	Name of the Shareholder	Number of Equity shares	% of the pre-Issue Equity Share Capital	Number of Equity shares	% of the Equity Share Capital*
1.	Kapil Garg	5,19,990	5.97%	5,19,990	81.25%
2.	Shellz Overseas Private Limited	-	-	1,20,000	18.75%
	Total	**5,19,990**	**5.97%**	**6,39,990**	**100.00%**

** The share capital of our Company two years prior to the date of this Draft Red Herring Prospectus.*

^As of the date two years prior to the date of this Draft Red Herring Prospectus, Shellz Overseas Private Limited was a shareholder in our Company and held 1,20,000 equity shares, accounting for 3.85% of the pre-Issue share capital, Shellz Overseas Private Limited has transferred 1,20,000 equity shares to our current Promoter, Shalini Garg on March 28, 2025. Accordingly, Shellz Overseas Private Limited are no longer a shareholder of our Company as on the date of this Draft Red Herring Prospectus.

(iv) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company 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 the pre-Issue Equity Share Capital	Number of Equity shares	% of the Equity Share Capital*
1.	Kapil Garg	5,20,000	5.97%	5,20,000	75.05%
2.	Shalini Garg	1,20,000	1.38%	1,20,000	17.32%
3.	Vishnuma Global Solutions Private Limited	12,875	0.15%	12,875	1.86%
4.	Arwa Umesh	13,750	0.16%	13,750	1.98%
	Total	**6,66,625**	**7.65%**	**6,66,625**	**96.22%**

** The share capital of our Company one year prior to the date of this Draft Red Herring Prospectus.*

(v) Our Company has not made any public issue since its incorporation.

11. Number of members/shareholders of our company

As on the date of this Draft Red Herring Prospectus, our Company has 15 Equity Shareholders.

12. Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares.

Sr. No.	Name	Number of Equity shares	% of the pre- Issue Equity Share Capital
1.	Kapil Garg	62,40,000	71.59%
2.	Shalini Garg	14,40,000	16.52%
	Total	**76,80,000**	**88.11%**

13. Our company, the Promoters, the Directors and the Book Running Lead Manager have not entered into any buyback and/or any similar arrangements for purchase of Equity Shares of the Company from any person.

14. All Equity Shares offered pursuant to the Issue 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.

15. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the SEBI MB Regulations) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

16. As on date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

17. Except for the Allotment of Equity Shares pursuant to (i) the Pre-IPO Placement; and (ii) the Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchange or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, undersubscription etc., as the case may be.

18. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law.

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

20. No person connected with the Issue, including, but not limited to, our Company, 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 Issue.

21. The BRLM and persons related to the BRLM or Syndicate Members cannot apply in the Issue 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 AIF sponsored by entities which are associates of the BRLM, a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLM.

22. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of filing this Draft Red Herring Prospectus and the Bid / Issue Closing Date shall be reported to BSE within 24 hours of such transactions.

23. Our Promoters and Promoter Group will not participate in the Issue. Further, our Promoters and members of our Promoter Group will not receive any proceeds from the Issue.

The remainder of this page has been intentionally left blank

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of a fresh issue of up to 40,00,000 Equity Shares aggregating up to ₹ [●] Lakhs. The proceeds of the Issue, after deducting the Issue related expenses, are estimated to be ₹ [●] Lakhs ("**Net Proceeds**").

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

1. Repayment or prepayment, in full or in part, of certain outstanding borrowings availed by our Company;

2. Funding our incremental working capital requirements; and

3. General corporate purposes.

(Collectively, referred to herein as the "***Objects***")

In addition, we expect to achieve the benefits of listing of Equity Shares on the BSE SME, enhancement of our company's visibility and brand name amongst our existing and potential customers and creation of a public market for the 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: (i) to undertake our existing business activities; and (ii) to undertake the proposed activities to be funded from the Net Proceeds for which the funds are being raised by us in this Issue.

Net Proceeds

After deducting the Issue related expenses from the Gross Proceeds, we estimate the net proceeds of the Issue to be ₹ [●] Lakhs ("**Net Proceeds**"). The details of the Net Proceeds of the Issue are summarized in the table below:

(₹ in Lakhs)

Particulars	Estimated Amount
Gross Proceeds	[●]
Less: Issue related Expenses	[●]
Net Proceeds	**[●]**

(1) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus of an amount aggregating up to 8,00,000 Equity Shares of face value of ₹ 10/- each. 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 Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Upon allotment of specified securities pursuant to the Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section
(2) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC.
(3) Issue related expenses are estimated expenses and subject to change. For details, see "Issue Related Expenses" on page 120.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the table below:

S. No	Particulars	Estimated Amount (₹ in Lakhs) ^
1.	Repayment or prepayment, in full or in part, of certain outstanding borrowings availed by our Company;	2,200.00
2.	Funding our incremental working capital requirements; and	2,300.00
3.	General corporate purposes[#]	[●]
	Total	**[●]**

^ Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus of an amount aggregating up to 8,00,000 Equity Shares of face value of ₹ 10/- each. 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 Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Upon allotment of specified securities pursuant to the Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.
To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC. The amount to be utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹1,000.00 lakhs whichever is lower.

Proposed Schedule of Implementation and Deployment of Net Proceeds

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

(₹ in lakhs)

Sr. No.	Object	Amount to be funded from Net Proceeds^	Amount to be deployed from the Net Proceeds in Fiscal 2027^
1.	Repayment or prepayment, in full or in part, of certain outstanding borrowings availed by our Company;	2,200.00	2,200.00
2.	Funding our incremental working capital requirements; and	2,300.00	2,300.00
3.	General Corporate Purposes[#]	[●]	[●]
	Total	**[●]**	**[●]**

^ Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus of an amount aggregating up to 8,00,000 Equity Shares of face value of ₹ 10/- each. 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 Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Upon allotment of specified securities pursuant to the Pre-IPO Placement, we may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.
To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC. The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

The above stated fund requirements, deployment of the funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been appraised by any bank, financial institution, or any other independent agency. For further details, see "*Risk Factors – Risks Relating to the Issue and the Objects of the Issue - The Objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.*" on page 56. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and growth strategies, our ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. In case the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes does not exceed 15% of the Gross Proceeds of the Issue or ₹1,000.00 lakhs whichever is lower.

Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. However, in the event that estimated utilization out of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. 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.

Further, in case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects 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 and/or seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Means of Finance

The fund requirements for the aforesaid Objects above are proposed to be entirely funded from the Net Proceeds and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230 (1) (e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing internal accruals.

Details of the Objects

1. Repayment or prepayment, in full or in part, of certain borrowings availed by our Company

Our Company has entered into certain financing arrangements with banks and financial institutions. For disclosure of our Company's secured and unsecured borrowings as on September 30, 2025, please see "*Financial Indebtedness*" on page 285.

Our Company proposes to utilise an estimated amount of up to ₹2,200.00 Lakhs out of the Net Proceeds towards repayment and/or pre-payment of certain existing borrowings availed by our Company. In the event of payment of pre-payment penalty or accrued interest, as applicable, such payment shall be made from the internal accruals of our Company. Our Company may repay or refinance part of its existing borrowings prior to the Allotment. Accordingly, our Company may utilise the Net Proceeds for part or full pre-payment or scheduled repayment of any such refinanced borrowings or additional borrowings obtained. Further, the amounts outstanding under the borrowings of our Company as well as the sanctioned limits are dependent on several factors and may vary with our Company's business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, our Company confirms that the aggregate amount to be utilised from the Net Proceeds towards pre-payment and/or scheduled repayment of its existing borrowings (including re-financed or additional borrowings availed, if any), in part or full, will not exceed ₹2,200.00 Lakhs.

We may choose to repay and/or pre-pay certain borrowings availed by us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Draft Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing the Red Herring Prospectus with the Registrar of Companies, the details in this chapter shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/ pre-paid in part or full by our Company in the subsequent fiscal.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that this will improve our debt-equity ratio, enabling us to raise further resources in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the future.

As on February 28, 2026, the aggregated outstanding secured borrowings of our Company amounted to ₹3,135.21 Lakhs. The following table provides the details of outstanding secured borrowings availed by our Company, any of which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
1	Axis Bank Ltd	August 22, 2022	ECL-GS -LOAN	8.50%	115.70	54.64	60 Months	ECL-GS - LOAN	Yes	Nil	Secured against the second charge on assets already mortgage with Axis Bank	No
2	Bajaj Finance Ltd	April 29, 2023	Term Loan	10.10%	1250.00	628.68	60 Months	Term Loan	Yes	In all events,1.0 % plus applicable taxes on outstanding amount.	Secured against hypothecation of Plant & Machinery	Yes

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
3	Mahindra and Mahindra Financial Services Limited	August 31, 2023	Machinery Loan	10.60%	375.00	168.54	48 Months	Machinery Loan	Yes	No prepayment allowed for the first 12 months of the loan. Post that Nil foreclosure charges till the tenure of the loan.	secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
4	Mahindra and Mahindra Financial Services Limited	September 30, 2024	Machinery Loan	10.75	150.00	109.01	48 Months	Machinery Loan	Yes	No prepayment allowed for the first 12 months of the loan. Post that Nil foreclosure charges till the tenure of the loan.	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
5	Siemens Financial Services Pvt Ltd	July 28, 2023	Finance Lease Loan	11.00%	275.46	125.86	60 Months	Machinery Loan	Yes	In the event of early settlement or default penal discounting rate would be 8% for calculating the NPV of any outstanding rentals to be paid to SFSPL in-case of early settlement or default.	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
6	Siemens Financial Services Pvt Ltd	November 20, 2024	Finance Lease Loan	11.00%	95.77	76.42	60 Months	Machinery Loan	Yes	In the event of early settlement or default penal discounting rate would be 8% for calculating the NPV of any outstanding rentals to be paid to SFSPL in-	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
										case of early settlement or default.		
7	Siemens Financial Services Pvt Ltd	June 7, 2022	Finance Lease Loan	11.00%	121.79	33.99	60 Months	Machinery Loan	Yes	In the event of early settlement or default penal discounting rate would be 8% for calculating the NPV of any outstanding rentals to be paid to SFSPL in-case of early settlement or default.	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
8	Axis Bank Ltd	October 11, 2023	Vehicle Loan	9.30%	10.11	7.41	84 Months	Vehicle Loan	Yes	5% of part payment amount and foreclosure amount	Secured against hypothecation of vehicle of the company	Yes
9	Protium Finance Ltd	March 11, 2025	Machinery Loan	13.10%	115.29	99.96	60 Months	Machinery Loan	Yes	5% of principal outstanding	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
10	Cholamandlam Investment and Finance Company Ltd	August 30, 2025	Machinery Loan	12.75%	203.25	193.33	60 Months	Machinery Loan	Yes	*Pre-closure charges – Part Payment* Up to 2% of part payment amount paid *Pre-closure charges – Full & Final payment* 4% of the amount paid towards pre-	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
										closure shall be applicable for loans sanctioned for business purpose. If the pre-closure is made prior to the payment of 12 instalments in full, the applicant is liable to pay additional 1% of the amount paid towards such pre-closure in addition to the aforesaid charges.		
11	Poonawalla Fincorp Ltd	September 29, 2025	Machinery Loan	13.00%	392.96	387.94	60 Months	Machinery Loan	Yes	(a) If Foreclosure or Prepayment is done from own funds of the Borrower- Nil charges (b) If Foreclosure or Prepayment is done by other sources including by way of balance transfer from another bank/financial institution - 4% on amount being prepaid plus applicable taxes	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
12	Protium Finance Ltd	September 22, 2025	Machinery Loan	13.10%	160.90	153.97	60 Months	Machinery Loan	Yes	5% of principal outstanding	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
13	Siemens Financial Services Pvt Ltd	June 13, 2025	Machinery Loan	12.30%	544.00	541.59	66 Months	Machinery Loan	Yes	The Borrower can foreclose the loan after lock in period of 21 months of facility from sanction date at a rate of 2% as foreclosure charges (These charges shall be applicable only if customer pays from internal accruals). If foreclose before 21 months then foreclosure charges will be standard which is 4%. Client needs to give a notice of at least 3 months before to the Lender. Partial Prepayments not allowed	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes

Sr No	Name of the Lender	Date of sanction letter/ loan agreement	Nature of borrowings	Rate of interest as on February 28, 2026 (% per annum)	Amount Sanctioned	Amount Outstanding as on February 28, 2026	Tenure	Original Purpose of loan	Utilized for the purpose for which it was availed for*	Prepayment Clause	Security	Loan used for capex or not
14	Siemens Financial Services Pvt Ltd	June 13, 2025	Machinery Loan	12.30%	556.00	553.86	66 Months	Machinery Loan	Yes	The Borrower can foreclose the loan after lock in period of 21 months of facility from sanction date at a rate of 2% as foreclosure charges (These charges shall be applicable only if customer pays from internal accruals). If foreclose before 21 months then foreclosure charges will be standard which is 4%. Client needs to give a notice of at least 3 months before to the Lender. Partial Prepayments not allowed	Secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors	Yes
Total						**3,135.21**						

Notes:

(1) In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate.

*(2) *As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026, the utilisation of the proceeds of the loans, as indicated above has been towards the purpose availed for, as per the sanction letters / loan agreements of the respective loans.*

The amounts outstanding against the borrowings disclosed in this chapter may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates and other applicable factors. In addition to the above, we may, enter into fresh financing arrangements with banks and financial institutions. In such cases or in case any of the borrowings proposed to be repaid/ pre-paid out of Net Proceeds, are repaid, refinanced or prepaid or further drawn-down or freshly drawn-down, within existing limits or enhanced limits, prior to the completion of the Issue, we may utilize the Net Proceeds towards repayment or pre-payment of the additional borrowings. For further details, please refer to chapter titled "*Financial Indebtedness*" on page 285.

The selection of borrowings proposed to be prepaid and/or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates (ii) any conditions attached

to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment or foreclosure from the respective lenders, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The selection of the borrowings proposed to be prepaid and/or repaid as mentioned in the table above, is not determined and our Company may utilize the Net Proceeds to prepay and/or repay the facilities not disclosed above in accordance with commercial considerations, including amounts outstanding at the time of prepayment and/or repayment.

For the purposes of the Issue, our Company has intimated and has obtained necessary consent from its lenders, as is required under the relevant facility documentation for undertaking the Issue and certain actions related thereto, including consequent actions, such as change in the capital structure, change in shareholding pattern of our Company, amendment to the Articles of Association of our Company, change in composition of board of directors etc.

There have been certain instances of delay in repayment of borrowings which have been reported in our credit history records, including in reports issued by credit information companies. Also see "*Risk Factors - Risks Relating to our Business - We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business. Further, there have been certain instances of delay in repayment of borrowings which have been reported in our credit history records, including in reports issued by credit information companies.*" on page 115.

2. Funding our incremental working capital requirements

Our business is working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, shareholders' capital and financing from banks. For details of facilities availed by us, see chapter titled "*Financial Indebtedness*" on page 285.

Our working capital is influenced by several factors, given the nature of our business and our operational dynamics. Here are key factors affecting our working capital requirements:

Inventory Management: Maintaining adequate levels of raw materials, work-in-progress, and finished goods inventory is crucial to avoid production stoppages. However, high inventory levels tie up significant working capital, especially if our company stocks large quantities to mitigate price fluctuations or supply chain disruptions.

Customer Credit Terms and Receivables Cycle: The credit terms extended to customers and the efficiency of receivables collection significantly impact working capital. Longer credit periods or delays in collections increase funds locked in accounts receivable, thereby elevating working capital needs. Any concentration of customers or reliance on a limited number of large clients may further affect cash flow predictability.

Supplier Credit Terms and Payables Management: Supplier payment terms play a critical role in working capital optimization. Shorter payment cycles or advance payments increase immediate cash outflows, while extended credit terms from suppliers help offset receivables and inventory requirements. Changes in vendor terms or supplier bargaining power can materially impact net working capital levels.

Inventory Levels and Turnover Efficiency: Inventory holding requirements depend on demand patterns, lead times, production cycles, and service-level commitments. Higher inventory buffers, slower inventory turnover, or procurement of raw materials in bulk can increase capital tied up in stock. Efficient inventory planning and turnover improvements help reduce working capital intensity.

Seasonality and Demand Variability: Seasonal fluctuations in demand may necessitate advance inventory buildup and additional operational cash buffers. During peak periods, higher receivables and inventory levels can temporarily increase working capital requirements, while off-peak periods may see normalization of these levels.

Cost Structure and Input Price Movements: Variations in raw material costs, logistics expenses, labour costs, and other operating expenses influence cash outflows. Inflationary pressures or price volatility may require higher upfront cash deployment to sustain operations, thereby increasing working capital requirements.

Operational Efficiency and Cash Conversion Cycle: The efficiency of production, billing, collection, and payment processes determines the overall cash conversion cycle. Delays at any stage including production lead times, invoicing cycles, or customer collections extend the duration for which capital remains tied up in operations.

Expansion, New Contracts, and Strategic Initiatives: Entry into new markets, onboarding of new customers, or execution of large contracts typically requires incremental working capital for inventory buildup, staffing, logistics, and extended credit periods during the ramp-up phase. Such initiatives can temporarily increase working capital requirements before reaching steady-state operations.

External and Regulatory Factors: Macroeconomic conditions, regulatory changes, taxation policies, and interest rate movements can affect operating cash flows and working capital funding costs. Compliance-related requirements or changes in statutory payment timelines may also influence cash availability.

(a) The business model of our Company and the working capital cycle

Existing working capital

The details of working capital of our Company as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the source of funding, on the basis of Audited Financial Statements of our Company, as certified by M/s RSAV & Company., Chartered Accountants by way of their certificate dated March 25, 2026 are provided in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Period ended September 30, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
A.	**Current Assets**				
	Inventories	7,088.62	6,565.88	5,480.65	3,853.77
	Trade receivables	4,100.57	3,555.14	5,571.50	5,289.56
	Short term loans and advances	2,162.67	919.49	1,211.96	1,419.29
	Other Current Assets	618.94	376.33	23.59	17.69
	Total Current Assets	**13,970.80**	**11,416.85**	**12,287.70**	**10,580.31**
	(-) Advance towards Machinery	(2,162.67)	-	-	-
	Operational Current Assets (A)	**11,808.13**	**11,416.85**	**12,287.70**	**10,580.31**
B.	**Current Liabilities**				
	Trade payables	3,299.39	3,331.28	3,952.87	3,289.13
	Other Current Liabilities	1,373.86	999.27	415.50	177.87
	Short Term Provisions	734.50	437.75	386.38	241.81
	Total Current Liabilities (B)	**5,407.75**	**4,768.30**	**4,754.75**	**3,708.81**
C.	**Total Working Capital requirements (C=A-B)**	**6,400.38**	**6,648.55**	**7,532.95**	**6,871.50**
D.	Funding Pattern				
	Borrowings from banks, financial institution and non-banking financial companies	4,283.67	5,042.70	4,007.88	3,599.82
	Unsecured loans from Related Parties	1,207.16	897.57	934.49	932.70
	Internal Accruals and Equity	909.55	708.27	2,590.58	2,338.98
	Total	**6,400.38**	**6,648.55**	**7,532.95**	**6,871.50**

The following items forming part of the Total current assets & liabilities as per the Audited Financial Statement has not been considered under the above working capital table:

Sr. No.	Particulars	Period ended September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A.	**Current Assets**				
	Cash & Cash Equivalents	558.08	47.19	171.08	17.87
B.	**Current Liabilities**				
	Short-term borrowings	5,205.16	5,701.43	4,618.66	4,412.04

Holding periods (in days)

Particulars	Basis	Period ended September 30, 2025	Year ended		
			March 31, 2025	March 31, 2024	March 31, 2023
A. Current Assets					
- Inventory days	Cost of goods sold*	189	149	126	113
- Trade Receivable days	Revenue from Operations	76	89	122	115
B. Current Liabilities					
- Trade Payables days	Cost of goods sold*	92	90	98	94

**As certified by M/s. RSAV & Company, Chartered Accountants, by way of their certificate dated March 25, 2026.*
** Cost of goods sold is calculated as cost of materials consumed plus changes in inventories of finished goods and work in progress plus power and utilities and rental costs.*
**Inventory, Trade Receivable and Trade Payable days have been calculated using 183 days for September 30, 2025.*

(b) Future Working Capital

We propose to utilize ₹2,300.00 Lakhs of the Net Proceeds in Fiscal 2027, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals and borrowings.

On the basis of our existing working capital requirements, management estimates and the projected working capital requirements, our Board of Directors, pursuant to their resolution dated March 25, 2026, has approved the projected working capital requirements for Fiscal 2027 and 2028. Our Statutory Auditors have certified the projected working capital *vide* their certificate dated March 25, 2026 and have provided no assurance on the prospective financial information, working capital estimates or projections and have performed no service with respect to the same. The proposed funding of such working capital requirements is stated below:

(₹ in Lakhs)

Sr. No.	Particulars	Fiscal 2026 Estimated	Fiscal 2027 Projected	Fiscal 2028 Projected
A.	**Current Assets**			
	Inventories	7,088.62	8,621.44	10,412.48
	Trade and Other Receivables	4,100.57	4,684.05	5,409.03
	Short term loans and advances	2,600.00	-	-
	Other Current Assets	451.00	451.00	451.00
	Total Current Assets	**14,240.19**	**13,756.49**	**16,272.51**
	(-) Advance towards Machinery	(2,600.00)	-	-
	Operational Current Assets (A)	**11,640.19**	**13,756.49**	**16,272.51**
B.	**Current Liabilities**			
	Trade payables	3,108.77	2,282.14	2,351
	Other Current Liabilities	1,145.34	1,008.87	983
	Short Term Provisions	578.22	950.96	1,396
	Total Current Liabilities (B)	**4,832.33**	**4,241.98**	**4,730.45**
C.	**Total Working Capital requirements (C=A-B)**	**6,807.86**	**9,514.51**	**11,542.06**
	Funding Pattern			
D.	Borrowings from banks, financial institution and non-banking financial companies (D)	4,666.00	4,666.00	5,666.00
E.	Unsecured loans from Related Parties (E)	1,207.16	1,207.16	1,207.16
F.	Internal Accruals and Equity (F)	934.70	1,341.35	4,668.90
G.	**Net Incremental Working Capital requirements (G=C-D-E-F)**	**-**	**2,300.00**	**-**
H.	**Amount proposed to be utilized from Net Proceeds**	**-**	**2,300.00**	**-**

Note: The cash & cash equivalent does not form part of the total current assets & short-term borrowings are not part of the total current liabilities in the above working capital table.

(c) Assumptions For Working Capital Requirements

Particulars	Basis	Fiscal 2026 Estimated	Fiscal 2027 Projected	Fiscal 2028 Projected
A. Current Assets				

Particulars	Basis	Fiscal 2026	Fiscal 2027	Fiscal 2028
		Estimated	Projected	Projected
- Inventory days	Cost of goods sold*	181	155	141
- Trade Receivable days	Revenue from Operations	75	60	49
B. Current Liabilities				
- Trade Payables days	Cost of goods sold*	82	53	34

** As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 20*
** Cost of goods sold is calculated as cost of materials consumed plus changes in inventories of finished goods and work in progress plus power and utilities and rental costs.*

(d) Justifications For Holding Period Levels

Particulars	Assumptions and Justifications
Current Assets	
Inventory	Inventory primarily comprises raw materials, packing materials, work-in-progress and finished goods maintained to support our manufacturing operations and distribution network. As at September 2025, we manufacture over 300 SKUs across multiple confectionery and snack categories, including jellies, panned and sugar candies, choco delights, food and bakery ingredients and baked treats. Each product format requires distinct raw materials, moulds and packaging formats, which necessitates maintaining inventories across a broad range of inputs and packaging materials. Inventory levels are also influenced by the minimum order quantities applicable to printed laminates, cartons, jars and other packaging materials, which typically require batch procurement to ensure production continuity across multiple SKUs. Further, our portfolio spans three seasonal product categories, namely: 1. Summer products – jellies and compressed and panned treats 2. Winter products – chocolate-based confectionery 3. All-weather products – baked snacks Given the differing production cycles for these categories, we maintain inventory of raw materials, packing materials and finished goods to support production build-up ahead of seasonal demand as well as year-round availability across its distribution network. Inventory days were 126 days in FY 2023-24, 149 days in FY 2024-25, and 189 days for the period ended September 2025. The higher inventory days for the period ended September 2025 reflect inventory build-up ahead of the scaling of production at our new manufacturing facility. Inventory days are estimated to gradually reduce to 181 days in FY 2025-26, 155 days in FY 2026-27, and 141 days in FY 2027-28, supported by improved production planning, higher throughput and operating efficiencies as the new facility stabilises.
Trade Receivables	Trade and other receivables primarily arise from credit extended to distributors, modern trade customers and export buyers in the normal course of business. We operate through a distributor-led FMCG distribution model, where distributors further extend credit down the supply chain to wholesalers and retailers. As a result, credit periods at the distributor level incorporate working capital requirements across the downstream channel. Receivable days improved from 122 days in FY 2023-24 to 89 days in FY 2024-25, reflecting stronger collections and tighter credit monitoring. Receivable days were 76 days for the period ended September 2025 and are estimated to be within the range of 75 days in FY 2025-26. Further receivables are projected to be 60 days in FY 2026-27 and 49 days in FY 2027-28. The improvement in receivable days is expected to be driven by: 1. Revenue growth from existing distributors, where throughput increases without a proportionate increase in credit limits. 2. Expansion into alternate channels such as private labelling and e-commerce, which typically operate on significantly shorter receivable cycles. 3. Operational scale and improved credit discipline as our Company expands its distribution footprint.
Current Liabilities	

Particulars	Assumptions and Justifications
Trade Payables	Trade payables primarily represent credit extended by suppliers of raw materials, packaging materials and other production inputs used in our Company's manufacturing operations. Trade payable days were 98 days in FY 2023-24, 90 days in FY 2024-25, and 92 days for the period ended September 2025. Payable days are estimated at 82 days in FY 2025-26, gradually reducing to 53 days in FY 2026-27 and 34 days in FY 2027-28. The reduction in payable days reflects our evolving procurement strategy as it scales operations. With increasing production volumes, we expect to procure a larger share of raw materials and packaging materials directly from manufacturers, enabling better pricing through volume-based procurement and early payment discounts, thereby supporting improved gross margins. Further, our Company plans to import certain key raw ingredients such as cocoa products, specialty fats and gelling or stabilizing agents, which typically operate on shorter payment cycles due to international trade terms including advance payments and letters of credit. As the share of such import's increases, the overall payable cycle is expected to reduce. In addition, maintaining timely payment cycles with key suppliers supports reliable supply of critical raw materials and packaging materials required across our Company's diversified portfolio of over 300 SKUs.

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

(e) Rationale for incremental working capital requirements

Our company has estimated the working capital requirements ("**WCR**") as follows:

Changes in Working Capital:

Particulars	Actual FY 2022-23	Actual FY 2023-24	Actual FY 2024-25	Estimated FY 2025-26	Projected FY 2026-27	Projected FY 2027-28
Working Capital Requirements	6,871.50	7,532.95	6,648.55	6,807.86	9,514.51	11,542.06
Working Capital Increased	-	661.45	(884.40)	159.31	2,706.65	2,027.55
Change (%)	-	9.63%	(11.74%)	2.40%	39.76%	21.31%

Our company has estimated the working capital requirements for the financial year 2026-27 on basis of following main assumptions:

- *Expansion of our business:* The proceeds from the Issue proposed to be utilised towards funding the incremental working capital requirements of our Company are expected to support the expansion of our manufacturing and distribution operations in the confectionery segment and the proposed shifting of our manufacturing facility from Delhi to Sonipat, Haryana. The proposed facility at Sonipat is more developed and is expected to enhance our operational capabilities and increase production capacity. As our Company plans to scale up the production and sales of its product portfolio, including baked confectionery, chocolates, jellies and puddings, compressed and panned sugar candies and other confectionery products marketed under the "*Hugs*" and "*Tosca*" brands, additional working capital will be required to support higher procurement of raw materials, packaging materials and finished goods inventory. Further, the funds will be utilised towards the procurement of key inputs such as sugar, cocoa-based ingredients, flour, edible oils, flavours, packaging materials and other raw materials required for manufacturing our products, as well as for meeting operational expenses associated with production, storage and distribution. The availability of adequate working capital is expected to facilitate uninterrupted manufacturing operations, particularly during the transition period associated with the shifting of the manufacturing facility, by enabling timely procurement of raw materials, maintaining sufficient inventory levels and ensuring continuity in supply to our distribution network. Our operations also involve extending customary credit periods to distributors, super stockists and other channel partners in the ordinary course of business, which results in working capital being deployed in trade receivables. As our sales volumes increase and our distribution network expands across general trade, modern trade, quick commerce and e-commerce channels, trade receivables are expected to increase in line with the growth in revenues. The proposed funding of incremental working capital requirements is therefore expected to strengthen our liquidity position and support higher inventory levels and receivable cycles associated with the expansion of our business operations. Accordingly, the proposed utilisation of Issue proceeds towards incremental working capital requirements is expected to support the smooth transition and operational scaling associated with the proposed relocation of our manufacturing facility, strengthen procurement and production cycles, enhance supply chain efficiency and enable our Company to scale its operations in line with the anticipated growth in demand for our confectionery products.

- *Growth in the Indian Confectionery Market and Economy-Priced Segment:* The incremental working capital requirements of our Company are also supported by the growth outlook of the Indian confectionery industry, particularly in the economy-priced confectionery segment. India's confectionery market has grown from ₹55.2 thousand crore in Fiscal 2019 to approximately ₹93.1 thousand crore in Fiscal 2025, registering a CAGR of 9.1% during this period, and is projected to reach approximately ₹125.8 thousand crore by Fiscal 2030. This growth is driven by increasing consumer demand for affordable indulgence products, rising consumption across both urban and rural markets, and deeper penetration of packaged confectionery products across general trade, modern trade and online channels. The industry has also witnessed a gradual shift from unbranded and loosely sold confectionery products towards branded and packaged offerings supported by domestic manufacturing and improved distribution networks. A significant portion of this growth is driven by the economy-priced confectionery segment, which includes products priced between ₹1 and ₹10. These products account for a large share of daily confectionery consumption due to their affordability and accessibility, particularly among school-going children and price-sensitive households. Products such as candies, toffees and lollipops are typically sold in small units through *kirana* stores, school canteens and distributor-led retail networks across rural and semi-urban markets. India's favourable demographic profile, characterized by a large population of children, adolescents and young adults, further supports sustained demand for such products. In Fiscal 2025, the economy-priced confectionery market in India was valued at approximately ₹50.5 thousand crore, having grown from approximately ₹30.6 thousand crore in Fiscal 2019 at a CAGR of 10.5%, and is projected to reach approximately ₹76.4 thousand crore by Fiscal 2030. Further, affordability continues to play a key role in product innovation within the confectionery industry, with manufacturers increasingly introducing smaller pack sizes and value-focused products priced below ₹20. These products offer new flavours, textures and formats while remaining accessible to consumers across diverse income groups, thereby supporting frequent and impulse purchases. In view of these industry trends and the anticipated growth in demand for affordable confectionery products, our Company expects increasing sales volumes and wider market penetration, which may require higher investments in procurement of raw materials, packaging materials, maintenance of inventory levels and extension of trade credit to distribution partners. (*Source: Ken Report*) Accordingly, the growth prospects of the Indian confectionery market support the need for incremental working capital to sustain and scale our business operations.

For risks in relation to use of the Net Proceeds for funding incremental working capital gap of our Company, see "*Risk Factors – Other Risks relating to our Financial Position - Our business requires significant amount of working capital. We may not be able to obtain future financing on favourable terms or at all. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations*" on page 41.

3. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such amount not exceeding 15% of the Gross Proceeds or ₹1,000.00 lakhs whichever is lower, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include acquisition of fixed assets, funding of growth opportunities, funding 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, as may be applicable. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our management, in accordance with applicable laws, shall have the flexibility in utilizing surplus amounts, if any. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

Our Company will not utilize the amount earmarked for general corporate purposes towards any of the Objects.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and other applicable laws. 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.

Issue Related Expenses

All the expenses relating to the Issue shall be paid by our Company in the first instance and upon commencement of listing and trading of the Equity Shares on the Stock Exchange pursuant to the Issue. Further, our Company will be liable for the

Issue related expenses to the extent due and accrued, irrespective of whether the Issue is unsuccessful or abandoned or withdrawn or not completed for any other reason whatsoever.

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

As on [●], we have already deployed ₹ [●] Lakhs through internal accruals towards Issue Expenses, as certified by our Statutory Auditors vide certificate dated [●].

The estimated Issue expenses are as follows:

Activity	**Estimated expenses (₹ in Lakhs) ***	**As a % of total estimated Issue related expenses**	**As a % of Issue Size**
Book Running Lead Manager fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others, if any (market making, depositories, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

**The Issue expenses will be incorporated in the Prospectus on finalization of the Issue Price.*

Structure for commission and brokerage payment to the SCSBs, Syndicate Members, Sub-syndicate members, Registered Brokers, RTAs and CDPs:

(1) Selling commission payable to the SCSBs on the portion for IBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for IBs**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE. No additional processing fees shall be payable to the SCSBs on the Bids directly procured by them.

(2) Selling commission payable to the Syndicate Members, Sub-syndicate members, Registered brokers, RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) on the portion for IBs and Non-Institutional Bidders which are directly procured by them, would be as follows:

*Portion for IBs**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Issue 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.

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

(3) Processing / uploading fees payable to the SCSBs on the portion for IBs and Non-Institutional Bidders which are procured by the members of the Syndicate, Sub-Syndicate, Registered Brokers, RTAs and CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for IBs**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

(4) Uploading Charges

Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

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

(5) The processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in 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 SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Bridge Financing

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

Monitoring of Utilization of Funds

As this is an Issue for less than ₹5,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations. However, pursuant to Regulation 262 (5) of the SEBI ICDR Regulations, we shall submit a certificate of the statutory auditor for utilization of issue proceeds to BSE SME while filing the quarterly or half yearly financial results, till the issue proceeds are fully utilized. Further, pursuant to Regulation 262 (6) of the SEBI ICDR Regulations, since funding the incremental working capital requirements is the Objects of the Issue and the amount raised for the said object exceeds ₹500.00 lakhs, we shall submit a certificate of the statutory auditor to BSE SME while filing the quarterly or half yearly financial results, for use of funds as working capital in the same format as disclosed in the Offer Document, till the proceeds raised for the said object are fully utilized.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors, the uses and Bids of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Interim Use of Funds

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchange by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and applicable rules, and Regulation 281A of the SEBI ICDR Regulations read with Schedule XX of the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of proving of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

Other Confirmations

No part of the Net Proceeds of the Issue will be paid by our company to our Promoters, members of our Promoter Group, our Directors, Key Managerial Personnel or Senior Management Personnel.

Our Company has not entered into and is not planning to enter into any arrangement / agreements with any of our Directors, Key Managerial Personnel or Senior Management Personnel in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Issue except as set out above.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to "Our Business", "Risk Factors", "Restated Consolidated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Other Financial Information" on pages 182, 26, 240, 245 and 242, respectively, to get a more informed view before making an investment decision.

Qualitative Factors

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

- Ability to develop differentiated products across formats and price points;
- Our presence at mass-market price-points supported by a diversified product portfolio;
- Super stockist-led distribution model enabling scalable market reach;
- Integrated in-house manufacturing capabilities with focus on scalability and process control;
- In-house product development capabilities supported by technical expertise; and
- Experienced Promoters and Management Team.

For further details, see "*Our Business – Our Strengths*" on page 187.

Quantitative Factors

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings Per Share ("EPS")

As derived from the Restated Financial Information:

Fiscal Year / period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weights
March 31, 2025	9.59	9.59	3
March 31, 2024	6.09	6.09	2
March 31, 2023	3.70	3.70	1
Weighted Average	**7.44**	**7.44**	
Period ended September 30, 2025*	7.12	7.12	

**Not annualised.*

Notes:

(1) Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit/(loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.

(2) Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit/(loss) for the year attributable to equity shareholders 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 year, if any.

(3) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 notified under the Companies (Accounting Standards) Rules, 2021 (as amended). The face value of each Equity Share is ₹10/-.

(4) 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.

(5) Basic and diluted earnings per equity share for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 presented above have been calculated after considering the bonus issue subsequent to March 31, 2025.

2. Price to Earnings ("P / E") ratio in relation to the Issue Price of ₹ [●] per Equity Share

Particulars	P / E (number of times) *
Based on the Basic EPS, as restated for Fiscal 2025	[●]
Based on the Diluted EPS, as restated for Fiscal 2025	[●]

**To be updated in the Prospectus prior to filing with RoC.*

3. Industry Peer Group P / E ratio

We operate exclusively in the packaged confectionery segment. There are no listed companies with a comparable business model focused solely on packaged confectionery manufacturing. Most listed food and FMCG companies operate across diversified categories such as bakery, snacks, dairy, and processed foods. Therefore, our company does not have any listed

peer group operating in the same line of business with a complete focus on confectionery segment. However, we have compared our Company with the closest comparable company, Annapurna Swadisht Limited.

4. Return on Net worth ("RoNW")

As derived from the Restated Financial Information:

Fiscal Year / period ended	RoNW (%)	Weights
March 31, 2025	20.46%	3
March 31, 2024	19.47%	2
March 31, 2023	14.69%	1
Weighted Average	**19.17%**	
Period ended September 30, 2025*	11.95%	

**Not annualised.*
Notes:
1. Return on net worth is calculated as restated profit/(loss) for the year divided by net worth.
2. For the purposes of the above, "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 each as applicable for the Company on restated basis.

5. Net Asset Value per Equity Share ("NAV")

As derived from the Restated Financial Information:

As at	NAV per Equity Share (₹)
March 31, 2025	46.87
Period ended September 30, 2025*	59.62
After the completion of the Issue:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Issue Price [(1)]	[●]

Notes: Net asset value per equity share means total equity divided by weighted average number of equity shares.
(1) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

6. Comparison of accounting ratios with listed industry peers

We operate exclusively in the packaged confectionery segment. There are no listed companies with a comparable business model focused solely on packaged confectionery manufacturing. Most listed food and FMCG companies operate across diversified categories such as bakery, snacks, dairy, and processed foods. Therefore, our company does not have any listed peer group operating in the same line of business with a complete focus on confectionery segment. However, we have compared our Company with the closest comparable company, Annapurna Swadisht Limited.

Name of Company	CMP (₹)	Face Value (₹)	Basic EPS (₹)	P / E Ratio (times)	RoNW (%)	NAV (₹)
Shellz India Limited	[●]	10.00	9.59	[●]	20.46%	46.87
Peer Group						
Annapurna Swadisht Limited	172.40	10.00	9.46	18.22	6.29%	136.68

Source: www.nseindia.com
Notes:
(1) The figures for the listed industry peers are based on the Audited Standalone Financial Statements filed for the financial year ended March 31, 2025.
(2) P / E Ratio has been computed based on their respective closing market price on March 27, 2026, as divided by the Basic EPS as on March 31, 2025.
(3) CMP is the closing prices or the last traded price of respective scripts as on March 27, 2026.

7. Key Performance Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Investors can refer to the below-mentioned key financial and operational indicators, being a combination of financial and operational key financial and operational indicators, to make an assessment of our Company's performance in various business verticals and make an informed decision.

The following table sets forth certain key financial and operational indicators for our Company as at/for the periods indicated:

Based on the Restated Financial Information:

a) Key financial indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations (₹ in Lakhs) [(1)]	9,186.57	18,697.32	16,241.26	15,852.18
EBITDA (₹ in Lakhs) [(2)]	1,366.84	2,278.70	1,893.66	1,531.40
EBITDA Margin (%) [(3)]	14.88%	12.19%	11.66%	9.66%
PAT (₹ in Lakhs) [(4)]	618.55	830.20	525.45	319.30
PAT Margin (%) [(5)]	6.73%	4.44%	3.24%	2.01%
Annualized Return on equity (%) [(6)]	26.79%	24.57%	21.56%	15.78%
Annualized Return on capital employed (%) [(7)]	18.23%	17.50%	15.89%	13.11%
Debt-Equity Ratio (times) [(8)]	1.76	1.93	2.63	3.06
Inventory (Days) [(9)]	187*	149	126	113
Trade Receivables (days) [(10)]	76*	89	122	115
Trade Payables (days) [(11)]	91*	90	98	94
Working Capital Cycle (days) [(12)]	172*	148	150	134

Notes:

(1) Revenue from operations is calculated as revenue from sale of manufactured products and services.

(2) EBITDA is calculated as restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation and amortisation expense minus other income.

(3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations.

(4) PAT represents total profit after tax for the year/period.

(5) PAT margin is calculated as a percentage of PAT divided by revenue from operations.

(6) Return on Equity (ROE%) is calculated as a percentage of PAT divided by average total equity at the end of the year /period, whereas total equity is calculated as average of opening equity share capital and reserves and surplus and closing of equity share capital and reserves and surplus.

(7) Return on Capital Employed (ROCE%) is calculated as a percentage of EBIT divided by average capital employed at the end of the year /period, whereas average capital employed is calculated as average of opening capital employed and closing capital employed. EBIT is calculated as restated profit before tax plus finance costs minus other income. capital employed is calculated as total equity minus DTA plus DTL, long term borrowings and short-term borrowings.

(8) Debt to Equity ratio is calculated as total borrowings divided by total equity.

(9) Inventory cycle (days) is calculated as average Inventory divided by cost of material consumed plus changes in inventories of finished goods and work in progress multiplied by 365. Average Investment is calculated as average of opening Inventory and closing Inventory.

(10) Trade Receivables (days) is calculated as average trade receivables divided by revenue from operations multiplied by 365. Average trade receivables are calculated as average of opening trade receivables and closing trade receivables.

(11) Trade Payables (days) is calculated as average trade payables divided by cost of material consumed plus changes in inventories of finished goods and work in progress. Average trade payables is calculated as average of opening trade payables and closing trade payables.

(12) Working capital cycle (days) is calculated trade receivables days plus inventory cycle days minus trade payables days.

**Inventory, Trade Receivable and Trade Payable days have been calculated using 183 days for September 30, 2025.*

b) Key operational indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
No. of SKUs [(1)]	**345**	**356**	**361**	**326**
-Baked Treats	109	92	123	103
-Choco Delights	144	130	101	68
-Jellies	58	44	42	37
-Panned and Sugar candies	12	23	37	47
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	22	67	58	71
No. of Products [(2)]	**111**	**107**	**108**	**94**
-Baked Treats	22	30	30	29
-Choco Delights	42	37	33	19
-Jellies	30	18	15	19
-Panned and Sugar candies	8	12	19	17
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	9	10	11	10
No. of Super Stockist [(3)]	**246**	**364**	**370**	**455**
-North India	124	187	172	195
-East India	37	27	32	38
-South India	50	87	85	101
-West India	32	79	89	137
-Export	3	8	6	12
No. of Fulfilled Orders [(4)]	**2,664**	**5,268**	**4,682**	**5,104**

Notes:

(1) SKUs refers to Stock Keeping Units and represents the total number of distinct product variants offered by the Company across its product categories. Each SKU corresponds to a unique product configuration based on factors such as flavour, packaging type, pack size or formulation within a particular product category.

(2) Products refers to the number of product types offered by the Company across its various categories. Unlike SKUs, this metric represents the base product offerings without distinguishing between variations in pack size, flavour or packaging format.

(3) Super Stockists refers to the number of Super Stockist who procure products in bulk from the Company and supply them to distributors, Wholesalers, Intermediaries and Kirana Stores within designated regions.

(4) Fulfilled Order refers to the number of orders processed and dispatched by the Company during the relevant period through its distribution and supply chain network. This metric includes orders received from both new and existing customers and may include multiple or repeat orders placed by the same customer during the relevant period.

The KPIs, as disclosed in this section, are the only relevant and material key financial and operational metrics pertaining to our Company which may have a bearing on the Issue Price. The KPIs set forth above, have been approved by the Audit Committee pursuant to its resolution dated March 25, 2026 and has been certified by (i) our Managing Director pursuant to the certificate dated March 25, 2026; and (ii) our Statutory and Peer Reviewed Auditors by their certificate dated March 25, 2025. These certificates have been disclosed as part of the "*Material Contracts and Documents for Inspection*" on page 395. Further, the Audit Committee has on March 25, 2026 confirmed that other than the KPIs set out above, the Company has not disclosed any other KPIs during the three years preceding this Draft Red Herring Prospectus with its investors.

All the KPIs have been defined, consistently and precisely in "*Definitions and Abbreviations – Business, Technical and Industry - Related Terms*" on page 14. For details of our other operating indicators, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 182 and 245, respectively.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, certified by our Independent Chartered Accountant, at least once in a year (or for any lesser period as determined by the Board), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Issue Proceeds, whichever is later, on the Stock Exchange pursuant to the Issue, or for such other period as may be required under the SEBI ICDR Regulations. In case of any change in these KPIs, during the aforementioned period, our Company shall provide an explanation for the same.

c) Explanations for key financial and operational indicators

Indicators	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations encompasses income generated through various business segments – Baked treats, Choco delights, Jellies, Panned and Sugar Candies and Food and Bakery Ingredients. It excludes non-operating income such as interest, dividends, or income from investments, and focuses solely on revenue earned. Tracking revenue from operations over time helps assess the company's market traction, client base expansion, project pipeline strength, product mix optimization, and overall business growth. Fluctuations in this metric may result from seasonal campaign cycles, changes in client budgets, onboarding of new clients, execution of large integrated mandates, or expansion into new markets and service lines
EBITDA (₹ in Lakhs)	EBITDA is calculated by starting with the company's net profit and then adding back interest expense, taxes, depreciation, and amortization. These items are added back because they relate to financing decisions, tax policies, or accounting charges rather than the core business operations. In simple terms, EBITDA shows the profit generated from the company's main operations before considering financing costs, taxes, and non-cash expenses. EBITDA helps us identify underlying trends in our business and facilitates evaluation of year-on-year operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance and allowing comparison of our recurring core business operating results over multiple periods.
EBITDA Margin (%)	EBITDA Margin assists in tracking the margin profile of our business and in understanding areas of our business operations which have scope for improvement
PAT (₹ in Lakhs)	Profit after tax helps us in identifying information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business
Return on Equity (%)	Return on equity provides how efficiently our Company generates returns from equity financing
Return on Capital Employed (%)	Return on capital employed provides how efficiently our Company generates operating returns from total capital employed in the business
Inventory (days)	Inventory days indicate the average number of days our Company takes to sell and replace its inventory during a given period
Trade Receivables (days)	Trade Receivables days is the average time it takes for our company to collect payment from our customers for outstanding invoices
Trade Payables (days)	Trade Payables days indicates how long it takes our company to pay our suppliers and vendors after receiving an invoice. It reflects how efficiently the company manages its

Indicators	Explanations
	payment obligations and working capital and indicates how well we manage payments dues to third-party vendors
Working Capital cycle (days)	Working Capital Cycle Days measures the time taken to convert our company's net current assets (working capital) into cash. It reflects the efficiency of our company's operations and cash flow management by tracking the time required to manage the entire cash-to-cash conversion cycle
Number of SKUs	Stock Keeping Units and represents the total number of distinct product variants offered by the Company across its product categories. Each SKU corresponds to a unique product configuration based on factors such as flavour, packaging type, pack size or formulation within a particular product category
Number of products	Products refers to the number of product types offered by the Company across its various categories. Unlike SKUs, this metric represents the base product offerings without distinguishing between variations in pack size, flavour or packaging format
Number of super stockist	Super Stockists refers to the number of Super Stockist who procure products in bulk from the Company and supply them to distributors, Wholesalers, Intermediaries and Kirana Stores within designated regions
Number of fulfilled orders	Fulfilled Orders refers to the number of orders processed and dispatched by the Company during the relevant period through its distribution and supply chain network. This metric includes orders received from both new and existing customers, and may include multiple or repeat orders placed by the same customer during the relevant period

d) Comparison of financial KPIs of our company and our listed peers

We operate exclusively in the confectionery segment. There are no listed companies with a comparable business model focused solely on confectionery manufacturing. Most listed food and FMCG companies operate across diversified categories such as bakery, snacks, dairy, and processed foods. Therefore, our company does not have any listed peer group operating in the same line of business with a complete focus on confectionery segment. However, we have compared our Company with the closest comparable company, Annapurna Swadisht Limited.

As on September 30, 2025:

(₹ in Lakhs, otherwise mentioned)

Indicators	Shellz India Limited	Annapurna Swadisht Limited
Revenue from Operations (₹ in Lakhs) [(1)]	9,186.57	21,023.78
EBITDA (₹ in Lakhs) [(2)]	1,366.84	2,681.17
EBITDA Margin (%) [(3)]	14.88%	12.75%
PAT (₹ in Lakhs) [(4)]	618.55	1,301.83
PAT Margin (%) [(5)]	6.73%	6.19%
Annualized Return on equity (%) [(6)]	26.79%	8.54%
Annualized Return on capital employed (%) [(7)]	18.23%	11.15%
Debt-Equity Ratio (times) [(8)]	1.76	0.33
Inventory days (days) [(9)]	187*	67*
Trade Receivables (days) [(10)]	76*	67*
Trade Payables (days) [(11)]	91*	24*
Working Capital Cycle (days) [(12)]	172*	109*

Source: All the information for listed industry peers mentioned above is on a standalone basis and is extracted and derived from their un-audited financial statements as available on the website of NSE. The figures for the listed industry peers are based on the Standalone Un-Audited Financial Results filed for the period ended September 30, 2025. The above data are not annualized.

As on March 31, 2025:

(₹ in Lakhs, otherwise mentioned)

Indicators	Shellz India Limited	Annapurna Swadisht Limited
Revenue from Operations (₹ in Lakhs) [(1)]	18,697.32	37,409.98
EBITDA (₹ in Lakhs) [(2)]	2,278.70	4,355.39
EBITDA Margin (%) [(3)]	12.19%	11.64%
PAT (₹ in Lakhs) [(4)]	830.20	659.9
PAT Margin (%) [(5)]	4.44%	1.76%
Return on equity (%) [(6)]	24.57%	3.18%
Return on capital employed (%) [(7)]	17.50%	12.49%
Debt-Equity Ratio (times) [(8)]	1.93	0.31

Indicators	Shellz India Limited	Annapurna Swadisht Limited
Inventory days (days) [9]	149	93
Trade Receivables (days) [10]	89	41
Trade Payables (days) [11]	90	45
Working Capital cycle (days) [12]	148	89

The figures for the listed industry peers are based on the Standalone Financial Statements filed for the financial year ended March 31, 2025.

As on March 31, 2024:

(₹ in Lakhs, otherwise mentioned)

Indicators	Shellz India Limited	Annapurna Swadisht Limited
Revenue from Operations (₹ in Lakhs) [1]	16,241.26	26,497.28
EBITDA (₹ in Lakhs) [2]	1,893.66	2,780.36
EBITDA Margin (%) [3]	11.66%	10.49%
PAT (₹ in Lakhs) [4]	525.45	479.40
PAT Margin (%) [5]	3.24%	1.81%
Return on equity (%) [6]	21.56%	5.45%
Return on capital employed (%) [7]	15.89%	18.83%
Debt-Equity Ratio (times) [8]	2.63	0.49
Inventory days (days) [9]	126	94
Trade Receivables (days) [10]	122	34
Trade Payables (days) [11]	98	64
Inventory days (days) [12]	150	64

The figures for the listed industry peers are based on the Standalone Financial Statements filed for the financial year ended March 31, 2024.

As on March 31, 2023:

(₹ in Lakhs, otherwise mentioned)

Indicators	Shellz India Limited	Annapurna Swadisht Limited
Revenue from Operations (₹ in Lakhs) [1]	15,852.18	16,017.49
EBITDA (₹ in Lakhs) [2]	1,531.40	1,307.97
EBITDA Margin (%) [3]	9.66%	8.17%
PAT (₹ in Lakhs) [4]	319.30	283.71
PAT Margin (%) [5]	2.01%	1.77%
Return on equity (%) [6]	15.78%	8.32%
Return on capital employed (%) [7]	13.11%	23.01%
Debt-Equity Ratio (times) [8]	3.06	0.37
Inventory days (days) [9]	113	63
Trade Receivables (days) [10]	115	30
Trade Payables (days) [11]	94	43
Working Capital Cycle (days) [12]	134	50

The figures for the listed industry peers are based on the Standalone Financial Statements filed for the financial year ended March 31, 2023.

Notes:

(1) Revenue from operations is calculated as revenue from sale of manufactured products and services.

(2) EBITDA is calculated as restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation and amortisation expense minus other income.

(3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations.

(4) PAT represents total profit after tax for the year/period.

(5) PAT margin is calculated as a percentage of PAT divided by revenue from operations.

(6) Return on Equity (ROE%) is calculated as a percentage of PAT divided by average total equity at the end of the year /period, whereas total equity is calculated as average of opening equity share capital and reserves and surplus and closing of equity share capital and reserves and surplus.

(7) Return on Capital Employed (ROCE%) is calculated as a percentage of EBIT divided by average capital employed at the end of the year /period, whereas average capital employed is calculated as average of opening capital employed and closing capital employed. EBIT is calculated as restated profit before tax plus finance costs minus other income. capital employed is calculated as total equity minus DTA plus DTL, long term borrowings and short-term borrowings.

(8) Debt to Equity ratio is calculated as total borrowings divided by total equity.

(9) Inventory cycle (days) is calculated as average Inventory divided by cost of material consumed plus changes in inventories of finished goods and work in progress multiplied by 365. Average Investment is calculated as average of opening Inventory and closing Inventory.

(10) Trade Receivables (days) is calculated as average trade receivables divided by revenue from operations multiplied by 365. Average trade receivables are calculated as average of opening trade receivables and closing trade receivables.

(11) Trade Payables (days) is calculated as average trade payables divided by cost of material consumed plus changes in inventories of finished goods and work in progress. Average trade payables is calculated as average of opening trade payables and closing trade payables.

(12) Working capital cycle (days) is calculated trade receivables days plus inventory cycle days minus trade payables days.

**Inventory, Trade Receivable and Trade Payable days have been calculated using 183 days for September 30, 2025.*

e) Comparison of operational KPIs of our company and our listed peers

Details of operational KPIs of our listed peers are not available and hence comparison of operational KPIs of our company with our listed peers is not disclosed in the Draft Red Herring Prospectus.

8. Justification for Basis for Issue price

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

There has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and 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 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 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

Except as mentioned below, there have been no secondary sale / acquisitions of Equity Shares, where the promoter, members of the promoter group, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue 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	Name of Transferee	Name of Transferor	No. of Equity Shares (adjusted for bonus)	Face Value (₹)	Transaction Price (adjusted for bonus) (₹)	Nature of Consideration	Total Consideration (₹ in lakhs)
March 28, 2025	Shalini Garg	Shellz Overseas Private Limited	14,40,000	10/-	34.92/-	Cash	502.80
Weighted average cost of acquisition (WACA) Secondary transactions (in ₹ per Equity Share)*							**34.92/-**

**As certified by M/s. RSAV & Company., Chartered Accountants, by way of their certificate dated March 25, 2026.*

c) Since there is eligible transaction of our Company reported in (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations therefore, the price per Equity Share of our Company based on the last five primary and secondary transactions in equity Shares (secondary transactions where the promoter, promoter group, selling shareholder 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, has not been computed.

d) Weighted average cost of acquisition, Issue Price

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Issue Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary issuances	NA	NA	NA
Weighted average cost of acquisition for secondary transactions	34.92/-	[●] times	[●] times

**To be updated in the Prospectus prior to filing with RoC.*

e) Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the period ended September 30, 2025, and for the Fiscals 2025, 2024 and 2023

[●]*

**To be included on finalisation of Price band.*

f) Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price of Equity Shares (set out in 8 (d) above) in view of the external factors which may have influenced the pricing of the Issue

[●]*
**To be included on finalisation of Price band.*

The Issue Price of ₹ [●] has been determined by our company in consultation with the Book Running Lead Manager and justified by our company in consultation with the Book Running Lead Manager on the basis of the above information. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Restated Financial Information*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Other Financial Information*" on pages 182, 26, 240, 245 and 242, respectively, to get a more informed view before making an investment decision. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investment.

The remainder of this page has been intentionally left blank

STATEMENT OF SPECIAL TAX BENEFITS

To,
THE BOARD OF DIRECTORS
Shellz India Limited
39/35 West Punjabi Bagh,
Near Shivaji Park Metro Station,
Delhi- 110026 (INDIA)

Dear Sir/Madam,

Sub: Statement of Special Tax Benefits available to Shellz India Limited and its shareholders under the Indian tax laws prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018

1. We hereby confirm that the annexures enclosed as Annexure 1 and 2, prepared by **Shellz India Limited** (the "Company"), provides the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act, 2024, i.e. applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27 and the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), presently in force in India (together, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) 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 and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. **Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.**

3. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated in the annexures is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offer of equity shares of the Company ("Issue").

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

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

iii) the revenue authorities/courts will concur with the views expressed herein.

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

6. This certificate is issued on specific request by management of Yaap Digital Limited for the purpose of Initial Public Offer of equity shares of face value Rs.10.00 each on SME Platform of NSE. This certificate is not intended for general circulation or publication and is not to be reproduced or used for any other purpose without the prior written consent, other than for the purpose stated above. Accordingly save as mentioned above, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by the prior consent in writing from us.

FOR RSAV & COMPANY
CHARTERED ACCOUNTANTS
F.R.N.: 022058N

Sd/-
ABHINAYA VERMA
(Partner)
Membership No: 511290
Place: Delhi
Dated: 25th March, 2026
UDIN: 26511290AMCJYV4460

ANNEXURE 1

THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information provided below sets out the possible tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 (the "Act") as amended by Finance Act, 2024 i.e. applicable for the Financial Year 2025-26 relevant to Assessment Year 2026-27.

1. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

The following benefits are available to the Company while computing its total taxable income, after fulfilling conditions, as per the applicable provisions of the Act:

1.1. Lower Corporate tax rate under Section 115BAA of the Act

Section 115BAA was inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') w.e.f. April 1, 2020 (Assessment Year 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess).

Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax ('MAT') on their 'book profit' under section 115JB of the Act. However, such a company will no longer be eligible to avail certain specified exemptions / incentives under the Act and will also need to comply with certain other conditions specified in section 115BAA of the Act.

If a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it was entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

2. DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws expect in relation with Double Taxation Avoidance Agreement benefit.

In respect of income received from foreign sources by the Company, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country from which the source of income arises and on fulfilment of other conditions to avail the treaty benefit.

Notes:

1. The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.

2. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

5. The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law. The views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

6. The views are based on the existing provisions of law 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.

ANNEXURE 2

THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the GST Laws.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Notes:

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant Indirect Tax Law benefits and does not cover any Direct Tax Law benefits or benefit under any other law.

3. The views are based on the existing provisions of law 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.

FOR RSAV & COMPANY
CHARTERED ACCOUNTANTS
F.R.N.: 022058N

Sd/-
ABHINAYA VERMA
(Partner)
Membership No: 511290
Place: Delhi
Dated: 25th March, 2026
UDIN: 26511290AMCJYV4460

The remainder of this page has been intentionally left blank

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

*The information contained in this section is derived from a report titled "India's Confectionery Market" published on March 25, 2026 which is exclusively prepared for the purposes of the Issue and issued by Ken Research and is commissioned and paid for by our Company ("**Ken Report**"). Ken Research Private Limited was appointed on October 06, 2025. We commissioned and paid for the Ken Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Issue, as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Ken Report. The Ken Report is available on the website of our Company https://www.shellz.in/investor-relations/. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Forecasts, estimates, predictions, and other forward-looking statements contained in the Ken Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in this Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. See "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page 21. In this section, please note that numbers or multiples denoting (a) a 'lakh' is equal to 1,00,000 and 10 lakhs is equal to 1 million or one million; and (b) a 'crore' is equal to 1,00,00,000 and 100 lakhs or one crore is equal to 10 million.*

Global Economic Landscape

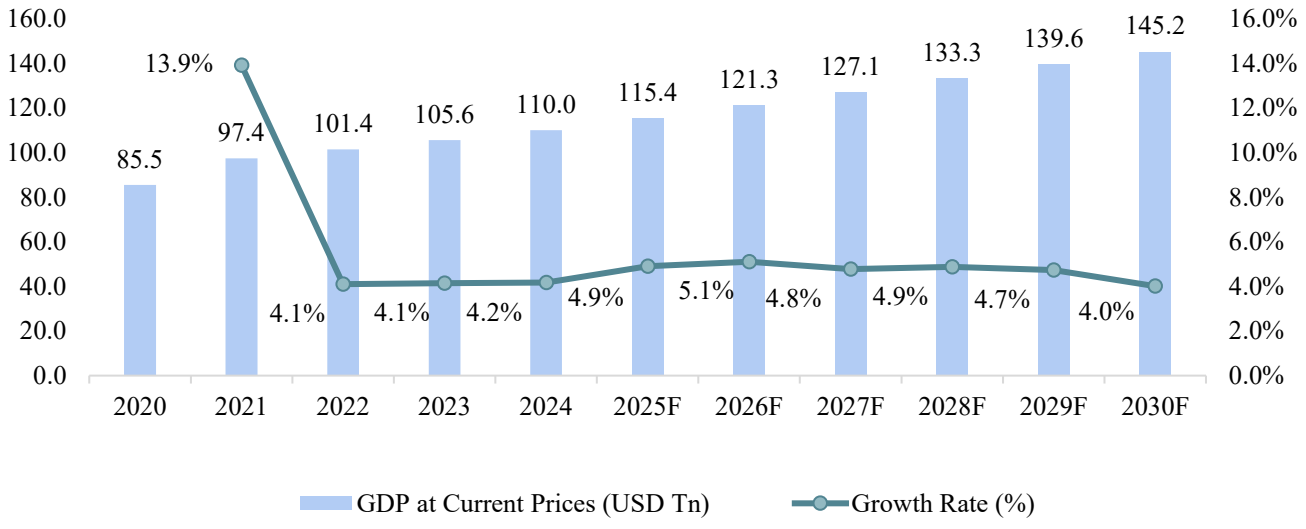
The nominal global GDP growth rate was 4.9% in CY25; expected to sustain growth at a CAGR of 4.7% from CY25 to CY30.

The global economy continues to demonstrate resilience amid a complex environment of moderating inflation, tight monetary policies, and evolving geopolitical dynamics. Between CY20 and CY25, the global economy registered a CAGR of **6.2%**, stabilizing after a period of heightened volatility driven by post-pandemic recovery efforts, supply chain realignments, and policy tightening cycles.

Higher interest rates, tighter financial conditions and geopolitical conflicts, including Russia's war in Ukraine, evolving conflict in the Middle East and turbulent US tariff policy have introduced uncertainties for short period of time, however long-term growth stays intact.

Global GDP is expected to grow at a stabilized rate of **4.7%** from CY25 to CY30, driven by **technological advancements**, **digital transformation**, and **infrastructure investments**. The rise of **green technologies** and the shift toward **sustainability** will further support growth, alongside **rising consumer demand** in emerging markets and a growing **youthful labor force**.

Figure 0-1 : Global GDP in USD Trillion (at current prices) and Growth Rate in (%) Outlook, CY20- CY30F



Source: Word Economic Outlook, 2024 (IMF)
Note: F represents Forecasted figures

Between CY23 and CY25, global GDP trends varied significantly across major economies due to a mix of domestic challenges and international factors.

- US and China remain the largest economies, with GDPs expected to reach **USD 35.9 Tn and USD 26.2 Tn**, respectively, by 2030F.

- India's economy is expected to experience one of the fastest growth trajectories globally, with its GDP set to grow from USD 3.9 Tn in 2024 to USD 6.8 Tn by 2030F, fueled by an expanding labor force and increased domestic consumption.

- In Europe, recovery is projected to continue into 2025, supported by stronger household consumption, as energy price pressures ease & inflation decreases, resulting in real income growth. Germany & UK are the top 2 nations, with GDPs expected to reach USD 5.5 Tn and USD 4.8 Tn, respectively, by 2030F.

Table 0-1: GDP at Current Prices of Major Economies (USD Tn) CY20-CY30F

Countries	CY20	CY21	CY22	CY23	CY24	CY25	CY28F	CY30F	CAGR (CY20-25)	CAGR (CY25-30)
USA	21.3	23.6	25.7	27.4	29.2	29.8	33.6	35.9	6.9%	3.8%
China	14.8	17.8	17.9	17.7	18.3	19.8	23.6	26.2	6.0%	5.8%
Germany	3.8	4.3	4.1	4.5	4.6	4.8	5.2	5.5	4.8%	2.8%
Japan	5.1	5.1	4.3	4.2	4.1	4.3	4.8	5.1	(3.4%)	3.5%
India	2.4	2.8	3.2	3.5	3.9	4.3	5.8	6.8	12.4%	9.6%
UK	2.7	3.1	3.1	3.3	3.6	3.7	4.4	4.8	6.5%	5.3%
France	2.6	2.9	2.8	3.0	3.2	3.2	3.5	3.7	4.2%	2.9%
Brazil	1.5	1.7	1.9	2.2	2.2	2.4	2.9	3.2	9.9%	5.9%
Canada	1.7	2.0	2.7	2.1	2.2	2.4	2.7	2.9	7.1%	3.9%
Italy	1.9	2.2	2.1	2.3	2.4	2.4	2.6	2.7	4.8%	2.4%
Australia	1.4	1.7	1.7	1.7	1.8	1.9	2.1	2.3	6.3%	3.9%

Source: World Economic Outlook, 2024, IMF, Ken Research Analysis
Note: F represents Forecasted figures, all figures are reported for the calendar year, starting from January 1st to December 31st.

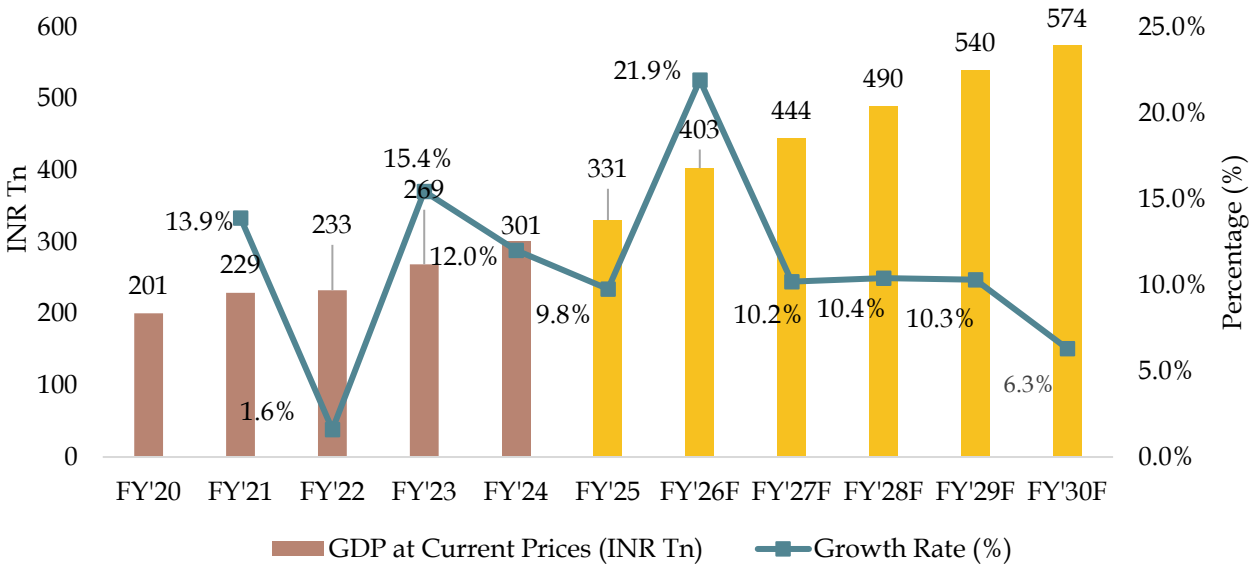
Indian Economic Outlook Landscape

Overview of Indian Economic Environment

"India has emerged as the fastest-growing major economy in the world with nominal GDP growth rate of 9.8% y-o-y for FY'25, backed by its robust democracy and strong partnerships."

Following its post-pandemic recovery and ascent to the position of the fourth-largest global economy, India has sustained momentum through FY25. The surge in capital inflows, coupled with a favorable demographic dividend and policy-led reforms, has enhanced India's investment attractiveness. The global macroeconomic volatility has only reinforced investor confidence in the 'Invest in India' story, evidenced by the record-breaking funds raised by India-focused investment vehicles in recent years.

Figure 0-: India's GDP (at current prices) Outlook, in INR Tn FY20-FY30F



Source: Ministry of Statistics and Programme Implementation (MoSPI), Word Economic Outlook, 2024 (IMF), Ken Research Analysis
Note: F represents Forecasted figures, FY represents the Financial Year ending on March 31

In FY'21, the economy rebounded sharply from the pandemic-induced contraction as mobility restrictions eased and economic activity normalized, leading to a nominal GDP growth of **13.9%**. In FY'23, GDP expanded by **15.4%**, supported by sustained investment momentum and a revival in private consumption.

In FY'24, nominal GDP grew at 12.0% and was estimated at INR 301 Tn - driven by continued strong investment and subdued private consumption growth. Additionally, India is expected to grow faster than China as well as the global average in FY'24. **In FY'25, India's GDP at current prices reached INR 331 Tn.** This reflects steady momentum backed by healthy capital inflows and policy support.

Growth Trend in Investment

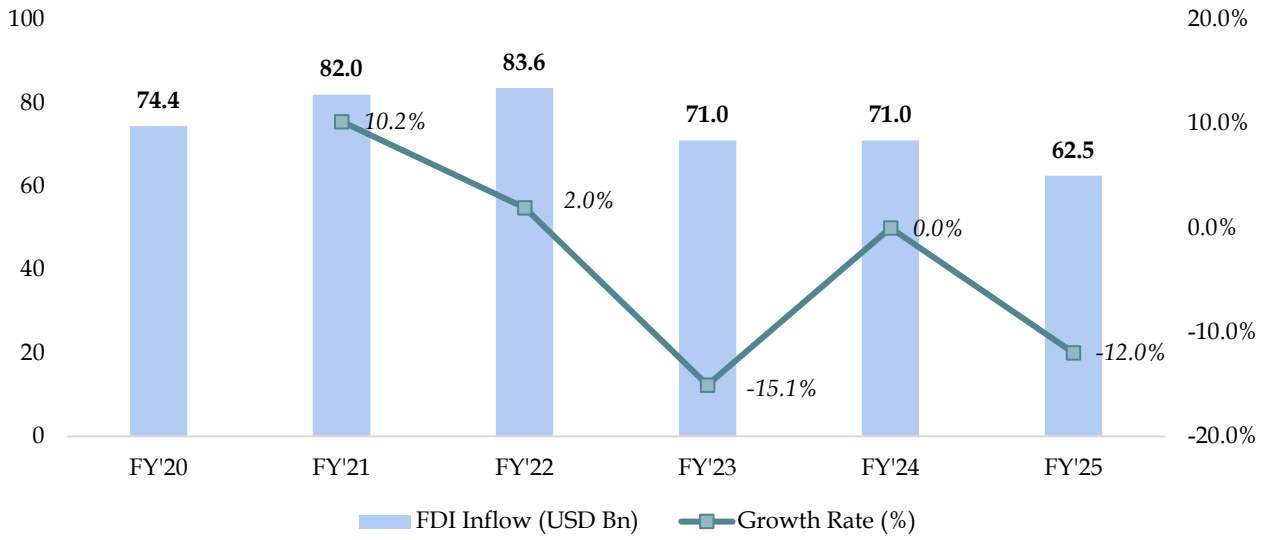
India is one of the most attractive FDI destinations in the world today with a total FDI inflow of USD 62.5 Bn in FY'25.

Despite an 12.0% decline over the FY'24, India continues to witness sustained investor interest, driven by country's macroeconomic resilience and ongoing reforms. The Government has put in place an investor friendly Foreign Direct Investment (FDI) policy under which most sectors except certain strategically important sectors are open for 100% FDI under the automatic route.

Measures taken by the Government on FDI Policy reforms have resulted in increased FDI inflow in the country over the years. FDI inflow in India registered its highest ever annual FDI inflow of USD 83.6 billion in FY'22.

In FY'24, total FDI inflows stood at USD 71.0 billion, and FDI equity inflows amounted to USD 44.4 billion, before moderating to USD 62.5 billion in FY'25 amid global capital market uncertainties. Top 5 States receiving highest FDI Equity Inflow during FY 2023-24 are Maharashtra (30%), Karnataka (22%), Gujarat (17%), Delhi (13%), and Tamil Nadu (5%). (Source: Press Information Bureau)

Figure 0-2: Foreign Direct Investment (in USD Billion) and Y-o-Y Growth Rates (in %), FY'20-FY'25



Source: Invest India, Make in India, Press Information Bureau & Ken Research Analysis
Note: FY represents the Financial Year ending on March 31

Monthly Per Capita Consumption Expenditure (MPCE) implies summary of level of household consumption expenditure. Average estimated MPCE in FY'24 has been INR 4,122 in rural India and INR 6,996 in urban India. In rural India, food items account for 46% of the total MPCE, while in urban India, this share is 39%. The bottom 5% of India's rural population, ranked by MPCE, has an average MPCE of INR 1,373 while it is INR 2,001 for the same category of population in the urban areas. In FY'25, despite the continued rise in absolute consumption, the urban–rural gap narrowed slightly to 70.1%, indicating marginal improvement in rural consumption capacity.

Consumer Demographics

The Consumer behavior analysis was conducted with 500 respondents (N=500). The survey exhibits a segmented consumer demographic profile, where preferences are distinctly shaped by age-specific consumption patterns, functional preferences, and key drivers.

- **Children (5–12 years)** predominantly consume sugar confectionery such as candies, lollipops, and gummies, chocolates with purchase decisions often facilitated by parents. This segment is driven by visual appeal, colors, shapes, flavors, and cartoon branding **with children expressing a preference for candies featuring collectible wrappers**, indicating strong influence of packaging as a trigger for demand. Further cocoa-based mini-chocolate packs are largely preferred.

- **Teens (13–19 years)** prefer wafer-based, chocolate, and milky confections, influenced by peer trends and taste. Price remains critical, **with 68% opting for layered or filled chocolate products under INR 10**.

- **Young Adults (20–35 years)** show a propensity for chocolate and baked formats, with impulse buying and on-the-go consumption dominating behavior - 52% consume economy chocolates during commutes or work breaks.

- **Adults (35+ years)** demonstrate a shift toward mints, lozenges, and healthier alternatives, primarily for refreshment and health benefits, with 40% preferring economy mints or lozenges for freshness or throat relief, signaling increased health-consciousness in this cohort.

Table 0-2: Consumer Demographics in the India's Confectionery Market on the parameters of Age Group, Primary Confectionery Preference, & Key Drivers

Age Group	Primary Confectionery Preference	Key Drivers
Children (5-12)	Chocolate and Sugar Confectionery (Candies, Lollipops, Gummies)	Attractive colors, shapes, flavors, cartoon branding
Teen (13-19)	Wafer-based, Chocolate & Milky Confectionery	Peer influence, trendiness, taste
Young Adults (20-35)	Chocolate & Baked Confectionery	Impulse buying, nostalgia, quick snacks
Adults (35+)	Mints, Lozenges, Healthier Alternatives	Refreshment, health-consciousness

Source: Interviews with Industry Experts, & Ken Research Analysis
Note: Findings are on the basis of survey conducted with 500 respondents (N=500)

Price Sensitivity

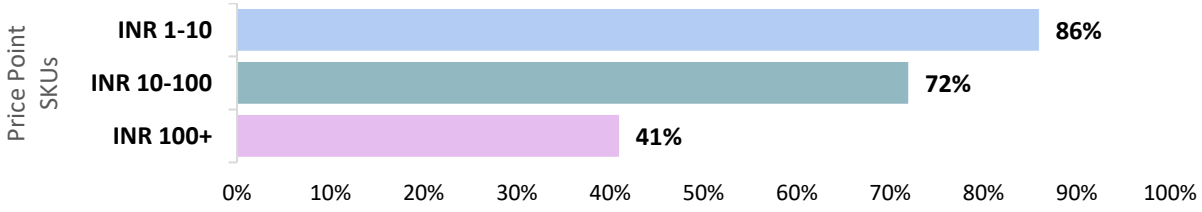
Price remains a critical determinant of purchase behaviour in India's confectionery market, particularly among younger consumers.

Confectionery items priced between INR 1–10 accounted for the highest purchase intent at 86%, indicating their dominant role in daily consumption patterns. These products, such as candies, lollipops, and toffee, are typically sold in sachets or loose units at kirana stores and school canteens in rural and semi-urban areas. Their affordability supports frequent and impulse purchases, particularly among school-going children and households with limited discretionary spending.

In the INR 10–100 price range, the purchase likelihood stands at 72%, indicating moderate but consistent demand. Products in this segment include medium-sized chocolate bars, packed sugar confectionery, and value packs, typically available in both general and modern trade formats. Consumers in this range tend to consider product quantity, packaging, and brand familiarity before making a purchase, with demand more concentrated in urban and semi-urban markets.

For confectionery priced above INR 100, the purchase likelihood drops to 41%, pointing to relatively lower demand for higher-priced products. Items in this range are often positioned for gifting or occasional consumption and are generally available through e-commerce and premium retail outlets. Purchase behavior in this category is more selective and tends to be influenced by specific occasions, festivals, or consumer preferences in metropolitan areas.

Figure 0-3: Price Sensitivity in India's Confectionery Market on the basis of Price Point and the Percentage (%) of Purchase Likelihood



Source: Interviews with Industry Experts & Ken Research Analysis
Note: Findings are on the basis of survey conducted with 500 respondents (N=500)

Pack Size Preferences

Consumer pack size preferences vary distinctly across age groups, driven by differing consumption patterns and situational needs.

- Children (5–12 years) typically prefer single units priced at INR 1/2/ 5, which are pocket money-friendly and suitable as daily treats.
- Teens (13–19 years) tend to opt for multi-unit packs priced between INR 5 and INR 10, favouring them for sharing and the variety they offer.
- Young adults (20–35 years) show a preference for small bars or packs in the INR 5–10 range, prioritizing snackability and portability for on-the-go consumption.
- Adults (35+ years), on the other hand, flavour lozenges or mints in strip or tin formats, valuing them for long-term use and the freshness they provide after meals or during commutes.
  These segmented preferences highlight the importance of tailored pack sizing strategies to cater to distinct consumer needs in the affordable confectionery segment.

Table 0-3: Consumer Preference on Pack Size in India's Confectionery Market on the basis of Consumer Type and Preferred Pack Size

Consumer Type	Preferred Pack Size
Children (5-12)	Single (INR 1/ INR 2/ INR 5 units)
Teen (13-19)	Multi-units (INR 5- INR 10 combos
Young Adults (20-35)	Small bars/packs (INR 5- INR 10)
Adults (35+)	Lozenges/Mints in strip/tin

Source: Interviews with Industry Experts, & Ken Research Analysis
Note: Findings are on the basis of survey conducted with 500 respondents (N=500)

Household Consumption Expenditure

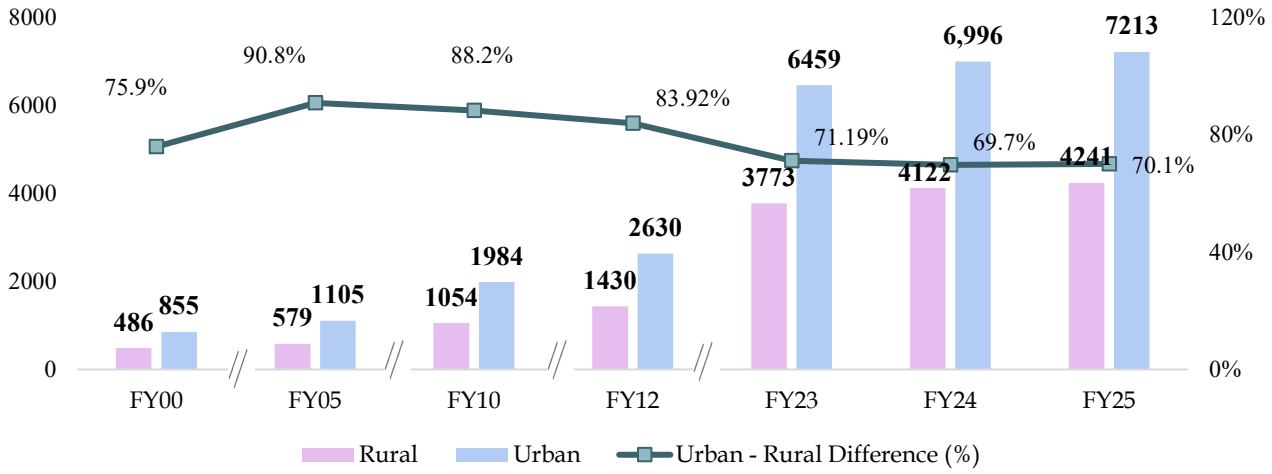
Monthly Per Capita Consumption Expenditure (MPCE) implies summary of level of household consumption expenditure. Average estimated MPCE in FY24 has been INR 4,122 in rural India and INR 6,996 in urban India. In rural India, food items account for 46% of the total MPCE, while in urban India, this share is 39%. The bottom 5% of India's rural population, ranked by MPCE, has an average MPCE of INR 1,373 while it is INR 2,001 for the same category of population in the urban areas.

By FY 2024–25, food expenditures remained a substantial component of household spending across India. In rural areas, food accounted for approximately 47% of average MPCE, with significant shares going toward beverages and processed foods (~9.8%), milk & milk products (~8.4%), and vegetables (~6.0%). **In urban areas, food share stood at around 40%, led by beverages and processed foods (~11.1%),** followed by milk products (~7.2%) and vegetables (~4.1%). These patterns suggest that even as non-food spending grows over 50% in rural and 60% in urban regions, food remains a critical and price-sensitive element of household consumption. The sustained weight of food in MPCE also highlights its influence on overall living standards and inflation responsiveness.

Among the states, MPCE is the highest in Sikkim for both rural and urban areas (Rural – INR 9,377 and Urban – INR 13,927). It is the lowest in Chhattisgarh (Rural – INR 2,739 and Urban – INR 4,927). The rural-urban difference in average MPCE among the states is the highest in Meghalaya (104%) followed by Jharkhand (83%) and Chhattisgarh (80%). Among the UTs, MPCE is the highest in Chandigarh (Rural – INR 8,857 and Urban – INR 13,425), whereas it is the lowest in Dadra and Nagar Haveli and Daman and Diu (INR 4,311) and Jammu and Kashmir (INR 6,327) for rural and urban areas respectively. (Source: Ministry of Statistics and Programme Implementation)

A significant share of MPCE in both rural and urban India is allocated to food consumption 46% in rural areas and 39% in urban areas highlighting the essential role of food in household spending patterns. The relatively higher share in rural areas underlines a heavier reliance on basic necessities, contrasting with urban spending which may include more non-food discretionary items. This structural difference in consumption priorities also reflects broader socio-economic disparities and lifestyle variations between rural and urban populations. Food contributes the significant component to total MPCE across both segments. The relatively higher share in rural areas underlines a heavier reliance on basic necessities, contrasting with urban spending which may include more non-food discretionary items. This structural difference in consumption priorities also reflects broader socio-economic disparities and lifestyle variations between rural and urban populations.

Figure 0-4: Average Monthly Per Capita Consumption Expenditure (MPCE) in INR, Current Prices



Source: Ministry of Statistics and Programme Implementation (MoSPI) & Ken Research Analysis
Note: FY represents the Financial Year ending on March 31

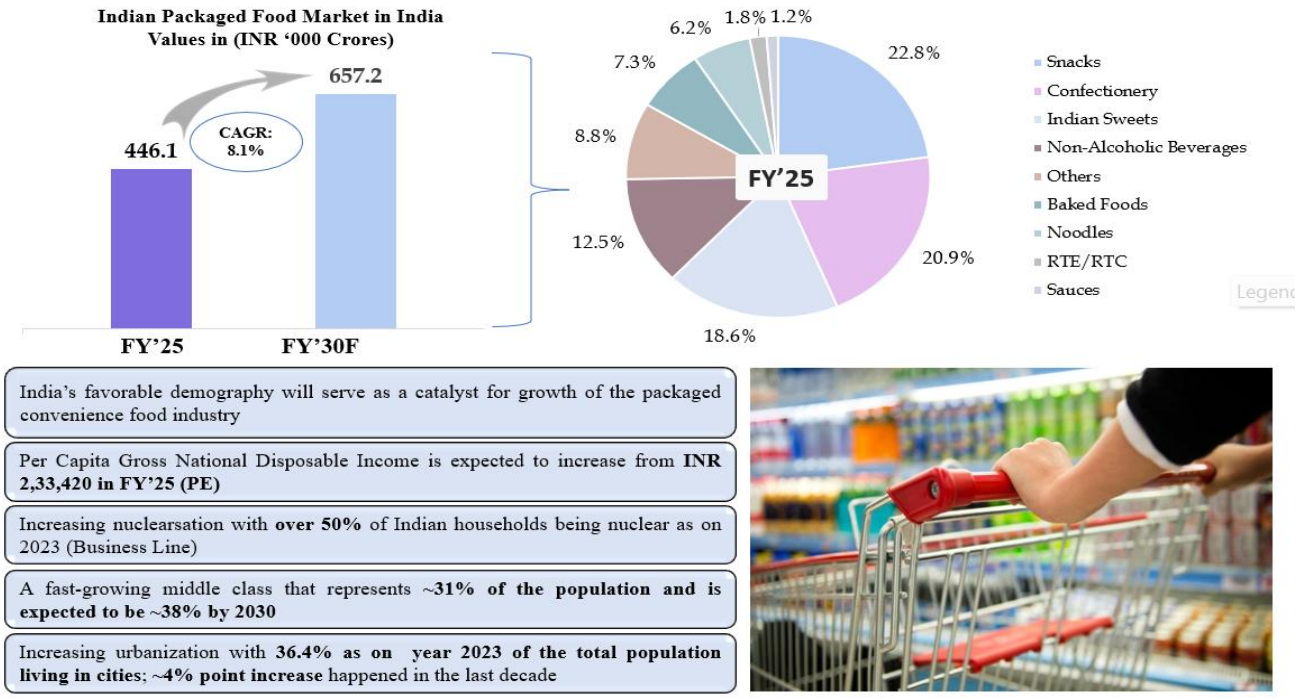
Overview of India Packaged Food and India's Confectionery Market

Overview of the Packaged Food Market in India

India's packaged food industry reached from INR 319.0 thousand crore in FY'22 to INR 446.1 thousand crore in FY'25, at a CAGR of ~11.8%. Due to evolving consumer demand for value-added offerings like confectionery, artisanal chocolates/biscuits, RTE/RTC meals, wholesome snacks, and gourmet sauces. A preference for ethnic authenticity and global cuisines is encouraging launches of standardized products. The top players ITC, Nestlé, Tata Consumer, Dabur, etc. contribute INR 130 thousand crore, while mid-sized brands and PE-backed startups are rapidly gaining ground.

Government scheme and support have enabled manufacturing scale and market access. Under PM Kisan SAMPADA Yojana, INR 4,400 crore funded 748 projects, adding 334 lakh MT processing capacity and 5.3 lakh jobs. The PLI Scheme supports RTE/RTC foods, processed fruits/vegetables, and marine products, contributing to a 19% y-o-y rise in processed food exports, which hit USD 6.3 billion in FY'24. Regionally, North and West India drive 73% of packaged snack demand, led by Uttar Pradesh INR 25 billion in ethnic savouries and 20.8 billion in western snacks, followed by Gujarat and Maharashtra.

Figure 0-5: Government Support Framework for Enhancing India's Packaged Food Sector: Schemes, Strategies, and Initiatives



Source: Industry research, Report by BDO India on Packaging India's Evolving Food Consumption, United Nations World Population Dashboard, Indian Government Press Releases, World Bank, & Ken Research Analysis

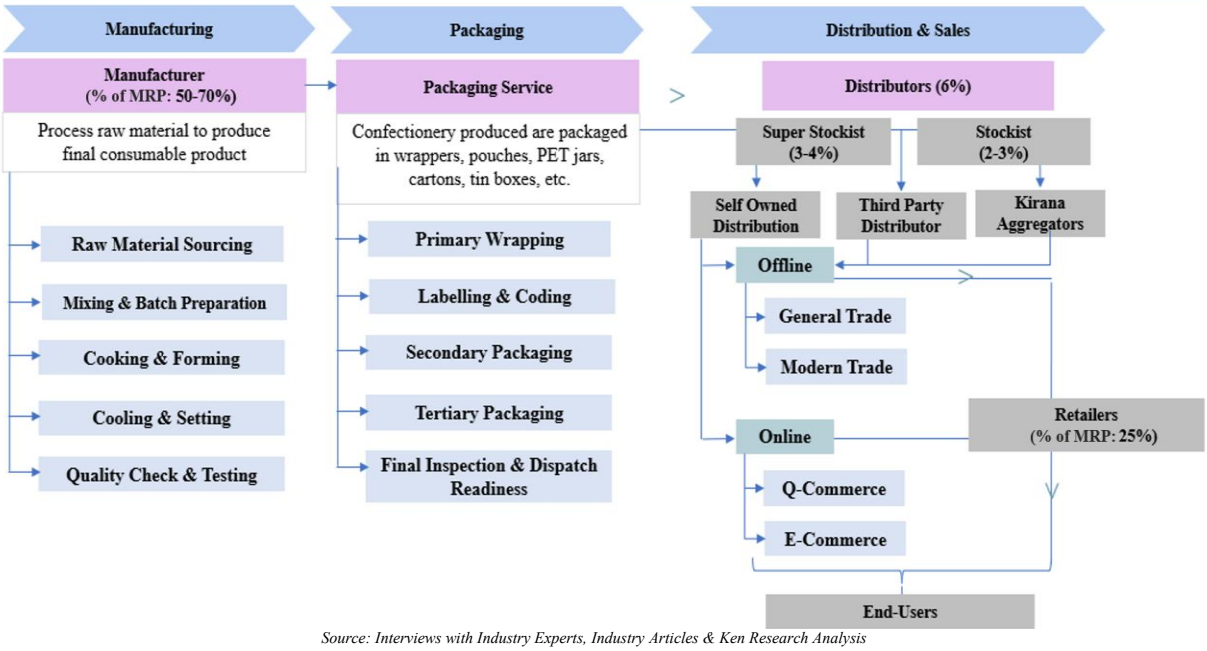
Value Chain of Confectionery in India

The value chain of the Indian confectionery market is segmented into **Manufacturing, Packaging, Distribution, and Retail**, each contributing distinctly to the overall value creation and margin structure. At the **manufacturing stage**, raw materials are processed into final consumable confectionery products through activities such as raw material sourcing, mixing, forming, cooling, and quality testing. This is followed by **packaging**, where products are wrapped, coded, and packed in multiple layers including primary, secondary, and tertiary packaging, with final inspection to ensure dispatch readiness.

The **distribution and sales segment** involve multiple stakeholders, **self-owned distribution, third-party distributors**, **and kirana aggregators**. These players cater to both offline (general and modern trade) and online channels (e-commerce and Q-commerce). At the retail level, where the final consumer interaction occurs, indicating the strategic importance of retail in value realization. This structure reflects a high-margin downstream (retail) and high-value-add upstream (manufacturing), necessitating a well-integrated supply chain to optimize profitability and efficiency across the ecosystem.

A typical Product Manufacturer retains 50-70% of MRP, Stockist at 2-3%, Super Stockist at 3-4%, Distributor at 6%, Intermediary at 10% and Retailer at 15-20% of MRP.

Figure 0-6: Value Chain of India's Confectionery Market on the segment of Manufacturing, Packaging, Distribution, Retail and End Users



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Demand and Supply Trends in India's Confectionery Market

The demand-supply dynamics in the Indian confectionery market are evolving rapidly, driven by affordability, experimentation, and lifestyle changes across diverse consumer age groups.

- **Children (5–12)** mainly look for fun and affordable treats. They prefer small-sized products that are easy to buy with pocket money. Bright packaging, playful shapes, and surprise elements attract them the most. Flavors like chocolate and fruity candies are popular in this age group.
- **Teens (13–19)** are open to trying new and bold flavours such as sour or spicy. They enjoy trendy products, especially those that stand out on social media. While price still matters, they are more likely to try slightly premium products if they feel cool or different. Fun and creative packaging also appeals to them.
- **Young Adults (20–35)** are becoming more health-aware and prefer better-for-you options like healthier alternatives or protein-rich snacks. They also like convenient formats such as resealable packs that fit their busy lifestyles. Interest in plant-based and unique flavour combinations is growing in this group.
- **Adults (35+)** tend to look for treats that are both enjoyable and somewhat healthy. They prefer products with healthier alternatives, simple ingredients, and familiar flavors. Many looks for portion-controlled options or premium choices like dark chocolate or nut-based snacks, often with a focus on balance and moderation.
- **Domestic Production Scenario:** On the supply side, India maintains a strong base of domestic production, led by companies such as Mondelez, Nestlé, Perfetti Van Melle, and DS Group. These companies effectively cater to the mass and economical segments through broad product ranges and robust national distribution networks. Their portfolios largely fulfil the daily demand for biscuits, wafers, candies, and chocolates.

There's an opportunity for Indian confectionery brands ready to move beyond the basics. As more consumers seek premium, artisanal, and health-focused treats, homegrown players who invest in innovation and quality can fill this growing gap in the market.

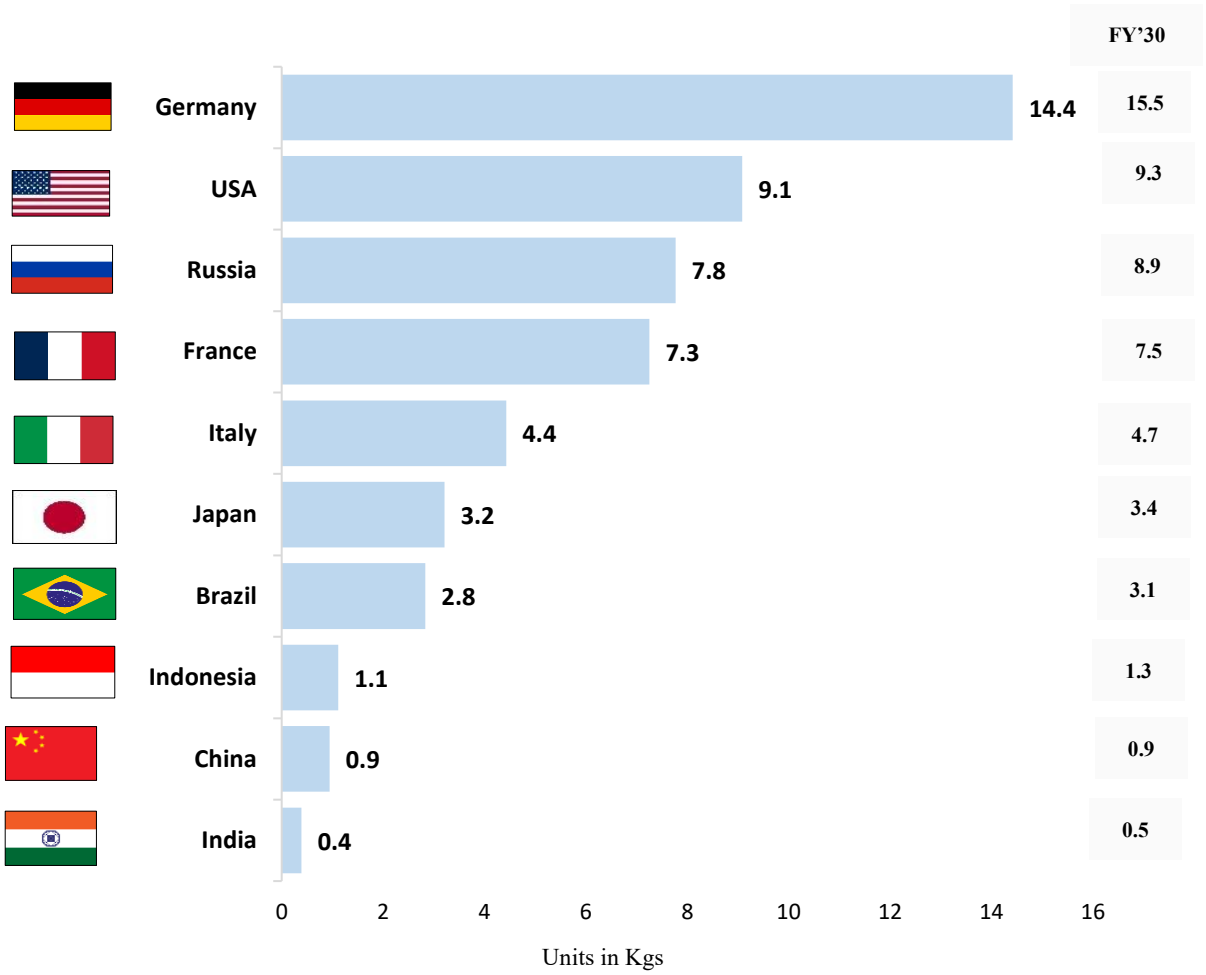
Opportunity for Innovative Offerings: Domestic innovation for healthier variants, functional mood-boosting candies, and regional flavour fusions lies in the market. With focused investments in R&D, branding, and packaging, Indian producers can scale up to meet evolving tastes and reduce reliance on imports. This trend will continue as Indian consumers increasingly seek organic, dark, vegan, gluten-free, and health-centric chocolates.

Per Capita Confectionery Consumption in India Compared to Other Countries

India consumed **523.0 million kg of confectionery**, with a **per capita consumption of 0.37 kg in FY'23**, which is **reached 0.39 kg by FY'25**, substantially lower than countries like **Germany (14.4), USA (9.1), and Japan (3.2).** Despite the low per capita figure, India's absolute population base is driving the total consumption which reached **576 million kg in FY'25**, positioning the country as a high-volume yet under-penetrated market. Germany and the USA represent saturated markets with high individual consumption but steady growth, while China, despite its demographic similarity, **has more than 2.4 times India's per capita consumption**.

India's low per capita base presents significant room for expansion, with consumption projected to rise to **0.5 by FY'30E**, **growing at a CAGR of ~4.6%.** This growth is being driven by urbanization, rising incomes, a young population, and increasing access to both premium and affordable SKUs. Additionally, festival and occasion-led consumption, improved retail infrastructure, and deeper semi-urban and rural market penetration, all of which are contributing to a rapidly evolving confectionery landscape.

Figure 0-7: Per Capita Consumption of Confectionery Country wise (in Kg) for the year FY'25 & FY'30E



Source: UN Revision of World Population, Prospects 2024, Proprietary Database, & Ken Research Analysis

Factors Influencing Consumer Choice of Confectionery

Consumer preference in India's confectionery market is increasingly multidimensional, shaped simultaneously by price–value perception, evolving flavour expectations, lifestyle-led indulgence cues, and wider retail accessibility.

Key factors that influence the choice of Confectionery include:

- **Taste & Sensory Appeal:**
  - Taste is the single biggest driver of confectionery and chocolate choice in India. According to a cross-sectional consumer survey conducted taste ranks as the primary determinant of brand and product selection. Flavour intensity, sweetness balance, and mouthfeel strongly influence consumer preference and are the first filters used when deciding between brands.

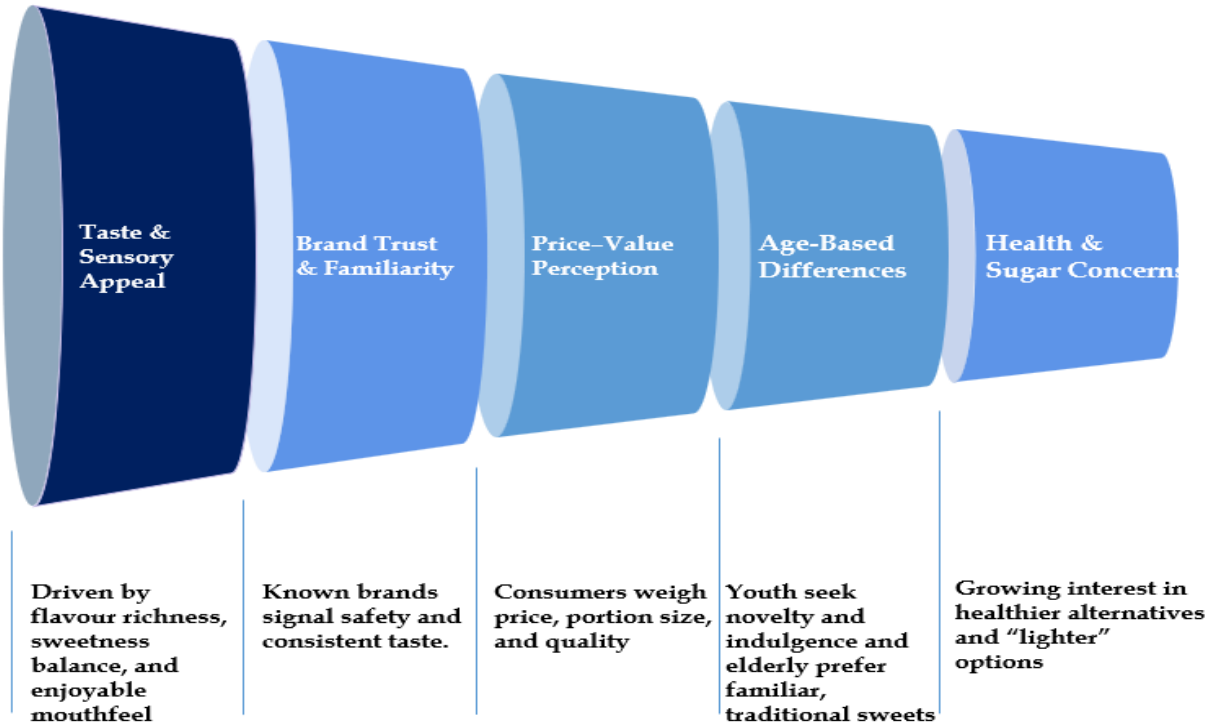
- **Brand Trust & Familiarity:**
  - Brand emerged as the second-most important factor in the academic chocolate survey. Consumers associate established brands with consistent quality, safe ingredients, and reliable taste. This is particularly important in chocolate, where buyers tend to return to known brands rather than experiment frequently, especially for gifting.

- **Price–Value Perception:**
  - Younger consumers are significantly more value-seeking, indicating that price value trade-offs shape their confectionery decisions. They compare pack size, quality, and perceived premium-ness with the price they pay. For older consumers, value sensitivity is lower, but affordability still remains a baseline expectation.

- **Age-Based Differences, Youth vs Elderly:**
  - Younger consumers prioritise value-for-money alongside taste and brand, are more experimental, and treat chocolates as affordable indulgences. Older consumers, meanwhile, maintain lower consumption frequency for chocolate and lean more towards traditional sweets, implying lower impulsiveness and stronger cultural anchors when choosing confectionery.

- **Health & Sugar Concerns:**
  - Health consciousness is now a strong behavioural factor. According to the 2024 LocalCircles poll, 55% of consumers are comfortable with 25–75% lower sugar in sweets and sweet packaged foods. This indicates that sugar levels and perceived "healthier alternatives" increasingly influence brand shifts, especially without compromising taste.

Figure 0-8: Key Factors Shaping Confectionery Choices in India



Source: Ken Research Analysis

Export Scenario of Confectionery Products

India's confectionery exports were valued at USD 355.0 million in CY20 to reach USD 777.4 million by CY25, growing at a CAGR of ~17.0% during CY20-CY25. Export volumes have simultaneously risen from ~234,394.0 tons in CY20 to nearly 549,118.8 tons by CY25, highlighting strong demand across key international markets.

India remains a preferred sourcing base for **both the developed regions such as the US and UAE owing to interest in ethnic Indian flavors, deeper penetration of Indian confectionery brand in these regions as well as price-sensitive developing economies across East Africa (Kenya & Uganda), Mauritius, the GCC region, and parts of Southeast Asia, supported by competitive pricing, reliable quality, and globally recognized certifications.** Among current destinations, East Africa and Mauritius have recorded consistent import dependence on Indian baked and sugar-based confectionery, while the GCC and Philippines have shown faster momentum, driven by retail diversification and preference for affordable packaged indulgence.

By product category, sweet biscuits lead India's confectionery exports, growing from USD 168.2 million in CY20 to USD 407.8 million by CY25, with volume expanding from 141,826.0 tons to 322,754.3 tons. The surge is anchored by the strong international presence of Indian brands such as Parle-G, Britannia, and Sunfeast, which dominate shelf space across Africa, the Middle East, and South Asia. Their popularity is driven by affordability, extended shelf life, and cultural familiarity.

Sugar confectionery not containing cocoa follows closely, rising from USD 97.1 million to USD 244.6 million between CY20 and CY25, while volumes increased from 79,448 tons to 197,732 tons. India has emerged as a central supplier of candies, lollipops, and gummies to East Africa, Mauritius, and the GCC, supported by favorable trade terms, private-label sourcing, and strong distributor networks.

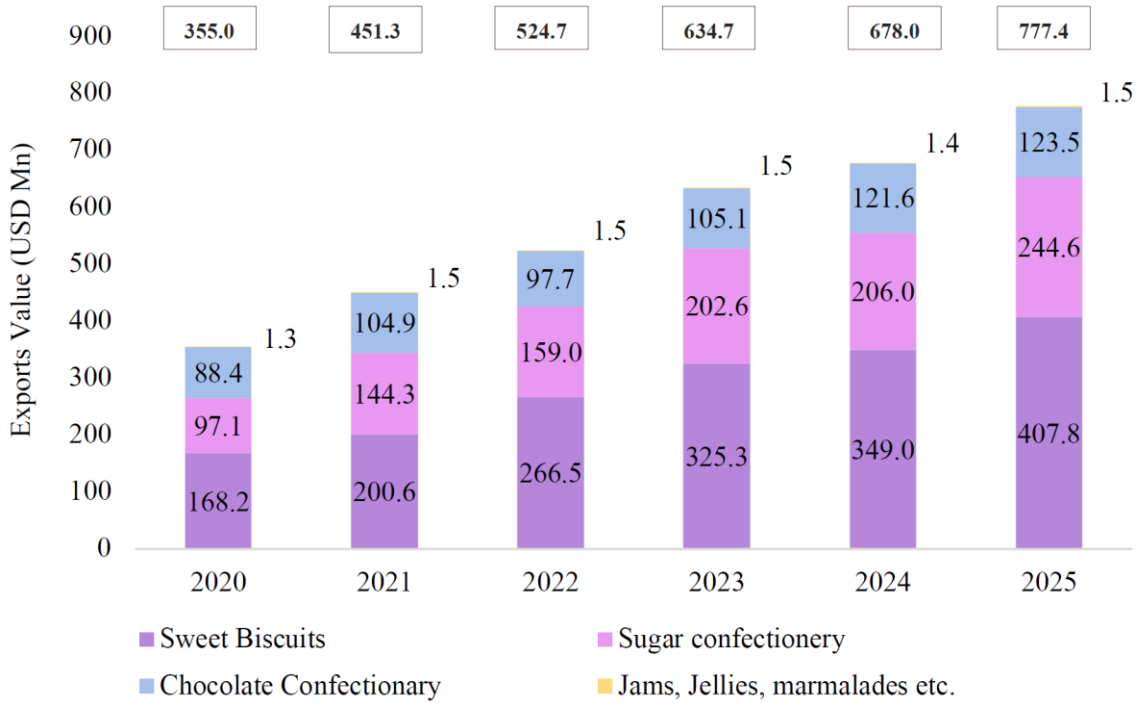
Similarly **chocolate and other cocoa-based preparations** reflect moderate yet steady growth, expanding from USD 88.4 million to USD 123.5 million (CY20– CY25), with export volume more than doubling from 12,554 tons to 27,975 tons. Market traction in Southeast Asia (Philippines, Malaysia, Indonesia) and the Middle East is driven by growing appetite for chocolate-coated biscuits, compound bars, and seasonal assortments, with Indian players increasingly investing in premiumization, packaging innovation, and international food-safety compliance. Further **homogenised preparations** of jams, jellies, and nut pastes remain a niche segment, maintaining export values of about USD 1.3–1.5 million and volumes near 600–700 tons annually, largely directed toward bakery manufacturers in select African and Middle Eastern markets.

Looking ahead, Tanzania, Nigeria, Cameroon, Congo, and Ivory Coast represent emerging growth corridors for Indian confectionery exports. Volumes to these regions are projected to increase steadily, benefiting from expanding urban retail, rising disposable incomes, and stronger bilateral trade ties. These markets are also witnessing import substitution away from high-priced Western brands toward affordable Indian alternatives.

Across key destinations, East Africa, Mauritius, the GCC, the Philippines, Cameroon, Congo, and Ivory Coast are witnessing consistent expansion. Demand is reinforced by population growth, evolving snacking habits, and preference for low-priced, quality-assured packaged foods. The growth in both value and tonnage underscores India's widening export base, balancing volume-driven baked goods with value-driven sugar and cocoa-based products.

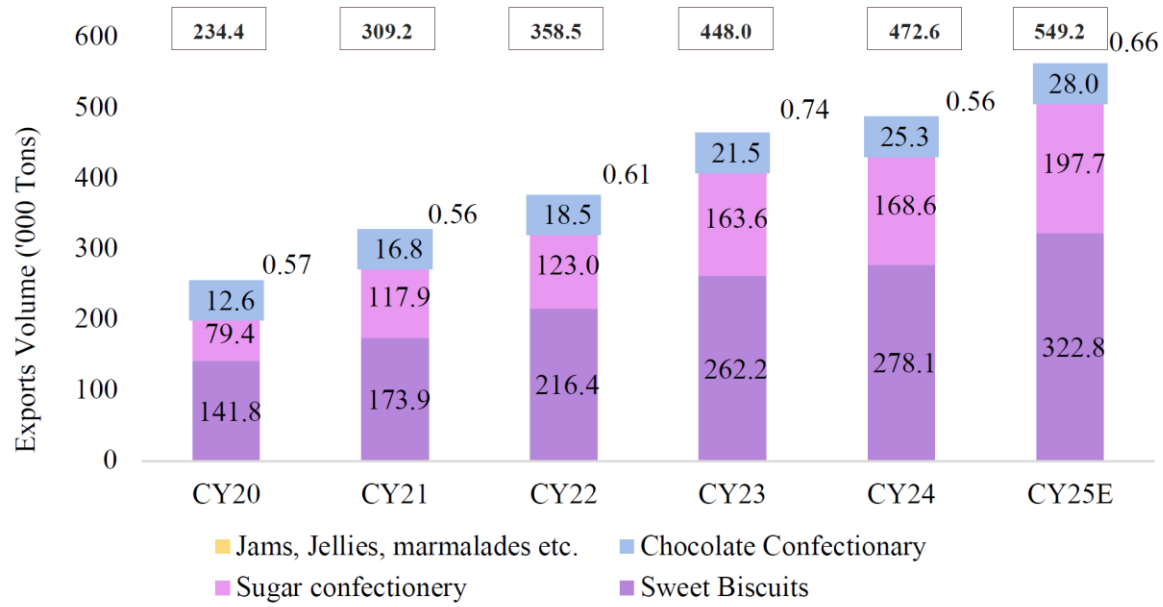
Overall, India's confectionery export portfolio demonstrates a broad geographic spread and a dual-segment growth path volume expansion led by sweet biscuits and sugar confectionery, and value enhancement through chocolate and specialty products solidifying India's position as a reliable and competitive global supplier across both established and emerging consumer markets.

Figure 0-9: Export data of confectionery products, by value (USD Million), CY20-CY25



Source: Trademap & Ken Research Analysis
Note 1: Sugar confectionery includes Confectionery not containing cocoa, incl. white chocolate excluding chewing gum under HS Code:170490
Note 2: Chocolate confectionery includes chocolate Confectionery and other preparations containing cocoa, in containers or immediate packings under HS Code: 180690
Note 3: Biscuits include, sweet biscuits under HS Code: 190531
Note 4: Indicates total value of exports

Figure 0-10: Export data of confectionery products, by volume ('000 Tons)



Source: Trademap & Ken Research Analysis
Note 1: Sugar confectionery includes Confectionery not containing cocoa, incl. white chocolate excluding chewing gum under HS Code:170490
Note 2: Chocolate confectionery includes chocolate Confectionery and other preparations containing cocoa, in containers or immediate packings under HS Code: 180690
Note 3: Biscuits include, sweet biscuits under HS Code: 190531
Note 4: Indicates total value of exports

Flow Corridor of India's Exports to Top Five Geographies

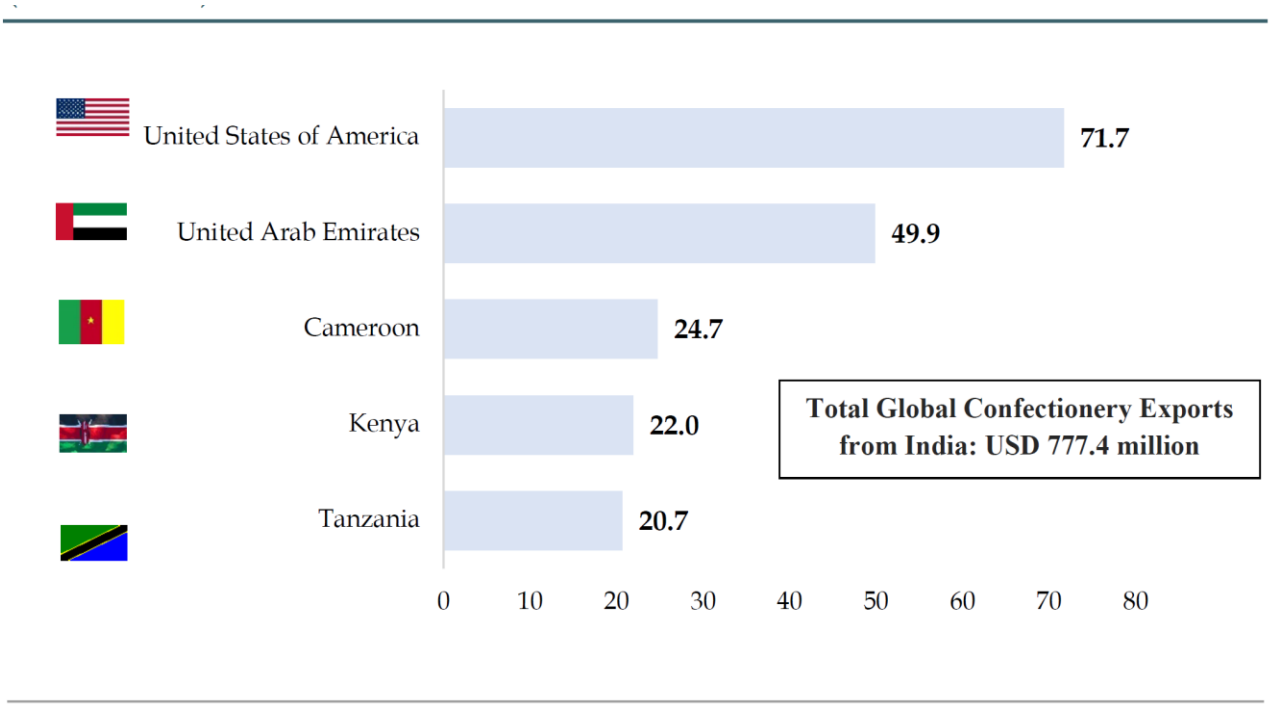
In CY25, India's confectionery exports exhibit a diverse geographic spread, led by the United States (USD 71.7 million) and the United Arab Emirates (USD 49.9 million). The United States remains the largest value-driven market, supported by strong demand from large retailers like Walmart, Cotsco, Indian ethnic retailers, private-label sourcing, and e-commerce

platforms catering to diaspora communities. The UAE continues to serve as a major re-export and consumption hub for the broader GCC and African regions, benefitting from its strategic location, robust distribution networks, and strong gifting culture that sustains premium chocolate and biscuit exports.

Beyond these traditional markets, African countries such as Cameroon (USD 24.7 million), Kenya (USD 22 million), and Tanzania (USD 20.7 million) have emerged as fast-growing trade corridors in CY25. Cameroon anchors India's growing presence, primarily through the export of sweet biscuits and sugar confectionery, while Kenya and Tanzania serve as gateway markets for East Africa, driven by affordability, product familiarity, and strengthening distributor linkages.

Collectively, India's export flow reflects a balanced mix of premium, value-added confectionery targeting developed markets and mass, price-competitive products suited to emerging economies. This dual-market strategy reinforces India's role as a cost-efficient, quality-certified supplier within the global confectionery trade, while its expanding footprint across Africa and the Middle East indicates sustained momentum in both volume and value growth segments.

Figure 0-11: India's Confectionery export to top five countries, globally, by value, CY25 (USD Million)



Source: Trademap & Ken Research Analysis

Comparison of India's export of confectionery products vs key global exporters, CY20 vs CY25E

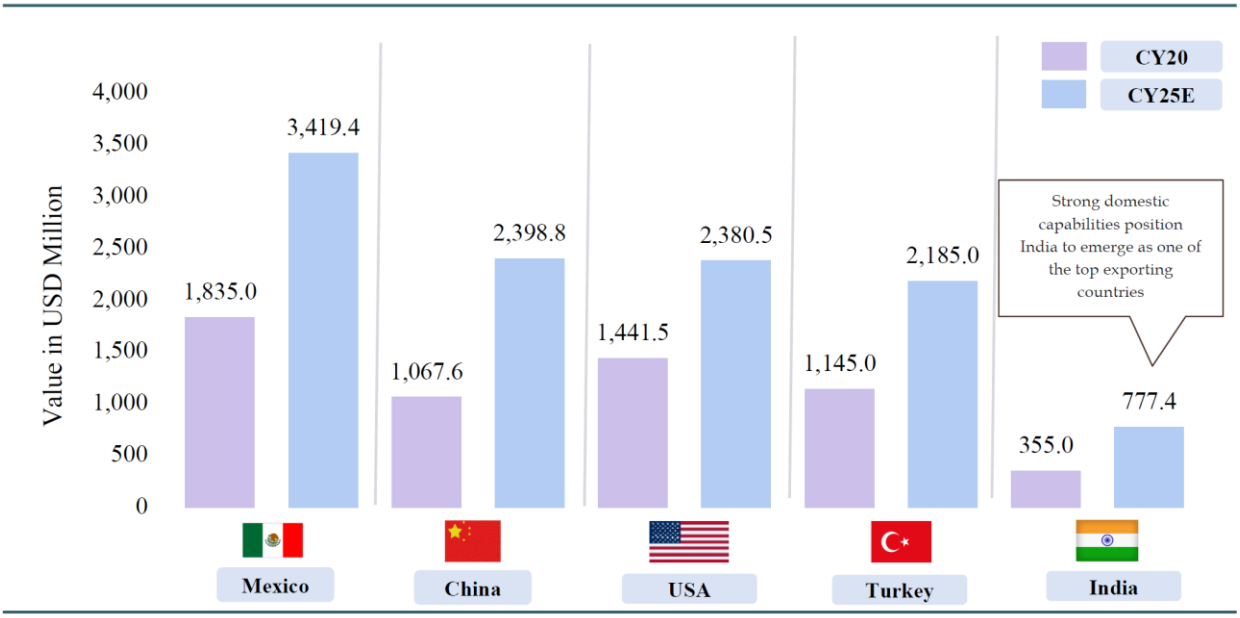
India's confectionery export performance strengthened significantly between CY20 and CY25, increasing from USD 355.0 million to USD 777.4 million, translating into a robust CAGR of approximately 17.0% over the period. This growth reflects India's evolving position as a competitive confectionery exporter, supported by product innovation, diversification into higher-value confectionery segments, and expanding market access across Africa and Southeast Asia.

Among larger global exporters, Mexico scaled from USD 1,835.0 million to USD 3,419.4 million during CY20-CY25, retaining its leadership, while China and the United States grew to USD 2,398.8 million and USD 2,380.5 million in CY25, respectively, reflecting steady, mature-market expansion.

Turkey, in contrast, strengthened its established position, with confectionery exports rising from USD 1,145.0 million to USD 2,185.0 million over CY20–CY25. This performance was driven by its well-developed manufacturing base, scale efficiencies, and preferential trade linkages.

Overall, while India remains smaller than global peers in absolute export value, its faster growth trajectory positions it as an emerging confectionery export hub, distinct from the more mature export profiles of leading global producers.

Figure 0-12: Scenario of India's export of Confectionery products (sugar, chocolate, sweet biscuits, homogenized preparations) vs key global exporters, by value (USD Million), CY20 & CY25E



Source: Trademap & Ken Research Analysis
Note 1: Sugar confectionery includes Confectionery not containing cocoa, incl. white chocolate excluding chewing gum under HS Code:170490
Note 2: Chocolate confectionery includes chocolate Confectionery and other preparations containing cocoa, in containers or immediate packings under HS Code: 180690
Note 3: Biscuits include, sweet biscuits under HS Code: 190531
Note 4: Homogenized preparations include jams, jellies, marmalades, fruit or nut purées and nut paste under HS Code:200710

Production Process of the Product Categories in Confectionery

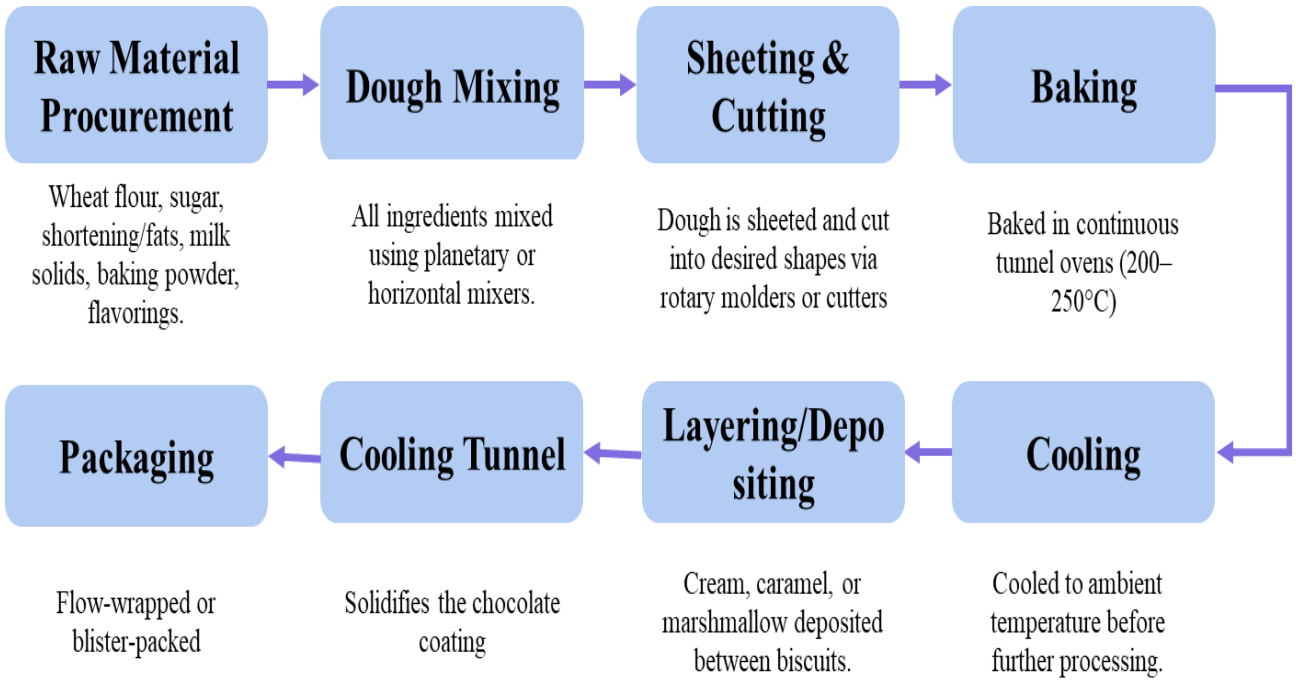
Sugar Confectionery, Chocolate & Milky Confectionery, and Biscuit-Based Confectionery are the three primary product categories which vary substantially based on production processes and ingredients. The processing stages of all three, including mixing, thermal treatments, moulding techniques, and post-processing steps, differ substantially. However, they all commence with the procurement of raw materials and conclude with packaging. Biscuit-based products prioritize baking and layering, chocolate-based items emphasize refining and crystallization, and sugar confectionery comprises high-temperature heating and shaping.

Production Process of Biscuit Based Confectionery

The manufacturing process of biscuit-based confectionery Commences with the procurement of raw materials, which involves the sourcing of essential constituents such as sugar, fats, wheat flour, and flavourings. This is followed by the combining of the dough using planetary or horizontal mixers to ensure a uniform mixture. The dough is subsequently sheeted and cut into the desired shapes using moulders or cutters. The baking procedure is conducted in continuous tunnel ovens at temperatures ranging from 200°C to 250°C.

The products are allowed to settle to ambient temperature after baking, and then fillings such as marshmallow, caramel, or cream are layered or deposited. The confectionery is subsequently transported through a cooling tunnel to consolidate coatings, including chocolate. Packaging is the concluding stage, during which products are packed or flow-wrapped for distribution.

Figure 0-13: Production Process Flow of Biscuit Based Confectionery Product



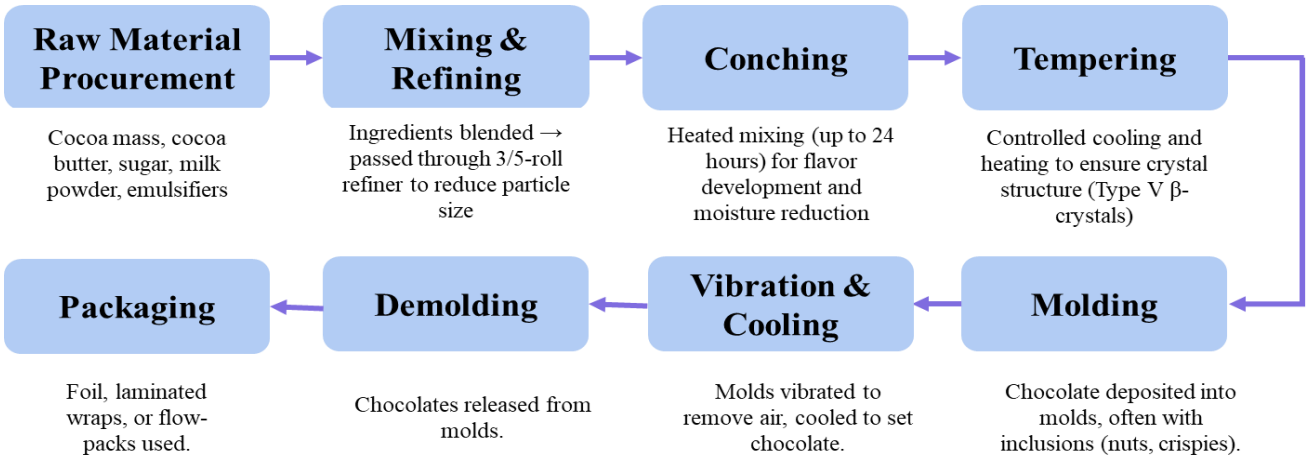
Source: Ken Research Analysis

Production Process of Chocolate and Milky Confectionery

The production process of chocolate and milky confectionery products starts with raw materials procurement, which encompasses cocoa mass, cocoa butter, sugar, milk powder, and emulsifiers, is the initial step. These ingredients are subjected to mixing and refining in order to achieve a uniform blend and a smaller particle size. After this, conching occurs, which is a continuous heated mixing process that reduces moisture and enhances flavour.

Stable crystal structures (Type V β-crystals) are subsequently formed by tempering the mixture through controlled cooling and heating. After that, the chocolate is molded, frequently with the addition of nuts or crisps, and subjected to vibration and cooling to eliminate air bubbles and solidify the shape. Various materials, such as laminated wraps or foil, are used to package the final products after demoulding, which involves the release of chocolates from the molds.

Figure 0-14: Production Process Flow of Chocolate & Milky Confectionery Product



Source: Ken Research Analysis

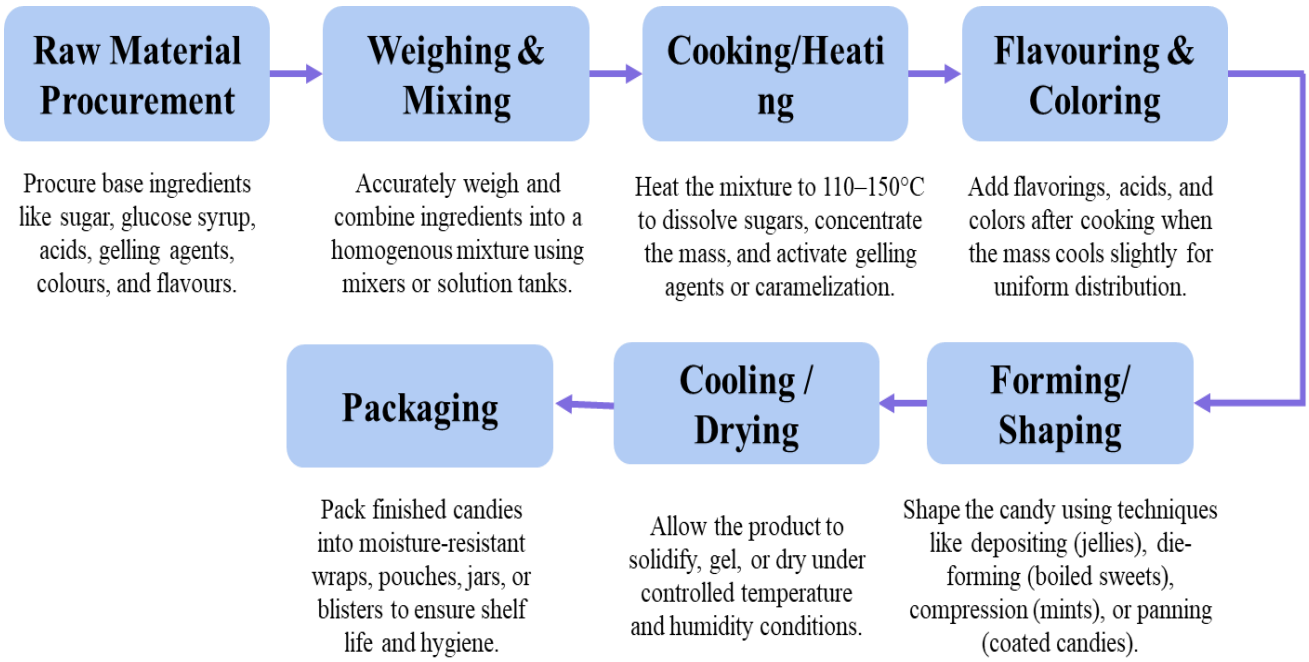
Production Process of Sugar Confectionery

The production process of sugar confectionery products, including jellies, candies, panned, and compressed confections. Begins with the procurement of raw materials like sugar, glucose syrup, acids, gelling agents, colours, and flavours. These

ingredients are accurately weighed and mixed into a homogenous solution, followed by heating at 110–150°C to dissolve sugars and activate gelling or caramelization.

After cooking, flavouring and colouring are added for uniformity, post which the mixture is shaped using various methods such as depositing, die-forming, compression, or panning. The formed candies are then cooled or dried under controlled conditions to solidify, gel, or dry them. Finally, the products are packaged in moisture-resistant materials to maintain hygiene and shelf life.

Figure 0-15: Production Process Flow of Sugar Confectionery Product (Jellies, Candies, Panned and Compressed Confections)



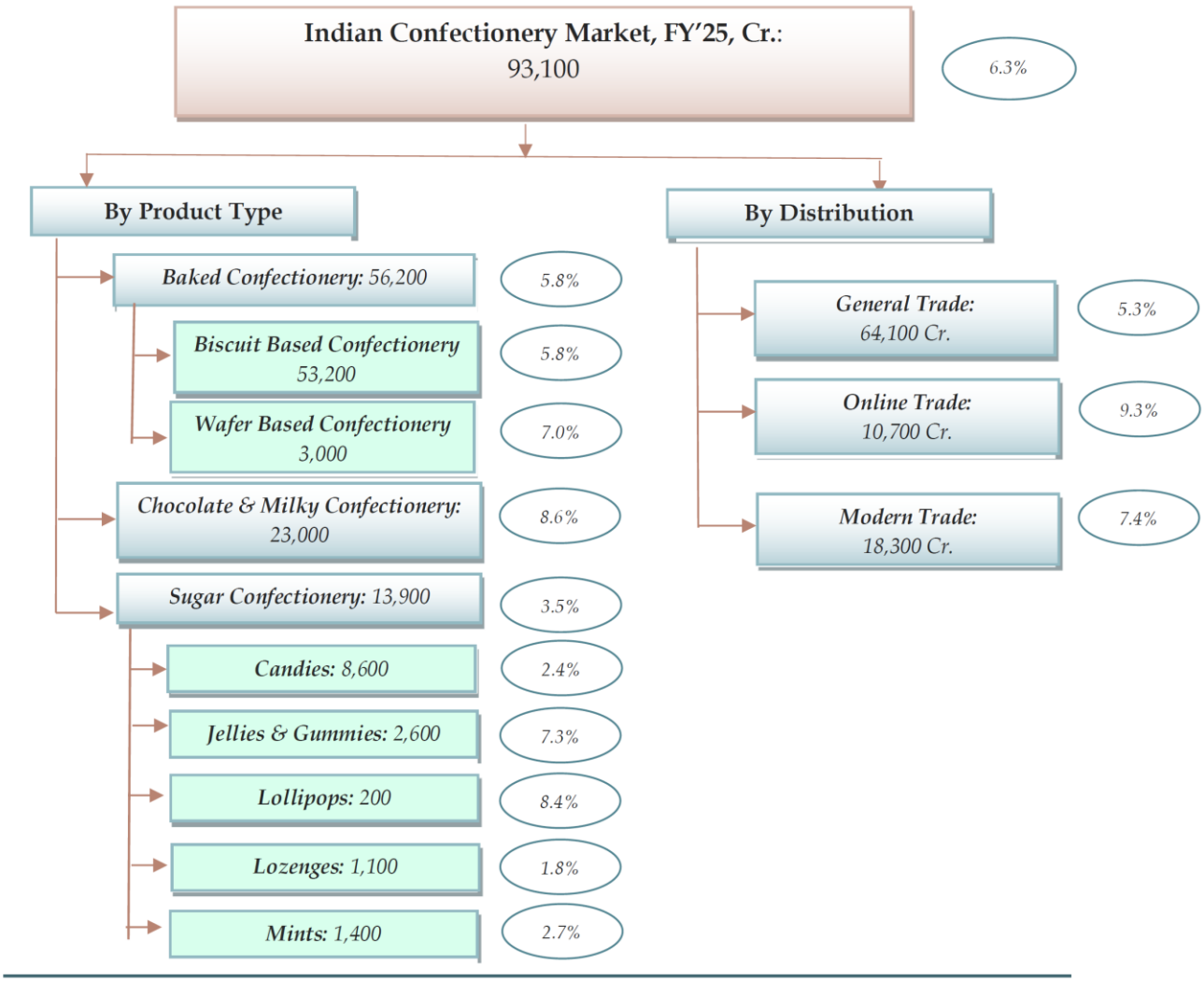
Source: Ken Research Analysis

Market Analysis

India's Confectionery Market Size, FY'19-FY'25-FY'30F

The India's Confectionery Market is defined as sales of sweet food products produced for indulgence and snacking consumption. The market size represents the total value of confectionery sales generated within India. It includes revenues from domestically manufactured and imported confectionery products sold across product types, brand origins, company structures, consumer age groups, and retail formats. The market includes consumption across children, teens, young adults, and adults in both urban and rural markets, covering general trade, modern retail, and online channels, and is measured in INR thousand crores.

Table 0-4: Taxonomy & Market Size of Indian Confectionery Market, FY'25

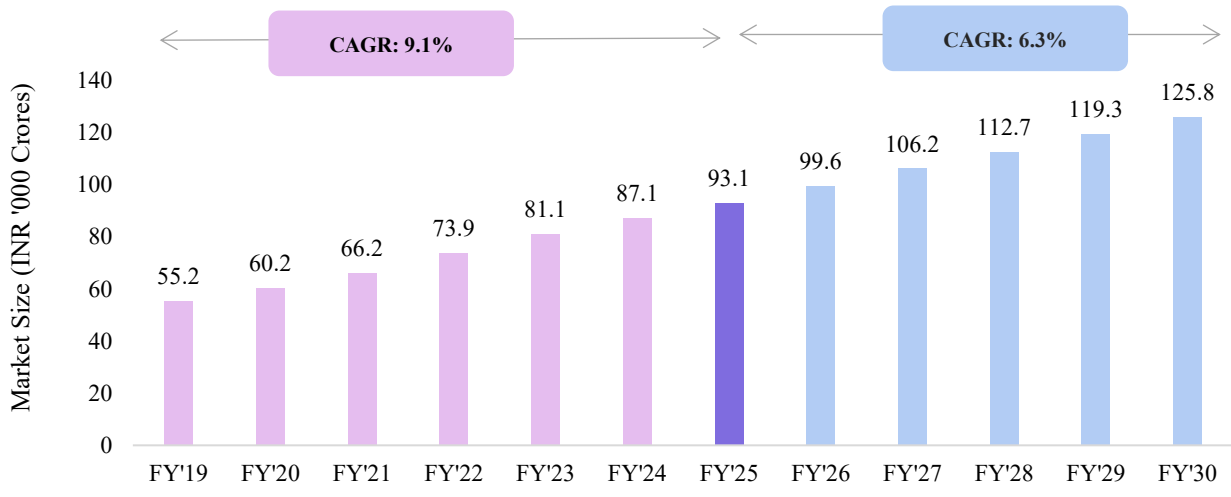


Source: Ken Research Analysis
Note: FY refers to financial year ending March
Note: Indicates CAGR from FY'25-FY30F
Note: Figures are in INR

India's confectionery market has grown to **INR 93,100 crore in FY'25, registering a CAGR of 9.1% between FY'19 and FY'25**. This robust growth is driven by rising consumer demand for affordable indulgences, increased frequency of festive consumption, and deeper penetration of packaged chocolate and sugar confectionery across both urban and rural markets.

Government-led initiatives such as Startup India, and PMFME (Pradhan Mantri Formalisation of Micro Food Processing Enterprises) which promotes the confectionery sector by providing micro-enterprises with credit-linked capital subsidies, seed capital for SHG members, and substantial support for branding and marketing, thereby enhancing product quality, market reach, and formalization of traditional product producers. This scheme has complemented Make in India by supporting food entrepreneurs, boosting domestic manufacturing capacity, and facilitating the development of efficient, multi-format distribution channels including general trade, modern retail, and e-commerce.

Figure 0-16: India's Confectionery Market Size on the Basis of Revenue in INR '000 Crore, FY'19-FY'25-FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis Note: FY refers to financial year ending March
Note: FY refers to financial year ending March

By FY'30, confectionery market is projected grow INR 125.8 thousand crore with a CAGR of 6.3% between FY'25 and FY'30F. This growth is driven by a structural shift in India's confectionery landscape from unbranded, loosely sold confectioneries to branded, packaged products driven by domestic manufacturing:

- **Expansion of regional manufacturing capacity** by domestic players is enabling greater scale and cost efficiency in affordable confectionery (INR 1–10 price range) SKUs.
- **Strengthening of distribution channels**, including deeper reach through general trade, growing shelf space in modern retail, and rapid growth in quick commerce and B2B Kirana aggregator platforms, is accelerating market access for emerging confectionery brands.
- **Government schemes like PLISFPI, PMFME, and Startup India** are driving formalization and product innovation across Tier 2/3 cities, allowing small and mid-sized brands to move from unbranded to branded, packaged offerings with standardized quality. (Source: Startup India.gov & DPIIT)
- **Urbanization and rising rural consumption** are expanding the demand base for impulse and value-for-money treats, with per capita consumption increasing steadily alongside greater awareness of packaged food hygiene and branding.

Market Segmentation of India's Confectionery Market, FY'25 & FY'30F

Baked Confectionery market is defined as sweet food products produced through baking processes using flour-based formulations. The baked confectionery market represents demand for ready-to-eat baked sweets positioned primarily as snacks and occasion-based consumption products. It includes categories such as biscuits, cookies, cakes, brownies, pastries, and similar baked items distributed through general trade, modern retail, standalone bakeries.

Chocolate & Milky Confectionery refers to sweet products formulated using cocoa, milk solids, sugar, and related derivatives. The market represents consumer demand for chocolate-based and milk-based indulgence products across impulse, gifting, and everyday consumption occasions. It includes molded chocolates, bars, toffees, filled candies, pralines, and malt-based confections sold through kirana stores, organized retail, and e-commerce platforms.

Sugar Confectionery refers to non-chocolate sweet products primarily composed of sugar, glucose, and flavoring agents. The sugar confectionery market represents high-volume, low-to-mid priced sweet consumption driven largely by impulse buying. It includes hard candies, boiled sweets, jellies, gummies, lollipops, mints, chewing candies, and packaged traditional Indian sweets, distributed predominantly through general trade and supported by both organized manufacturers and unorganized local players.

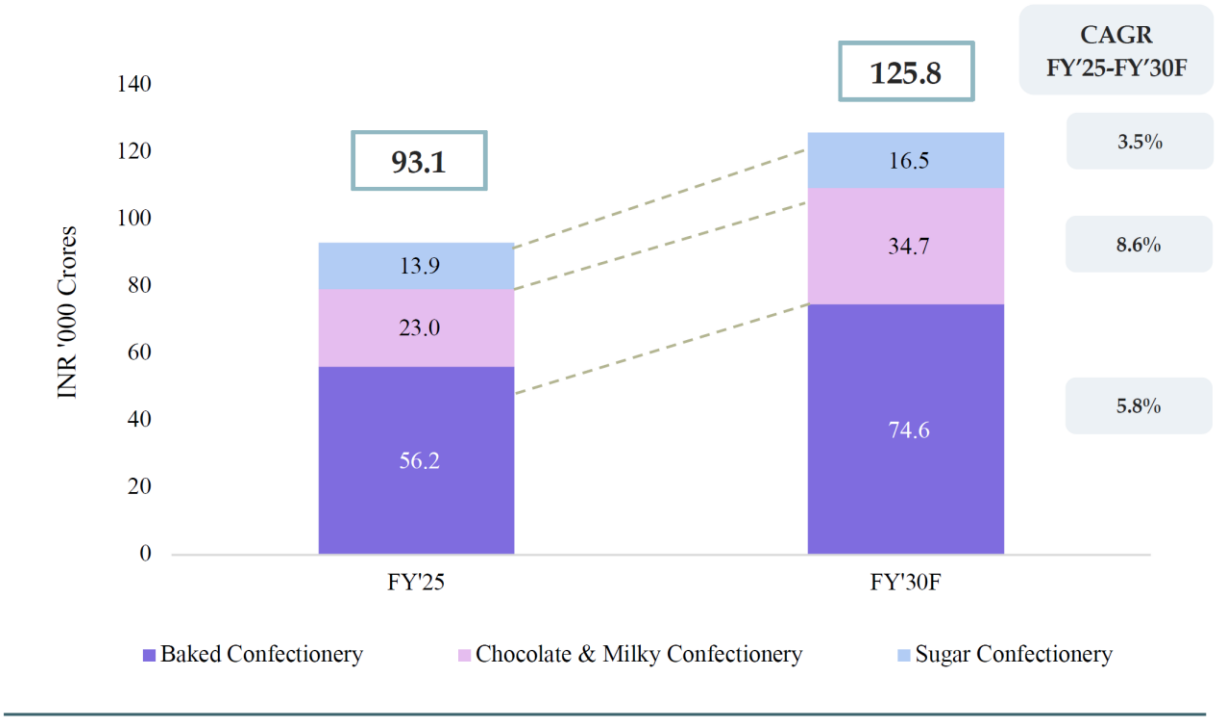
By Product Type (FY'25 & FY'30F):

In FY'25, Baked confectionery, the largest segment, is projected to grow from **INR 56.2 thousand crore to INR 74.6 thousand crore by FY'30F, at a CAGR of 5.8%.** This growth is supported by rising urban demand for packaged bakery products, increasing on-the-go snacking, and wider availability through modern retail channels. Continued innovation in biscuit-based and wafer-based confectionery, along with the introduction of health-oriented options such as whole grain and high-fiber products, is driving consumer interest and segment expansion.

The **Chocolate & Milky confectionery** segment is set to witness the fastest growth, increasing from **INR 23.0 thousand crore in FY'25 to INR 34.7 thousand crore by FY'30F**, with a **CAGR of 8.6%.** This expansion is driven by growing consumer preference for indulgent, premium, and festive gifting options. Factors such as strong festive and occasion-based gifting demand, with premium chocolate hampers and seasonal SKUs are gaining popularity.

Sugar confectionery is evolving steadily, **growing from INR 13.9 thousand crore in FY'25 to INR 16.5 thousand crore by FY'30F at a CAGR of 3.5%.** The slower growth rate reflects rising health consciousness, with consumers, especially parents, avoiding high-sugar, artificially coloured products. Concerns over obesity and hyperactivity (as noted by WHO/FSSAI) are driving this shift, opting for demand for functional and fruit-based alternatives.

Figure 0-17: India's Confectionery Market Segmentation by Product Type on the basis of Revenue in INR '000 Crores, FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F refers to Forecasted year
Note: Indicates Total Value of Segment

By Origin of Brands Segment (FY'25 & FY'30F):

Domestic brands refer to confectionery companies of Indian origin that manufacture and sell products primarily for the domestic market while some sales are also directed for international markets. The domestic brand represents locally developed offerings with strong mass-market positioning and extensive general trade reach.

International brands refer to global confectionery companies operating in India through subsidiaries, licensing arrangements, contract manufacturing, or imports.

In FY'25, the domestic segment holds the dominant share in India's confectionery market, valued at INR 62.4 thousand crores, and is projected to grow to INR 80.5 thousand crores by FY'30F at a CAGR of 5.2% during FY'25-FY'30. This growth is by supported by mass affordability, extensive rural penetration, and strong consumer loyalty toward homegrown brands. The continued demand for INR 1–INR 10 candies and toffees in tier-II and rural markets underscores the segment's resilience and steady volume growth.

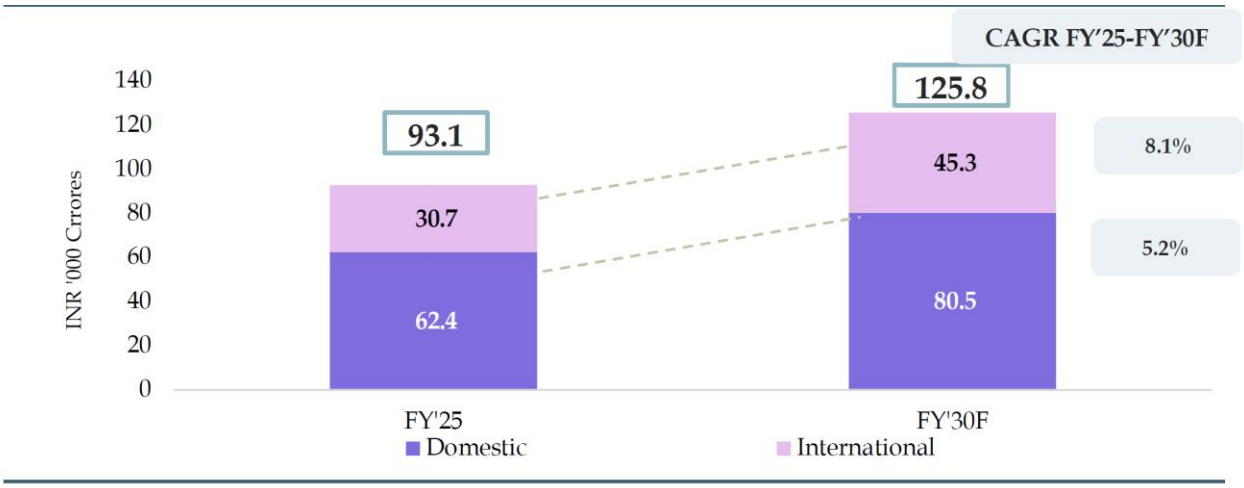
- For instance, in July 2025, the Dharampal Satyapal Group (DS Group) brand Pulse (launched at Re 1 per piece) recorded over INR 750 crore in consumer price sales in FY 2024-25, demonstrating the scale of low-unit price confectionery.
- Similarly, as per the data released by financial express in December 2022, the parle product group contribute around 55% of its total sales indicating the importance of non-urban markets for low-priced confectionery units.

- These factors are anticipated to sustain the domestic segment's momentum by ensuring high-volume sales, enhancing accessibility across income groups, and reinforcing the dominance of local players in India's mass-market confectionery space.

The **international segment** is growing rapidly at a **8.1% CAGR**, driven by rising disposable incomes, increasing urbanization, and a strong shift toward premium and indulgent confectionery products. According to the Economic Times report published in March 2024, India's per capita disposable income is estimated at INR 2.14 lakh in FY 2023–24, reflecting an 8% year-on-year increase. This rise in purchasing power has fuelled demand for higher-priced, global confectionery brands. The segment's expansion is further supported by continuous product innovation, brand localization, and the increasing influence of multinational player. For instance, In September 2025, Mondelez India launched Cadbury Dairy Milk Milkinis, targeting the on-the-go snacking segment and strengthening its foothold in the premium chocolate category.

These developments underscore that rising disposable incomes and sustained innovation by global players are not only expanding the premium consumer base but also driving the international segment's accelerated revenue growth and increasing its overall contribution to India's confectionery market.

Figure 0-18: India's Confectionery Market Segmentation by Origin of Brands Segment on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

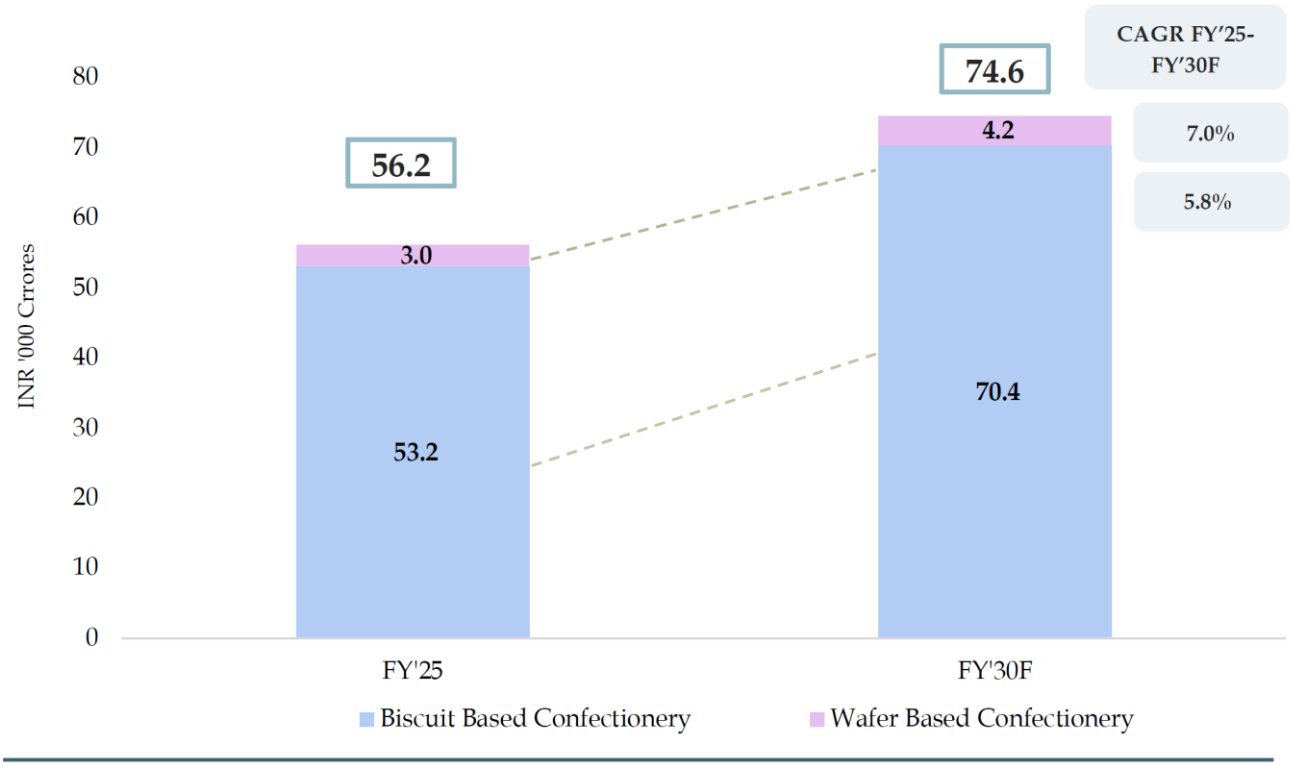
By Baked Confectionery (FY'25 & FY'30F):

In FY'25, India's baked confectionery market is led by the **Biscuit Based Confectionery** segment, generating **INR 53.2 thousand crores in revenue and projected to grow INR 70.4 thousand crores by FY'30F at a CAGR of 5.8%.**

Brands are driving volume through combo packs, festive bundles, and kid-focused offerings, while innovating with cream-filled, multigrain, and regional-flavoured variants like elaichi and jeera. Packaging upgrades such as single-serve packs, resealable wrappers, and moisture-lock formats cater to freshness and convenience for tiffin and on-the-go snacking.

The **Wafer Based Confectionery segment**, is at **INR 3,000 thousand crores in FY'25**, is expected to grow at a slightly higher **CAGR of 7.0%, reaching INR 4,200 thousand crores by FY'30F**. Growth in this segment is driven by youth demand for textured, indulgent snacks that offer a blend of texture and flavour, with the brands introducing wafer confectionery variants with nut, caramel, and chocolate layers.

Figure 0-19: India's Confectionery Market Segmentation by Baked Confectionery on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

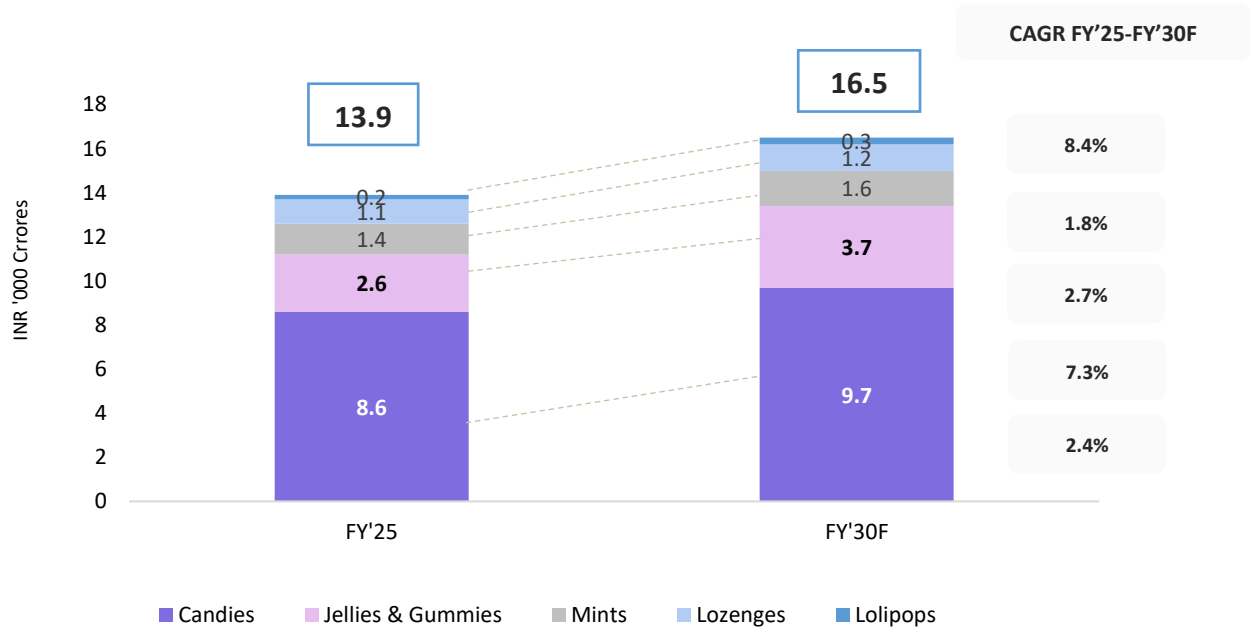
By Sugar Confectionery (FY'25 & FY'30F):

The market remains dominated by **Candies**, projected to grow from **INR 8.6 thousand crores in FY'25 to INR 9.7 thousand crores by FY'30F**, at a **CAGR of 2.4%.** This reflects their **deep-rooted presence in rural kirana stores, high consumption frequency**, and **sustained demand for 1–2 SKUs**, especially among children and lower-income groups. Growth is further supported by **loose candy sales**, which continue to dominate in Tier 3 towns and below due to low switching costs and high availability.

Jellies & Gummies show the strong momentum with a **CAGR of 7.3%,** rising **from INR 2.6 thousand Crores to INR 3.7 thousand crores**. The demand is driven by growing adoption, for attractive packaging, and visually appealing shapes confectionery which have increased presence in modern trade, and demand for gelatin-free or fortified options.

Lollipops, though growing at a **CAGR of 8.4%, from INR 0.2 thousand Crores in FY'25 to INR 0.3 thousand Crores in FY'30F** Crores benefit from their **low price point, novelty formats, and strong appeal among younger consumers**. Growth here is also supported by impulse buys at checkout counters.

Figure 0-20: India's Confectionery Market Segmentation in Sugar Confectionery on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

By Company Type (FY'25 & FY'30F):

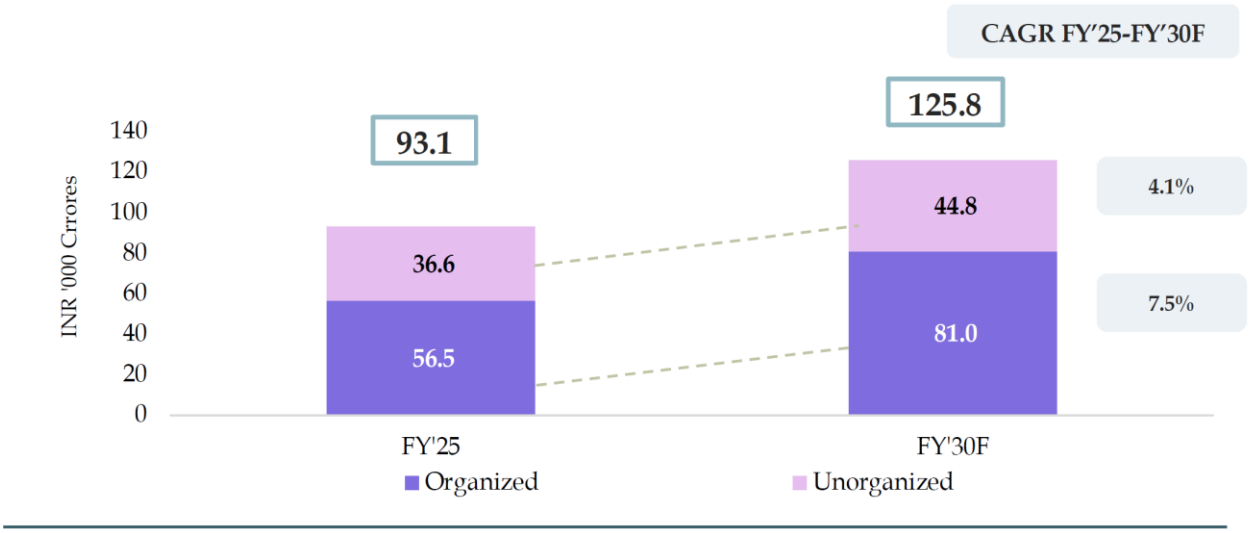
Organized companies refer to formally registered confectionery manufacturers operating with standardized production processes, quality controls, and branded distribution networks. The organized market represents scale-driven, brand-led growth across chocolates, packaged baked goods, and branded sugar confectionery.

Unorganized companies consist of small-scale, local, and regional manufacturers and bakeries with limited branding and compliance structures. This segment includes low-priced, region-specific, and traditional confectionery products with localized distribution.

In FY'25, the organized confectionery sector leads with INR 56.5 thousand crores in revenue and is projected to grow at a robust CAGR of 7.5% to INR 81.0 thousand crores by FY'30F. This growth is driven by a surge in investments by major players like Nestlé, Mondelez, and ITC, who are expanding rural distribution, diversifying pack sizes, and launching health-oriented variants. The shift is further accelerated by government initiatives such as the **PMFME (Pradhan Mantri Formalization of Micro Food Processing Enterprises) Scheme**, which supports micro food processors in transitioning to formal, organized operations through credit-linked subsidies, branding assistance, and capacity building.

The implementation of **stringent FSSAI regulations** around labeling, hygiene, and ingredient sourcing is also discouraging informal operators and pushing consolidation within the sector. This growing dominance of organized players highlights a structural shift in the industry, driven by increasing formalization, improved product quality, enhanced distribution networks, regulatory changes, and evolving consumer preferences.

Figure 0-21: India's Confectionery Market Segmentation by Company Type on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



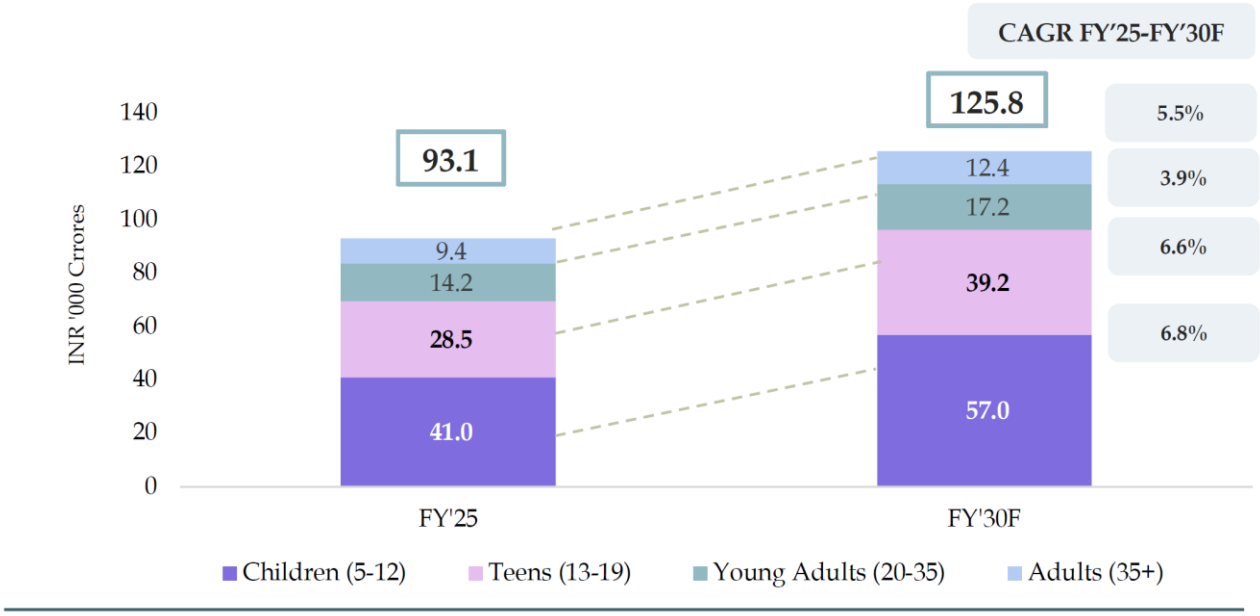
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

By Consumer Segment (FY'25 & FY'30F):

In FY'25, the children (5–12 years) segment remains the largest consumer group in India's confectionery market, valued at INR 41.0 thousand crores, and is projected to reach INR 57.0 thousand crores by FY'30F at a CAGR of 6.8%. Growth is increasingly driven by **chocolates and better-for-you confectionery**, including fortified chocolates, healthier variants, and cleaner-label products, supported by child-friendly packaging and portion-controlled formats that align with rising parental health awareness. Regulatory initiatives such as FSSAI's Eat Right India are also nudging manufacturers toward safer and healthier formulations, favoring organized players.

The teen segment (13–19 years) is growing at a 6.6% CAGR, driven by rising pocket money, impulse snacking, and pop-culture influence. Demand is shifting from traditional candies toward **chocolate-led indulgence and healthier alternatives**, including filled, dark, and flavored chocolates, alongside global gummy and sour formats with perceived functional or reduced-sugar positioning. Young Adults (20–35) are gravitating toward premium indulgent, and functional confectionery, chocolate-coated nuts, and vitamin or caffeine infused chocolates, leveraging D2C gifting platforms like IGP and Ferns N Petals. Meanwhile, the Adults (35+) segment shows limited engagement, mainly favouring Ayurvedic candies. Niche demand is emerging for herbal and healthier variants aimed at diabetic and health-conscious consumers, with Patanjali and Dabur introducing products like chyawanprash toffees and immunity lozenges.

Figure 0-22: India's Confectionery Market Segmentation by Consumer Segment on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



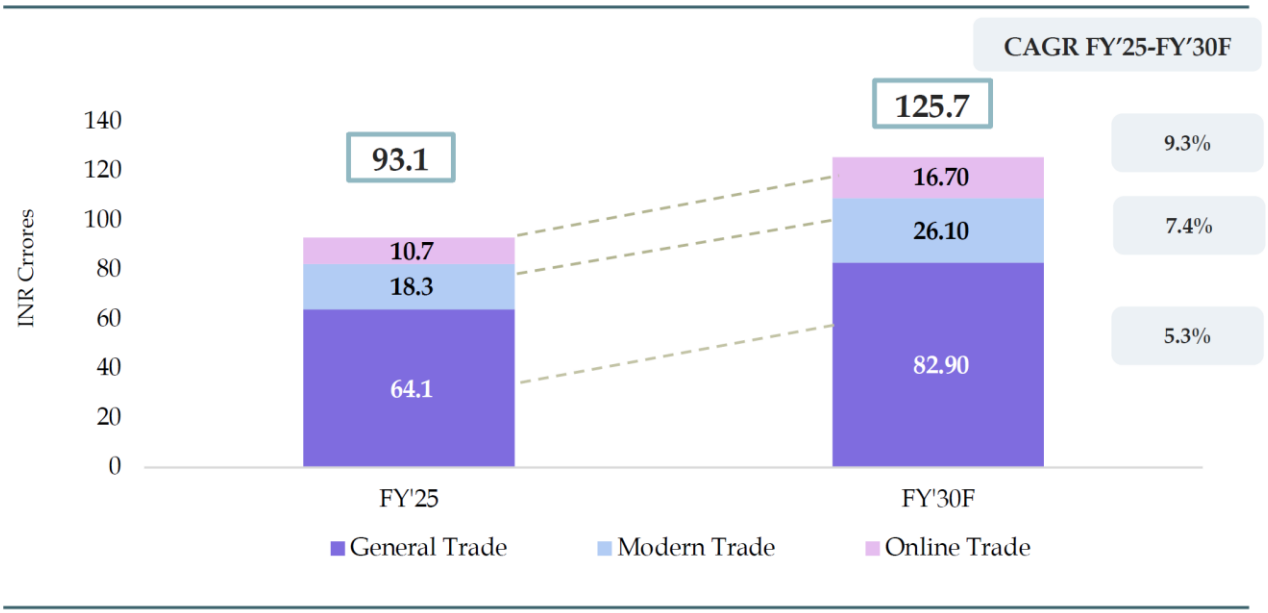
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

By Distribution Channels (FY'25 & FY'30F):

The overall General Trade (GT) channel is the largest, consist of Kirana stores, pan-tobacco shops, stationery and school supply stores, general provision stores, as well as wholesalers and distributors, increasing from **INR 64.1 thousand crore in FY'25 to INR 82.9 thousand crore in FY'30F, at CAGR of 5.3%.** This indicates the continued importance of traditional retail outlets such as Kirana stores, particularly in non-urban markets. Online trade is the fastest growing channel with **CAGR of 9.3%, with revenue rising from INR 10.7 thousand crore in FY'25 to INR 16.7 thousand crore in during FY'25-30F**, driven by the rapid growth of digital commerce platforms and **B2B Kirana Aggregators Platform.**

Modern trade, expanding from **INR 18.3 thousand crore in FY'25 to INR 26.1 thousand crore in FY'30F at a CAGR of 7.4%**. Its rapid rise is driven by strategic management practices such as eye-level product placement for fast-moving SKUs, which enhances visibility and take in impulse-driven categories like confectionery. Organized retailers like DMart and Reliance Smart frequently run bundled promotional schemes, such as INR 10 combo packs or 'Buy 3 Get 1 Free' offers, across most of the month, resulting in sharp spikes in category sales.

Figure 0-23: India's Confectionery Market Segmentation by Distribution Model on the Basis of Revenue in INR '000 Crores, FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year
Note: Indicates Total Value of Segment

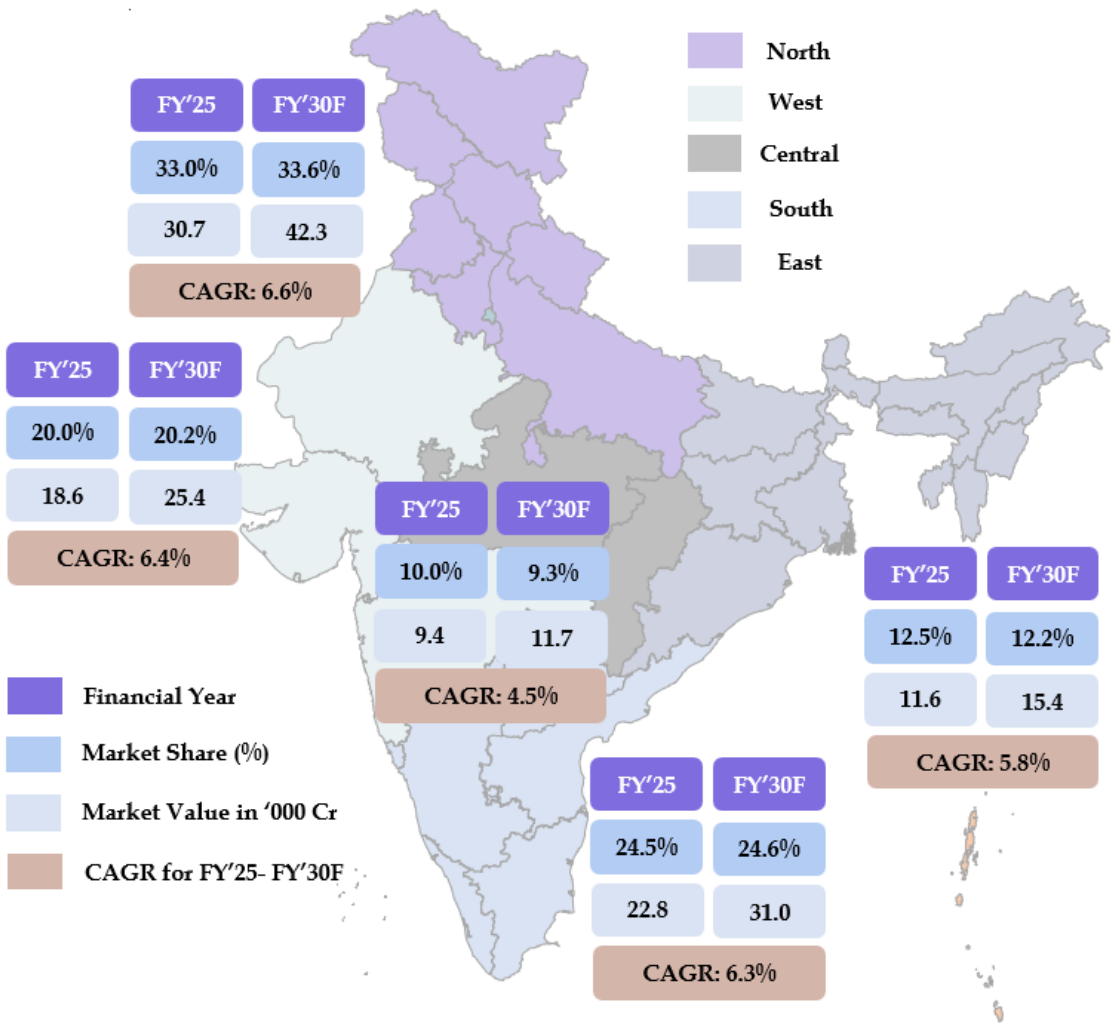
By Region (FY'25 & FY'30F)

The **North region** leads India's confectionery market with a share rising from 33.0% in FY'25 to 33.6% in FY'30F at a CAGR of 6.6%, driven largely by Delhi NCR region. The region's high-income urban base and strong retail infrastructure for modern trade and online trade network support demand, particularly during festive peaks like Diwali which leads to tap the market smoothly. Lucknow and Kanpur contribute through dense general trade networks and sweet consumption habits, increasingly tapped by organized players.

The **South region**, steady at 24.5%–24.6% at a CAGR of 6.3% from the FY'25 to FY'30F respectively, sees growth from Bengaluru (~7.8%), Hyderabad (~6.5%), and Chennai (~6.0%). Bengaluru's young demographic and high retail adoption drive impulse and premium sales. Hyderabad's rising incomes and gifting culture, and Chennai's preference for milk-based sweets, sustain steady demand through both general and modern trade.

In the **West**, with share from 20.0% in FY'25 to 20.2% in FY'30F at a CAGR of 6.4%, sees the growth in the cities like Mumbai (~9.2%), Ahmedabad (~5.5%), Pune (~5.0%), and Surat (~4.0%) are key markets. Mumbai leads on account of premium retail and affluent demand, while Pune's young population favours new-age confectionery. Ahmedabad and Surat contribute strong festive-driven volumes through deep-rooted kirana networks and regional sweet preferences.

Figure 0-24: India's Confectionery Market Segmentation by Region Wise on the Basis of Market Share in Percentage (%) and Market Share Value (INR '000 Crores) for FY'25 & FY'30F



Source: Interviews with Industry Experts, & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F refers to forecasted for the year
Note: North indicates (J&K, Himachal Pradesh, Punjab, Haryana, Uttarakhand, Delhi (NCT), UP, Chandigarh, Ladakh), West indicates (Rajasthan, Gujarat, Maharashtra, Goa, Dadra & Nagar Haveli, Daman & Diu), East indicates (Bihar, Jharkhand, Odisha, West Bengal, Sikkim, North East States, Andaman & Nicobar Islands), South indicates (Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, Kerala, Puducherry, Lakshadweep), Central indicates (MP, Chhattisgarh)

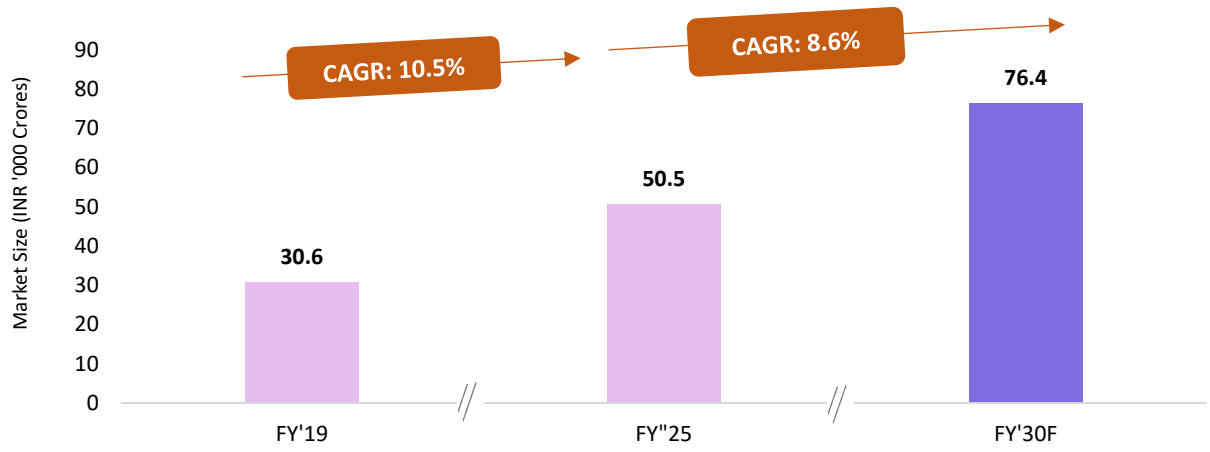
India's Economy Confectionery Market Size, FY'19-FY'25-FY'30F

The India's economy confectionery market includes confectionery product SKUs priced at INR 1–10. In FY'25, economy-priced confectionery market is valued at INR 50.5 thousand crores, reflecting their continued relevance among price-sensitive consumers, particularly in Tier 2–3 cities and rural areas. The growth in the segment is driven by low unit pricing (INR1–5) and widespread availability through kirana stores and distributor-led networks.

In 2023, Nestlé India's Munch, which continued to strengthen its position in the affordable chocolate segment by providing chocolate at INR 5, Munch rolled out multiple youth engagement campaigns, including IPL team partnerships with Punjab Kings, Royal Challengers Bangalore, Gujarat Titans, and others. These included special edition INR 5 packs, digital games, and augmented reality experiences targeted at younger consumers. In 2024, Nestlé launched the "**Utha MUNCH, Dikha Crunch**" campaign encouraging self-expression among teens, reaching deep into semi-urban and rural markets through its strong retail presence. (Source: MediaNews4U)

Looking ahead, growth in the economy confectionery segment is projected to moderate. This reflects a gradual shift in consumer preferences toward premium and differentiated confectionery formats. While economy products are likely to retain their volume advantage, their value contribution is expected to stabilize over the time.

Figure 0-25: India's Economy Confectionery Market Size on the Basis of Revenue in INR '000 Crores, FY'19 - FY'25 – FY'30F



Source: Interviews with Industry Experts, & Ken Research Analysis
Note: FY refers to financial year ending March
Note: F is referred to as forecasted year

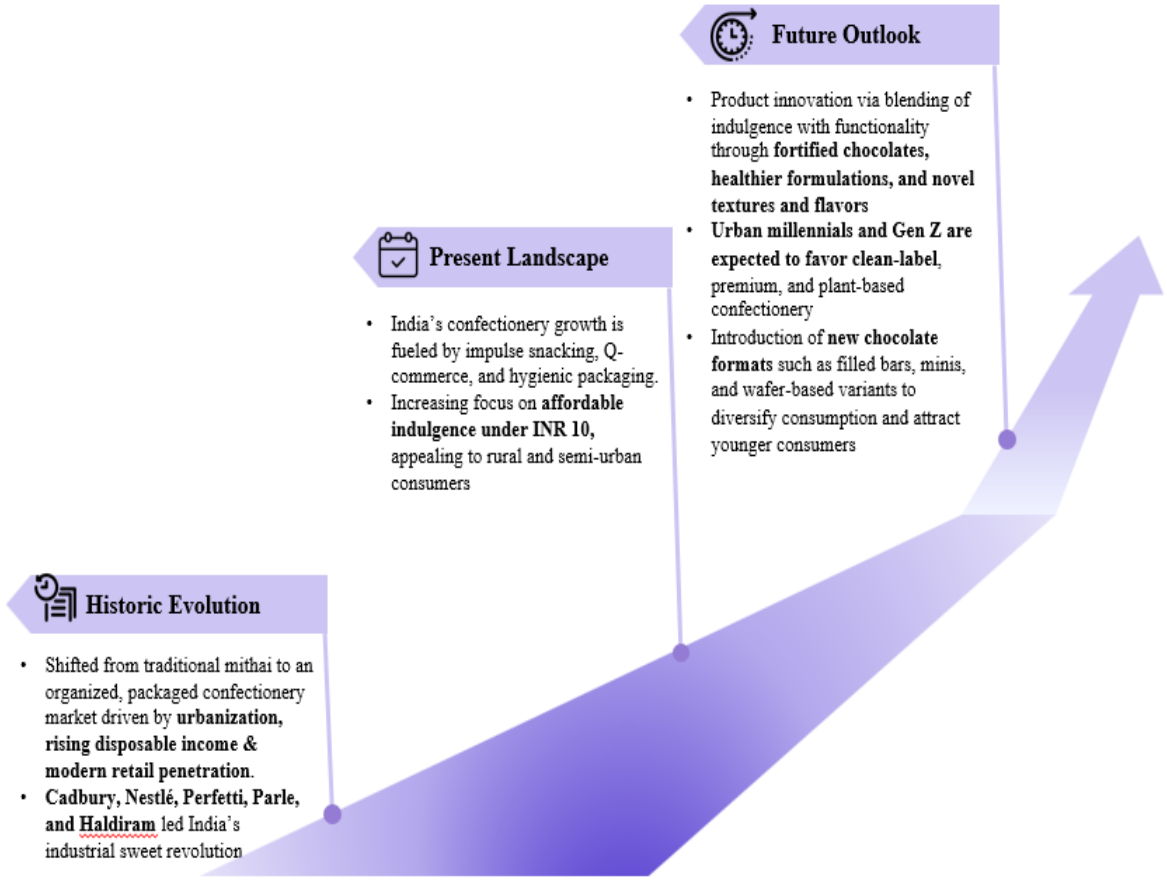
Genesis and Innovation; Future Guidance, Growth Drivers

Historic Evolution: India's confectionery market transitioned from traditional mithai to organized, packaged sweets during the 1990s–2000s, driven by urbanization, rising incomes, and retail modernization. Brands like Cadbury, Nestlé, Perfetti, Parle, and Haldiram's led this shift by introducing hygienic, mass-priced (INR 1–INR 5) chocolates and candies, expanding reach across rural India. By 2010, packaged confectionery accounted a major proportion of total urban share. Product innovation during this phase focused on shelf-stable milk chocolates, hard-boiled candies, and toffees, while packaging modernization and small-unit pricing helped expand rural access and impulse buying behavior.

Present Landscape: The market today balances affordable indulgence and premium demand. Economy-priced products dominate rural sales, while urban markets favor premium and hybrid categories such as wafer chocolates and milk sweets. Impulse snacking, hygienic packaging, and digital-first campaigns through Q-commerce and D2C channels are redefining consumption. Companies like Mars Wrigley and Nestlé India have shifted towards 50:50 TV–digital media spend ratios as per data published by Economic Times in April 2025, while Parle and ITC are focusing on value packs and regional flavour.

Future Outlook: The sector is increasingly driven by product and format innovation, with manufacturers blending indulgence with functionality through fortified chocolates, healthier formulations, and novel textures and flavors. Innovation in packaging, portioning, and personalization is improving speed-to-market and enabling rapid portfolio refreshes. **Manufacturers are also experimenting with new chocolate formats such as filled bars, layered chocolates, bite-sized minis, spreads, and wafer-based chocolate products to diversify consumption occasions and appeal to younger consumers seeking variety and convenience**. Urban millennials and Gen Z are expected to favor clean-label, premium, and plant-based confectionery, while innovations in processing and shelf-life extension are supporting the expansion of gifting-oriented and milk-based confectionery beyond festive demand cycles.

Figure 0-26: India's Economy Confectionery Market Outlook



Source: Ken Research Analysis

Overview of Major Domestic and International Brands in India's Economy Confectionery Market

The India's economy confectionery market segment of product SKUs (INR 1–10) reflects a distinct divide between international and domestic brand dominance. While international players such as Mondelez International Inc., Mars International Pvt. Ltd., Nestle India Ltd. and Perfetti Van Melle Group have maintained a foothold through legacy brands like Éclairs, Perk, Munch, Snickers, Alpenliebe, and Mentos, their presence is limited to a few SKUs in this low-price segment.

In contrast, domestic brands, including Shellz India Limited, DS Group, Kayempee Foods, and Parle Products, demonstrate deeper penetration with a broader and more diversified portfolio tailored for value-conscious consumers. This indicates a strategic alignment by domestic firms towards keeping high-volume and low-unit price SKUs that resonate with mass-market demand, especially in rural and semi-urban region.

Table 0-5: Overview of India's Economy Confectionery Market (SKU INR 1-10) by Leading International and Domestic Players (As of June 2025)

Company Name	Brands	Product SKUs (INR 1-10)	Brand Origin
DS Group	• Pulse • Chingles	• Pulse Candy - INR 1 • Chingles Gum - INR	Domestic
Prayagh Consumer Care Pvt. Ltd.	• Cintu • Lavian	• Cintu Choco Eclairs – INR 1 • Chintu/Cintu Candy – INR • Cintu Kracker Wafer Chocolate – MRP INR 5	Domestic
Mars International India Pvt. Ltd.	• Snickers • Galaxy	• Snickers Mini – INR 10 • Galaxy mini bars – INR 10	International

Mondelez International Inc.	• Dairy Milk • Perk • Éclairs	• Perk Mini - INR 5, • Éclairs - INR 1, • Dairy Milk Shots - INR 5	International
Nestle India Ltd.	• Munch • Milkybar	• Munch – INR 5 • Milkybar Moosha Mini – INR 5	International
Parle Products Pvt Ltd	• Melody • Kismi • Mango Bite	• Melody - INR 1 • Mango Bite - INR 1	Domestic
Perfetti Van Melle Group	• Alpenliebe • Mentos • Happydent	• Alpenliebe Toffee - INR 1 • Happydent - INR 1	International
Shellz India Limited	• Hugs	• Hugs Push Up - INR 5 • Hugs Dip Sticks - INR 5 • Hugs American Cow - INR 5	Domestic

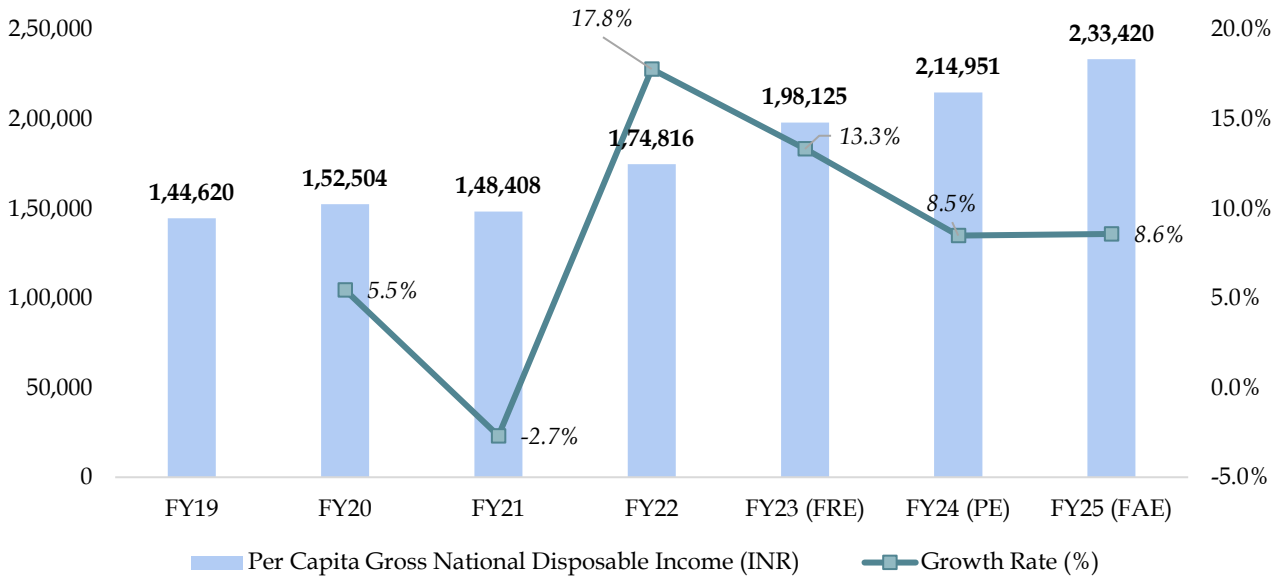
Source: Interviews with Industry Experts, Companies Website & Ken Research Analysis

Drivers & Market Opportunities

Rising Disposable Incomes And Retail Penetration Driving Market For Confectionery Products

India's per capita Gross National Disposable Income (GNDI) has increased consistently from INR 1.45 lakh in FY19 to an estimated INR 2.33 lakh in FY25\. Income growth accelerated in the post-FY21 period, peaking at 17.8% in FY22 and stabilizing during FY24–FY25. This sustained expansion in disposable incomes is strengthening consumers' spending capacity on discretionary categories such as confectionery. Improved income visibility, alongside deeper penetration of modern trade, e-commerce, and neighborhood retail, is driving higher consumption frequency and premiumization. Consequently, confectionery demand is increasingly evolving from occasion-led purchases to everyday consumption.

Figure 0-27: Per Capita Gross National Disposable Income (Current Price) in INR, FY19-FY25



Source: MOSPI & Ken Research Analysis; Note: FRE: First Revised Estimates; PE: Provisional Estimates; FAE: First Advance Estimates
Note: FY represents the Financial Year ending on March 31

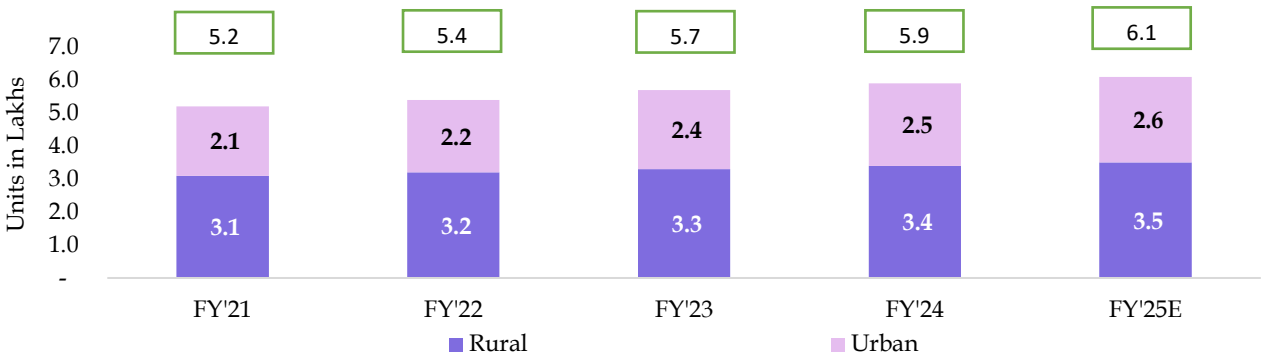
Favorable Demographics & Youth Population Encouraging Confectionery Consumption

India's demography is characterized by a significant child, adolescents, and young adults' population that provides a strong and recurring demand for confectionery products. Children and early adolescents drive high-volume consumption through frequent, low-priced impulse purchases, while Gen Z consumers increasingly influence demand for new formats, flavors, and experiential offerings such as gummies and novelty confectionery. The emerging Gen Alpha (individuals born after 2010) is further accelerating confectionery consumption. Among young adults, confectionery is gaining relevance as an affordable indulgence and on-the-go snack. Collectively, this customer segment contributes to both current and future sales for confectionery products.

Growth of Kirana Based Agreement Facilitating Distribution Channel Expansion

According to the Annual Survey of Unincorporated Sector Enterprises (ASUSE) 2023-24 report, the number of kirana store establishments in India increased from 5.2 lakh in FY'21 to a projected 6.1 lakh in FY'25, **with rural areas maintaining a steady share of over 57%.** This gradual rise can be linked to a combination of factors such as modest growth in rural consumption, continued reliance on local retail due to limited presence of organised formats in smaller towns, and the convenience offered by kirana stores in terms of accessibility and familiarity. Government schemes like PM-SVANidhi, increased digital adoption (UPI, Aadhaar-linked payments), and entrepreneurial activity-especially post-COVID migration reversals played a role in encouraging new store openings in both rural and semi-urban regions.

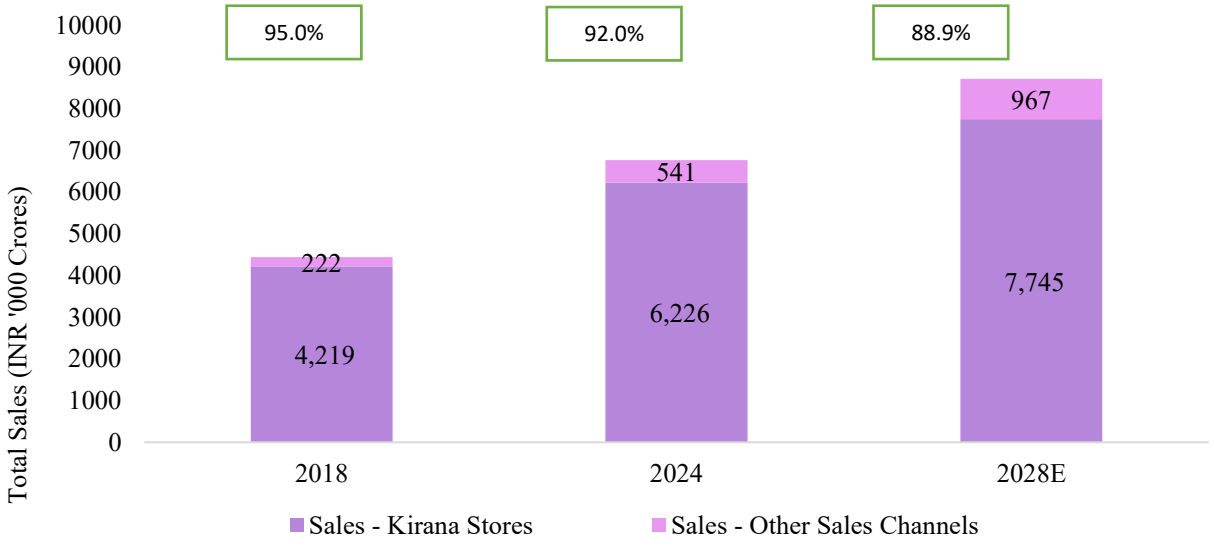
Figure 0-28: Retail Trade (Kiran Store) Establishment in India (in units Lakh), FY'21-FY'25E



Source: Annual Survey of Unincorporated Sector Enterprises (ASUSE) 2023-24 Report and Ken Research Analysis
Note: FY represents Financial Year
Note: Indicates Total Value of Segment
Note: Data for FY'25 has been extrapolated

Despite emerging competition from modern trade and online platforms, Kirana stores still play a major role in India's grocery shopping. In FY'24, they account for around 92% of the market, and they're expected to hold nearly 89% by FY'28F. This shows how deeply rooted Kirana stores are, especially in semi-urban and rural parts of India. For the economical confectionery sector, which depends on high-frequency, low-value, impulse-driven sales, Kirana stores serve as a vital distribution channel. Their easy accessibility, high footfall, and preference for cash transactions make them a great fit for confectionery brands, especially for items priced between INR 1 to INR 10. With a vast network of over 3.4 lakh Kirana stores in rural areas as per FY'24, Kirana outlets allow these companies to reach Tier 2 and Tier 3 markets effectively, without needing to invest heavily in their own infrastructure or online platforms.

Figure 0-29: Sales and Market Share (in %) of Kirana Store out of Grocery Market in India for FY'18, FY'24 & FY'28



Source: Indian Food Times, Ken Research Analysis
Market share of Kirana Store in the Overall Grocery Market

Private Label Growth

Modern trade refers to organized retail formats such as supermarkets, hypermarkets, and retail chains that follow structured operations, rely on centralized procurement, and are run by professionally managed systems. In modern trade sectors the products provided by private label brands are priced 25–40% lower than branded items, making them appealing to price-sensitive consumers. Private label manufactures such as Parsons Nutritional, Helenz Lifesciences, Dhiman Foods Pvt. Ltd, Candico India Ltd. have expanded their private label offerings, including Baked Confectionery, Chocolate & Milky Confectionery, and Sugar Confectionery, using efficient supply chains to maintain affordability and quality. Agreements with manufacturers focus on exclusive supply contracts, ensuring steady product flow at competitive prices.

The **expansion of private label portfolios in modern trade is also driving higher confectionery sales volumes**, particularly in impulse and value-driven categories. Retailers increasingly promote private label confectionery through **in-store visibility, bundled offers, and shelf prioritization,** encouraging trial and repeat purchases. The lower price points enable consumers to **purchase larger pack sizes or buy multiple variants**, thereby increasing basket size and category penetration. Additionally, modern retailers leverage **data-driven assortment planning and consumer insights** to introduce new flavors, healthier alternatives, and seasonal variants under private labels. As a result, confectionery products under private labels are witnessing **higher turnover and faster shelf rotation**, contributing to the overall growth of confectionery sales within modern trade channels.

Table 0-6: Key Contract Manufacturers Supporting Private Label Growth

Players	Facility Types	Types of Offerings
Parsons Nutritional	Large-scale manufacturing set-up, private label supply for **gums/gummies** and related confectionery formats	Offers products to Brands like Orion, ITC, Mondelez, etc.
Helens Lifesciences	WHO-GMP and USFDA-certified facilities	Confectionery-based nutraceutical products: gummies, lozenges, and chewables under private label contracting. End-to-end services.
Dhiman Foods Pvt. Ltd.	50,000-square-foot facility in Punjab	Customized confectionery production. Flexible production volumes (1 to 600+ metric tons/month).
Candico India Ltd.	Manufacturing facility over 350,000 sq. ft.	Private label and contract manufacturing for toffees, candies, gums. Large-scale production for brands like ITC, Nestlé, HUL.
Prayagh Consumer Care Pvt. Ltd.	Multi-unit confectionery manufacturing footprint in Telangana with installed capacity ~78,000 MT/year	Offers products under its own brands and also do contract manufacturing for ITC and DS Group

Source: Company's Website, & Ken Research Analysis

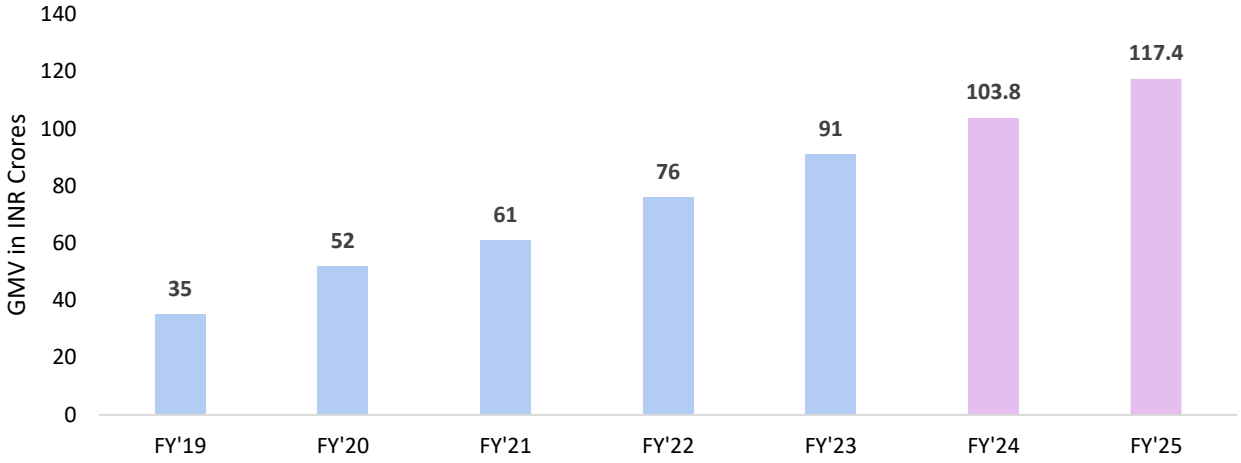
Market Opportunities

Growth of E-Commerce in General with Focus on Gifting and Festive SKUs

India's e-commerce sector has seen robust growth, expanding from INR 2.1 trillion in 2019 to a projected INR >6 trillion by 2025, with festive seasons playing a major role. During these periods, Gross Merchandise Value (GMV) rose from INR 35.0 crores in 2019 to an estimated INR 117.4 crores in 2025. A key contributor to this surge is the rising popularity of gifting and festive SKUs, particularly in categories like food and beverages, including confectionery. Products such as chocolates, gourmet sweets, dry fruits, and curated hampers in exclusive festive packaging are in high demand during occasions like Diwali, Eid, and Christmas. Notably, confectionery and bakery items accounted for 2-3% of Diwali spending in India in 2025, reflecting their growing importance in festive gifting.

The chart indicates a **strong and consistent growth trajectory in India's festive-season e-commerce GMV from FY'19 to FY'25**, reflecting the rapid deepening of online retail adoption. Growth in GMV further indicates that festive periods are becoming increasingly important for online sales. Overall, the trend reflects a clear shift of festive shopping toward e-commerce platforms, driven by convenience, wider choice, and digital payment usage.

Figure 0-30: Gross merchandise value (GMV) of e-commerce during festival season in India from FY'19 to FY'25



Source: Ken Research Analysis
Note: FY represents the Financial Year ending on March 31
Note: P represents Projected for the year

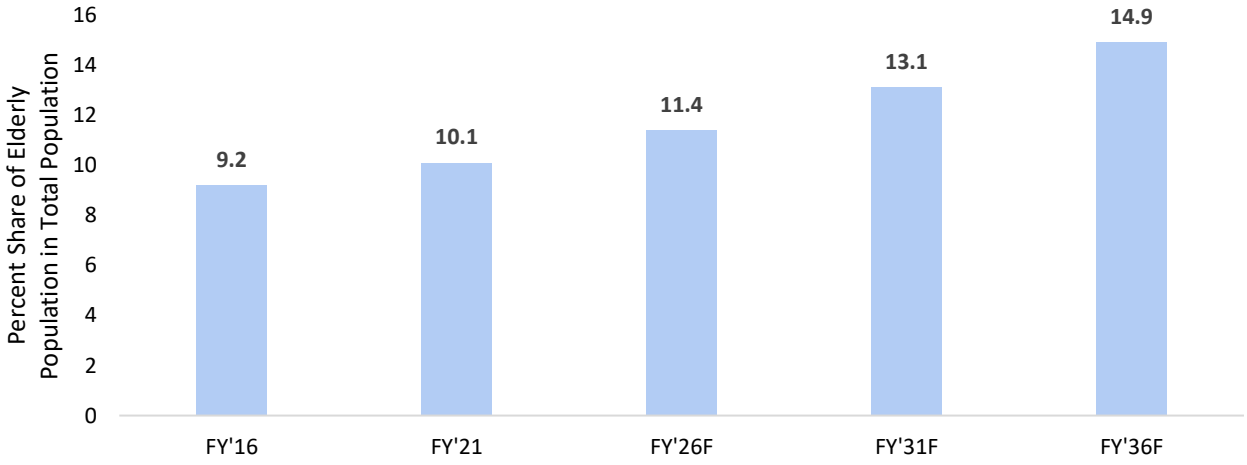
Major players like Amazon India and Flipkart lead the market with curated festive storefronts, while brands like Cadbury (Mondelez) and Nestlé capitalize through seasonal product lines and personalized gifting campaigns. while brands like Smoor Chocolates, Vahdam Teas, and KesarCo cater to upscale and export markets.

Fusion of Traditional and Modern Flavors and Innovative Packaging needs

Amid a rapidly modernizing FMCG landscape, the Indian confectionery sector is entering a phase of growth driven by **product and flavour innovation**. The growing elderly consumer base is increasingly preferring **new-age indulgent products that combine traditional Indian flavours with modern confectionery formats**. For instance, Haldiram's Nagpur launched its Cocobay chocolate range with fruit and spice flavours such as Chili Guava and Cranberry, highlighting how brands are innovating on flavours to suit local tastes.

In addition to flavour experimentation, **innovative packaging formats are playing a critical role in driving consumer appeal and convenience**. Manufacturers are introducing **resealable pouches, portion-controlled packs, premium gift boxes, and sustainable packaging materials** to enhance product usability and shelf visibility. Attractive and ergonomic packaging designs are helping brands position confectionery products as **premium gifting options and on-the-go snacks,** particularly during festive seasons and social occasions. Furthermore, modern packaging technologies are being used to **improve product freshness, extend shelf life, and enable better branding through vibrant graphics and transparent windows,** thereby strengthening consumer engagement and purchase intent across both modern trade and e-commerce channels.

Figure 0-31: Elderly Population Base in India, FY'2016 - FY'36F



Source: Ministry of Health & Family Welfare
Note: FY represents the Financial Year ending on March 31
Note: P represents Projected for the year

On the supply side, policy initiatives such as the Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI) backed by a budget of INR 10,900 crore and generating over 2.89 lakh jobs, implemented from 2021-22 to 2026-27 are enhancing domestic manufacturing capabilities and enabling regional players to formalize operations and scale efficiently, creating a strategic opportunity for companies to expand production and introduce innovative, premium confectionery offerings.

Trends & Development

Rise of Affordable Indulgence, Snackification, Fusion of Traditional and Modern Flavors

The Indian confectionery market has seen a significant transformation, driven by the shift in tastes of urban and semi-urban consumers. With rising disposable incomes and a growing aspiration for lifestyle pattern with global trends, affordable indulgence has emerged as a key consumption driver. Small-pack, low-cost options priced under INR 10 have penetrated Tier 2/3 cities, making innovative flavors and textures more accessible.

Snackification is transforming Indian confectionery, with brands incorporate traditional flavors like paan, gulkand, raw mango, and jaggery into modern formats such as candies, lollipops, and wafers. These hybrid products cater to on-the-go lifestyles while recall nostalgia, creating a unique fusion that appeals to both traditional tastes and modern preferences. From Pulse's tangy twist, American Cow to Desi Popz and chocolate-coated wafers, these innovations reflect a fusion and growing trend in confectionery market.

Figure 7-1: Traditional and Modern Flavors Snackification Products Among Indian Confectionery Brands



Source: Companies Website & Ken Research Analysis

Growing Preference for Product Innovations

Product innovation in the Indian confectionery market is driven by adjustments in **format, texture, flavour composition, and price architecture,** particularly in the mass and economy segments. Innovations such as development of **multi-texture products,** where a single confectionery item combines different physical characteristics such as hard, soft, liquid, or creamy components is altering the consumption experience. Further, the **use of Indian flavour profiles** - Tangy, sour, spicy, or floral flavours are being incorporated into product offerings. Innovation is also occurring through **non-traditional chocolate formats,** which extend chocolate consumption beyond conventional bars into more interactive or versatile forms.

Affordability is aspect in product innovation. New products are commonly designed below the ₹20 price point through **smaller unit sizes, high flavour intensity, and value-focused products,** supporting frequent purchases. Additionally, **variety within a single product,** such as multiple flavours or textures, is being used to increase engagement without materially increasing cost.

Table 0-7: Trends in Product Innovations Among Indian Confectionery Brands

Companies/Brands	Product Innovation	Description
Perfetti Van Melle India (Center Fruit)	Center Fruit Tennis Ball-shaped Gum	• Tennis ball-shaped chewing gum with a crunchy outer layer and a pineapple-flavoured liquid centre. • Sold in small-unit packs (₹2) and multipacks (₹10).
DS Group (Pulse)	Pulse Golmol – Imli Flavour (soft chew)	• Tamarind (imli) flavoured soft-chew extension under the Pulse franchise. • Positioned at low unit price points.
Perfetti Van Melle India	Choco Meltz	• Squeezable chocolate format intended for drizzle/spread/sip use cases. • Sold at a ₹5 impulse price
KK Candy Sky	Jasmine Candy	• Flavoured hard candy offered in low-price (often sold in the ₹5–₹10 range in local trade).
K'MMON Candy Crafter	Candy Crusher	• Low-priced jelly assortment sold as a ₹5 impulse item, combining multiple shapes/flavours in one unit.
Shellz India Limited	HUGS Dip Sticks	• Portion-format chocolate dip with biscuit sticks. • Positioned for impulse consumption (commonly retailed at ~₹5 per unit).
Shellz India Limited	HUGS Push Up The Cone	• Wafer cone format with chocolate/milk-style filling and biscuit inclusions. • Positioned as a low-ticket impulse treat (commonly ~₹5 per cone)

Source: Companies Website, News Articles, & Ken Research Analysis

Increase in Festival-Led Consumption

Festivals have been peak periods for confectionery sales in India, and this trend has only boost in recent years, with consumers increasingly purchasing sweets and chocolates as preferred gifts during these celebrations.

- **During Diwali 2025 festive period,** a LocalCircles survey published in October 2025 found that 74% of urban households consumed traditional sweets at least three times a month, while 79% consumed sweet bakery or packaged products such as cakes, biscuits, chocolates, and candies with the same frequency. This represented an increase of over 40% in frequent sweet consumption compared to 2024.
- **Similarly, festive spending during Rakhi 2025 surged further,** with Confederation of All India Traders (CAIT) projecting retail trade of around INR 17,000 crore and an additional ~INR 4,000 crore from sweets, dry fruits, gift hampers and related categories highlighting the growing economic weight of Raksha Bandhan for confectionery and gifting players.
- During Christmas 2024, despite a 5–20% price hike in cakes and chocolates, retailers across major metros like Pune, Delhi, and Bengaluru reported a 25–50% surge in confectionery sales, driven by strong consumer demand for chocolate, gift boxes, and baked confectionery like plum cakes and cookies.

Innovation in Confectionery Segment

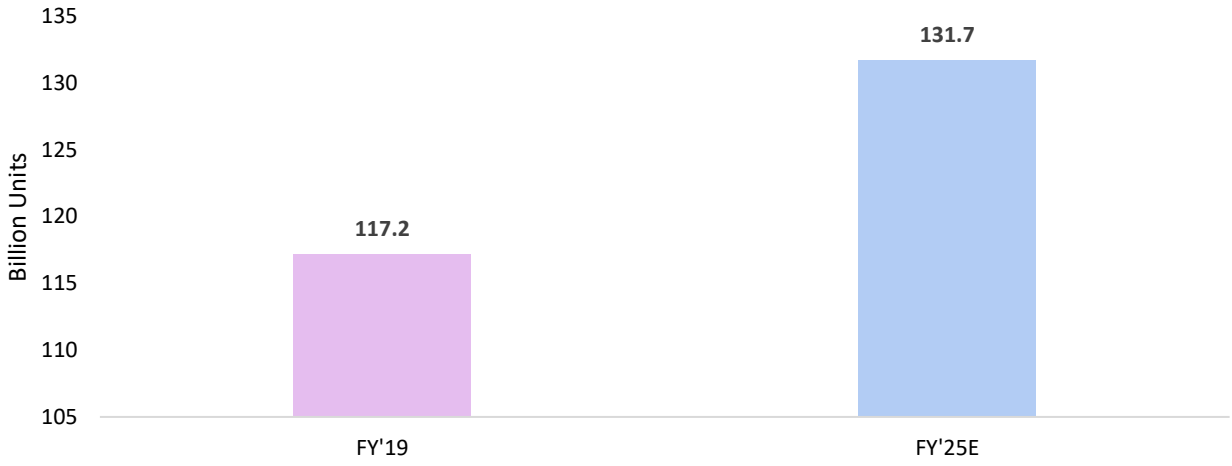
Innovation Trends

The Market is largely focused on volume, with limited innovation observed particularly at lower price products.

Total packaging retail volumes grew from **117.2 billion units in 2019 to 131.7 billion units in 2025E**, indicating consistent market expansion. However, this growth has largely been underpinned by the dominance of flexible packaging, which reached **130.8 billion units in 2025E**, up from **116.3 billion units in 2019**. Within this, **flexible plastic remained the leading pack type**, accounting for **114.0 billion units in 2025E**, highlighting manufacturers' continued reliance on cost-effective, scalable solutions to meet mass-market demand.

Innovation in pack formats has remained largely incremental. The emergence of **stand-up pouches**, registering usage for the first time in 2023 (0.1 million units), reflects early-stage experimentation but remains negligible in volume terms. Rigid plastic has shown steady growth from **370 million units in 2019 to 410.0 million units in 2025E** driven by applications in count lines and boxed assortments; however, these formats cater mainly to mid-to-premium segments. Price sensitivity continues to be a major barrier to broader adoption of innovative or sustainable packaging formats, especially in sugar confectionery where **5 grams and below pack sizes are projected to account for 88% of volumes by 2028**. This presents an opportunity for players to develop differentiated, cost-effective solutions that align with evolving consumer preferences.

Figure 0-32: Total Packaging Retail Volume in India, FY'19 VS FY'25E (Billion Units)



Source: Euromonitor - Confectionery Packaging in India as of FY'Nov'25
Note: FY represents Financial Year

Key Innovation Trends

The market is shifting from basic sugar candies to more indulgent chocolate, cream-filled and globally inspired formats. Savoury biscuits, potato crackers and center-filled cookies are rising as consumers seek diverse, premium snack experiences.

Table 8-8: Innovation Trends in India Confectionery Segment

S.No	Main Innovation Trend	Description	Indicative Examples
1	Shift from sugar-boiled candy & toffee to chocolate/cream formats	Consumers are trading up to indulgent, higher-margin chocolate and cream-based formats, replacing low-priced candies.	Jellies/gummies, Lotte Choco Pie, Ferrero Rocher, Kinder Joy, wafer rolls
2	Rise of savoury biscuits & potato cracker formats	Movement toward salty, spicy, tea-time snacks is expanding beyond traditional sweet biscuits	Potato crackers, cheese/masala biscuits
3	Premium centre-filled & dessert-like cookies	Biscuits are becoming premium dessert substitutes with rich fillings and melt-in-mouth centres	Dark Fantasy-style choco-filled cookies, lava cookies, cream sandwich cookies
4	International flavours & formats at affordable packs	Global flavours are being localized and offered in mini packs, making premium tastes accessible at small price points	Hazelnut, matcha, cookies-and-cream flavours in INR 10–INR 20 packs, mini pies, wafer sticks

5	Limited innovation in deep value segment (INR 1–INR 5)	Mass segment still dominated by me-too candies and basic toffees, with minimal flavour/format differentiation.	Low-priced hard candies, basic toffees, unbranded/me-too SKUs

Source: Ken Research Analysis

Technological Usage: Automation in Production

Driven by increasing consumer demand, rigid food safety standards, and the need for cost-efficient operations, manufacturers are rapidly adopting automation and digital technologies across their production lines. While large players such as Mondelez, Nestlé, and ITC have invested heavily in fully automated smart factories, small and medium enterprises (SMEs) are also beginning to incorporate semi-automated systems. Adoption of technologies such as programmable logic controllers (PLCs), robotic packing arms, AI-powered quality control systems, and IoT-based real-time monitoring is becoming increasingly common.

The Production Linked Incentive (PLI) Scheme for Food Processing, launched by the Government of India in 2021 with an outlay of INR10,900 crore, has further accelerated technology adoption, particularly in automation and sustainability. This includes financial support for machinery upgrades, smart packaging systems, and hygiene-focused contactless production.

Table 8-9: Technologies Used in Automating Confectionery Manufacturing

Technology Type	Description	Application
Programmable Logic Controllers (PLC)	• Industrial digital computers for automation	• Mixing, temperature control, ingredient dosing
SCADA Systems	• Supervisory Control and Data Acquisition	• Real-time monitoring of temperature, humidity, process flows
Automated Packaging Machines	• Flow wrapping, pouch filling	• High-speed wrapping and packaging
Robotics	• Mechanical arms with sensors	• Pick-and-place, packaging, palletizing
Vision Systems	• AI-powered cameras	• Defect detection in shape, size, wrapping

Source: Industry Articles & Ken Research Analysis

Market Challenges and Threats

Low Brand Loyalty in Value Segment for Confectionery Market

In confectionery market, low brand loyalty remains one of the most continuous challenges, especially for SME players. The value segment is largely driven by impulse purchases, high price sensitivity, and low product differentiation factors that make it difficult for brands to retain customers.

Consumers, particularly in rural and semi-urban areas, often view products like toffees, lollipops, and sugar candies as interchangeable, and are quick to switch brands based on minor changes in price, taste, or availability. This behavior is further escalated by the strong presence of local and unorganized players who can undercut prices and rapidly adapt to local tastes. This environment creates a tough battlefield where even quality or consistency may not be enough to secure repeat buyers. Building a loyal customer base becomes difficult without continuous visibility at the point of sale, innovative pricing strategies (e.g., INR 1 – INR 2 SKUs), and localized brand-building efforts. In such a fragmented and price-driven

landscape, low brand loyalty directly limits long-term brand value, market share stability, and investment returns for SMEs trying to grow sustainably.

Margin Pressures Due to Input/Raw Material Cost Volatility

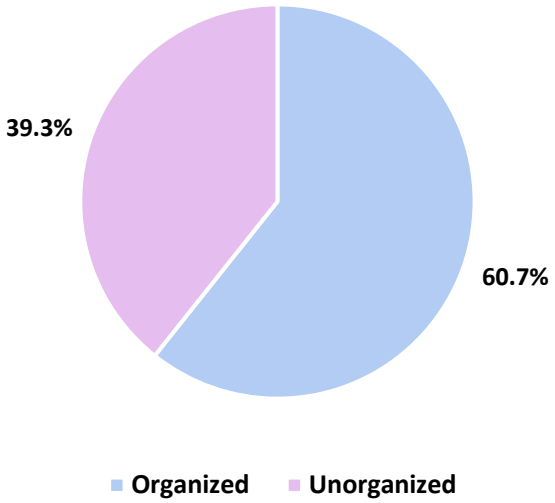
Companies in India's economical confectionery sector are struggling with significant margin pressures due to volatile raw material costs. Key inputs such as sugar and edible oils have experienced notable price fluctuations. For instance, ex-mill sugar prices in Maharashtra for the **S-30 grade rose from INR 3,565 per quintal in mid-January 2025 to INR 3,790 per quintal by mid-February 2025**, marking a **6.5% increase in just one month**. This surge is attributed to a **12% year-on-year decline in sugar production**, driven by adverse weather conditions and early mill closures.

Given that products in the economical segment are typically sold at fixed low-price points (INR 1–INR 10 SKUs), manufacturers have limited flexibility to pass these increased costs onto consumers. Consequently, SMEs face the dilemma of absorbing higher input costs, which erodes profit margins, or compromising on product quality, which can affect brand reputation and customer retention. The lack of economies of scale and limited access to procurement strategies further intensify these challenges for SMEs, making it vital to explore cost-effective sourcing of raw material and operational efficiencies to sustain profitability in this volatile market landscape.

Competition from Local Unorganized Players

In the FY'25, **organized sector** holds **60.7%** of the market, whereas the **unorganized sector holds 39.3%** of market share. Despite the majority share of organized players, competition from the unorganized sector remains significant. Competition from local unorganized players remains a significant challenge for companies across the board. These players comprising regional manufacturers, cottage-scale producers, and local vendors, offer products at ultra-competitive price points, often in the INR 1 to INR 5 range, appealing to price-sensitive consumers. Since, hard-boiled confectionery items do not require high-tech setups, leading to increase of numerous unorganized small players across the country.

Figure 0-33: Market Share by Company Type in Indian Confectionery Market for FY'25



Source: Interviews with Industry Experts, & Ken Research Analysis

The unorganized sector's dominance is particularly evident in rural and semi-urban areas, where they leverage minimal overheads, flexible supply chains, and strong relationships with local retailers to ensure last-mile availability. This allows them to undercut formal brands, making it challenging for organized players to maintain market share.

Moreover, the unorganized sector often operates with minimal compliance to food safety regulations, allowing them to reduce costs further. The fragmented nature of the industry leads to inconsistencies in quality and standards, affecting both domestic consumption and export potential.

Seasonal Demand Dependency

Seasonal demand dependency remains a structural challenge within India confectionery segment, interrupt consistent sales cycles and complicating supply chain management. The market typically sees a spike in demand during the festive period

(July to February), aligned with Raksha Bandhan, Diwali, Christmas, and the academic calendar. However, these high-demand windows are offset by sharp declines during summer months and exam seasons, especially in rural markets where school children constitute a primary consumer base. It is seen that confectionery manufacturers in Indore reported up to a **40% decline in sales during the off-season**, with many SMEs reducing output and operating below installed capacity due to diminished rural orders and school closures (Times of India).

Rise of Healthier Options

The rising consumer interest in healthier snacking driven by preferences for healthier alternatives, natural, and additive-free products is gradually influencing among the consumer segment. However, this shift faces significant resistance within the economical segment, where affordability, taste, and availability remain key drivers. About 58% of Indian consumers, especially in rural and semi-urban areas, cite high prices as the primary barrier to adopting healthier options. Regulatory mandates from the FSSAI, such as compulsory labelling of sugar and fat content, have further raised compliance costs posing a challenge for manufacturers striving to keep products affordable.

Despite these hurdles, a niche but growing segment of medicated and functional confectionery is gaining traction, especially in urban markets. Companies like **Power Gummies, Kapiva, Man Matters, Gummy Vites, and Zingavita are offering products such as Ashwagandha-infused gummies, Shilajit toffees, biotin and multivitamin gummies, and melatonin-based sleep aids**. While these products cater to health-conscious consumers seeking convenience and wellness, their reach in price-sensitive and rural markets remains limited due to higher costs, weaker distribution networks, and competition from unbranded local players. As a result, health-forward confectionery continues to struggle for mass adoption in India's economical segment.

Regulatory Hurdles for Export

India's economical confectionery sector, which includes affordable and mass-market products like toffees, candies, and lollipops, faces considerable regulatory challenges that hinder its export growth. Both large players and SMEs are affected by a fragmented and often overlapping regulatory structure, inadequate food testing infrastructure, and the inability to consistently meet stringent international safety and packaging standards.

Export consignments are frequently rejected due to non-compliance with food safety norms abroad; while evolving domestic policies such as bans on recycled packaging or sudden export restrictions further increase uncertainty for exporters. Moreover, infrastructure limitations and logistic & supply delays make it harder to compete globally, especially for companies based in landlocked or rural areas. These systemic challenges not only impact product credibility in overseas markets but also discourage long-term investments in export-focused growth strategies within the sector.

- India's food export sector is burdened by fragmented regulatory oversight, with multiple agencies like FSSAI, APEDA, and BIS imposing overlapping requirements that create confusion and increase compliance costs for confectionery exporters.
- Sudden policy shifts, such as changes in export tariffs or product bans, make it difficult for exporters to plan and maintain buyer relationships.
- India's inadequate food testing infrastructure, marked by outdated equipment and a shortage of skilled personnel, often results in inconsistent quality checks and frequent rejection of confectionery export consignments.
- Indian confectionery exports have faced over 500 food safety rejections in the EU since 2020 due to contamination and non-compliance.

Threats and Risk

The Indian confectionery market, include intense price competition, especially in the value segment, which is increased by the presence of unbranded and local players offering similar products at lower costs. Additionally, shifting consumer preferences towards healthier options, regulatory pressures for clearer labelling and ingredient disclosures, and supply chain disruptions all present significant challenges. As consumer demand evolves, brands must navigate these risks while maintaining product quality, affordability, and relevance in an increasingly competitive landscape.

Figure 0-34: Threats and Risk in India's India Economical Confectionery Market

Price Sensitivity

- Consumers prioritize price over brand, leading to challenging brand retention strategies.
- This is prevalent in rural & semi-urban areas, where cost remains the primary purchase driver.

Regulatory and Labelling Pressures

- FSSAI's stringent labelling norms require clear disclosures of sugar, fat, and salt content, increasing compliance costs for manufacturers.
- These regulations necessitate product reformulation and packaging updates, posing challenges.

Distribution Inefficiencies

- Traditional retail channels dominate, but reaching remote or semi-urban areas remains challenging due to logistical fragmentation.
- This affects the availability of newer or niche products, limiting market penetration for emerging brands.

Counterfeit and Unbranded Competition

- The unorganized sector continues to erode market share by offering unbranded confectionery at ultra-low prices, without proper quality standards which leads to undermine branded player's reputational risks for the industry at large.

Commodity Price Volatility

- Sugar prices have surged due to policy changes and supply constraints, with the government's extension of the sugar export ban aiming to stabilize domestic supply, but adding uncertainty to the market.

Shifting Consumer Preferences

- Shifting consumer preferences in India are driving demand for healthier, functional confectionery options such as sugar-free and probiotic-infused treats posing a threat to traditional and sugar-laden products.

Source: Ken Research Analysis

Regulatory Landscape & Government Support

Regulatory Landscape Governing the Confectionery Market in India

Regulations Governing Confectionery Products in India

FSSAI is the governing body for implementing regulations governing the confectionery products in India. The regulations focusing on Sugar and chocolate & milky confectionery are given as follows:

Figure 0-35: Regulations Pertaining to Sugar and Confectionery Products in India

Regulations	Focus Area	Description
FSSAI Product Standard – "2.7.1 Sugar Boiled Confectionery"	Sugar Confectionery	• Defines/standardises sugar boiled confectionery (covers common candy/toffee formats) • Sets key product requirements and directs compliance with permitted additives/sweetener conditions where applicable
FSSAI Product Standard – "2.7.2 Lozenges"		• Defines lozenges as a confectionery sub-type and standardises ingredient base • Establishes a compliance baseline to avoid misclassification/adulteration
FSSAI Product Standard – "2.7.3 Chewing Gum and Bubble Gum"		• Prescribes composition limits/quality parameters (e.g., gum content, ash-related limits) • Specifies rules for variants using artificial sweeteners (including linked label requirements)
Gazette Notification: Revision of Standards for Chocolates (2.7.4)	Chocolate & Milky Confectionery	• Updates legal definitions/types of chocolate and type-wise minimum cocoa solids requirements • Permits vegetable fats other than cocoa butter up to the prescribed threshold and conditions under the notified standard
FSSAI Clarification: Label declaration for chocolate containing vegetable fat		• Mandates a bold on-pack statement where chocolate contains vegetable fat other than cocoa butter: "CONTAINS VEGETABLE FAT IN ADDITION TO COCOA BUTTER" • Operationally critical for formulations using CBEs/vegetable fats
FSSAI Product Standard – Cocoa inputs within the Sweets & Confectionery chapter		• Standardises key cocoa raw materials used in chocolate manufacturing (quality/fit-for-consumption conditions) • Helps regulate adulteration risks and ensures consistent input quality for confectionery plants

Source: Food Safety and Standards (food product standards) regulations, 2020 & Ken Research Analysis

Further the entity also implements the regulations for baked and other confectionery products as given below:

Figure 0-36: Regulations Pertaining to Baked & Other Confectionery Products in India

Regulations	Focus Area	Description
FSSAI Product Standard – "2.4.15 Bakery Products: Biscuit"	Baked Confectionery	• Defines biscuit variants (incl. coated/filled/wafers/crackers) and standardises key quality parameters • Useful for compliance where "baked confectionery" portfolio materially overlaps with industrial biscuits/cookies sold as packaged snack-confectionery
FSSAI framework for "Proprietary Foods" for non-standardised bakery confections (when no exact product standard exists)		• If a cake/brownie/pastry SKU doesn't fit an existing standard, it is typically handled under the proprietary foods route with ingredient/additive compliance and safety substantiation expectations • Common for premiumised, novel formats
FSS (Prohibition & Restrictions/ Conditions for Sale) – Confectionery sale condition	Cross-cutting	• >500g confectionery: can be sold only in packed condition • Confectionery sold in pieces must be stored in glass or other suitable containers • "Confectionery" here is explicitly defined as sugar boiled confectionery, lozenges, chewing gum & bubble gum (important: this condition does not automatically extend to all baked goods)

Source: Food Safety and Standards (food product standards) regulations, 2020 & Ken Research Analysis

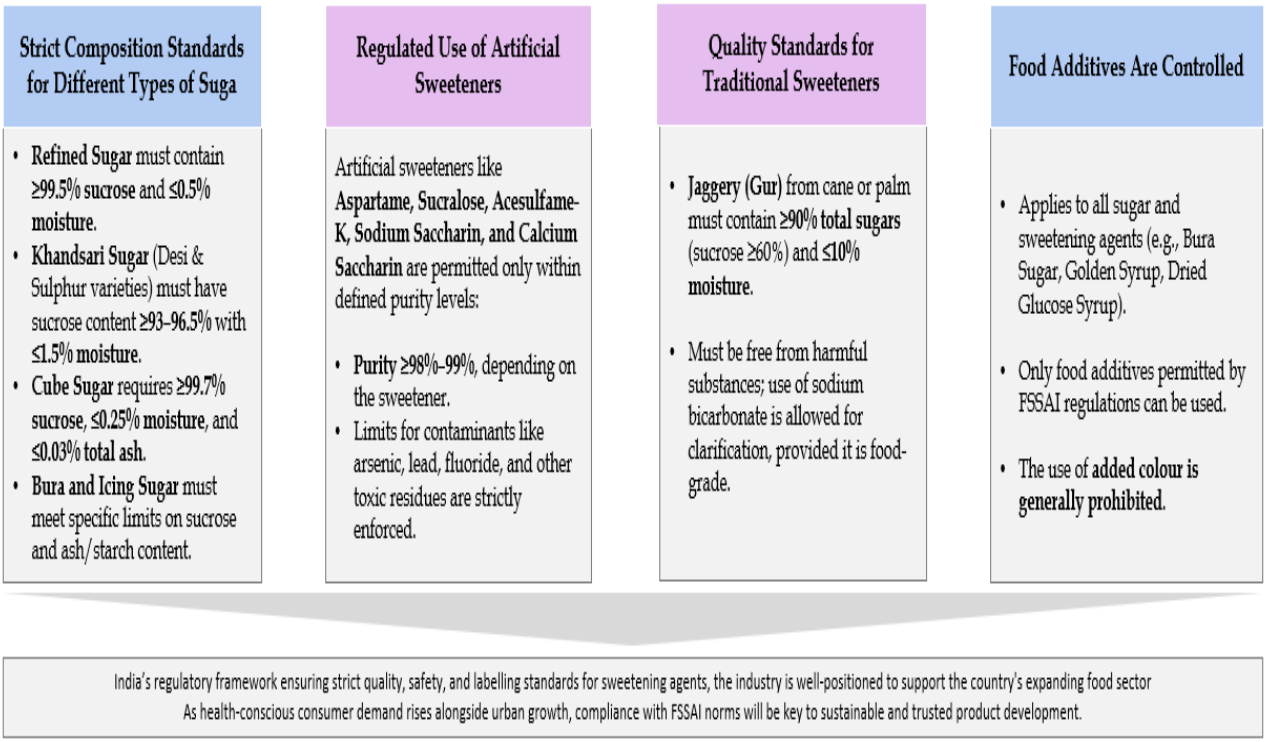
FSSAI Regulation on Sugar and Ingredients

The FSSAI has established comprehensive regulations governing the composition, use, and quality of sugars and sweetening agents used in confectionery products in India, such as candies, toffees, sweets, and chewing gums, to ensure food safety and consumer protection. These include strict purity and composition standards for various sugars commonly used in confectionery manufacturing, including refined sugar, khandsari, cube, bura, and icing sugar.

Artificial sweeteners such as Aspartame, Sucralose, and Saccharin, used in sugar-free or reduced-sugar confectionery are permitted only within specified purity limits (98.0%–99.9%) and are subject to controls on toxic residues. Traditional sweeteners like jaggery, used in certain confectionery products, must meet prescribed moisture and sucrose content requirements and be free from harmful additives.

In addition, food additives used in confectionery formulations must be FSSAI-approved, and the use of added colour is generally prohibited in sweetening agents, ensuring compliance with safety and quality standards across confectionery products in the Indian market.

0-10: FSSAI Regulation on Sugar and Ingredients Table



Source: Food Safety and Standards (food product standards) regulations, 2020 & Ken Research Analysis

FSSAI Regulation on Labelling Norms

FSSAI's labelling regulations require clear and accurate information on all pre-packaged confectionery products in India, including candies, chocolates, and gums. Mandatory disclosures include the product name, ingredient list, nutritional information, manufacturer details, FSSAI license number, net quantity, price, and allergen statements. The product name must be prominently displayed on the Principal Display Panel.

Confectionery products must carry nutritional information per 100 g/ml and per serving, covering key nutrients such as energy, sugars, fats, and sodium. Vegetarian or non-vegetarian symbols are mandatory, given the frequent use of milk-based ingredients. Allergen and additive declarations, including INS numbers and required warning statements for sweeteners such as aspartame, are compulsory where applicable.

Table 10-11: FSSAI Regulation on Labelling Norms

Mandatory Labelling Information	Front-of-Pack and Principal Display Panel	Nutritional Labelling Requirements	Veg/Non-Veg Symbols	Allergen and Additive Declarations
Every pre-packaged food must include: • Name of the food • List of ingredients (in descending order by weight/volume) • Nutritional information • Declaration of veg/non-veg (with logo) • Manufacturer/importer details • FSSAI logo and license number • Net quantity and retail price • Batch/lot number and date markings (Mfg./Exp/Best Before) • Instructions for use and allergen declaration where applicable	• The **front of the package** must clearly indicate the product name. • Minimum area for the **Principal Display Panel (PDP)** must be: i. **40% of the largest side area (for rectangular/round packages)** ii. **20% for irregular shapes** • Text on the PDP must be clear, legible, and meet minimum font size criteria depending on pack size	• Nutritional information must be provided per 100g/ml and per serve. • Key nutrients to be declared: energy, protein, carbohydrates, total and added sugars, fats (total, saturated, trans), cholesterol, sodium. • Exemptions exist for certain categories like fresh fruits, tea, spices, and alcohol	• Green circle in a square for vegetarian products. • Brown triangle in a square for non-vegetarian products. • Must be displayed on the principal display panel and near the product name	• Clear declaration required for common allergens like gluten, milk, eggs, peanuts, soy, etc. • Additives must be labelled with their **INS numbers** and functional class. • Warning labels mandated for ingredients like aspartame, polyols, caffeine, MSG, etc..

Source: Food Safety and Standards (food product standards) regulations & Ken Research Analysis

Regulatory Requirements for Exports

FSSAI regulations for export certification ensure that confectionery products exported from India comply with international safety, quality, and labelling standards. Exporters are required to obtain relevant certifications such as Health Certificates, Export/Import Permits, and Halal, Kosher, or Organic certifications, depending on the regulatory requirements of the destination market. These certifications confirm compliance with product safety, origin, dietary standards, and environmental norms applicable to confectionery products. Additional requirements may include FSMA compliance for exports to the U.S. market, Certificates of Origin for tariff determination, and quality or sanitation certifications mandated by importing countries. Proper export labelling for confectionery products covering ingredients, allergens, nutritional information, and expiry dates is mandatory to ensure transparency and legal compliance in international markets.
.

Table 00-3: Export Certification & Regulatory Requirements for Export of Food Products

Certificate	Purpose	Requirements	Issuing Authority
Health Certificate	Ensure food meets health standards of exporting and importing countries	Includes origin, production process, handling, and packaging details to ensure safety for human consumption	National/regional health department or veterinary agency
Export/Import Permits	Permit required for specific food product trade	Details product type, quantity, and destination; mandatory for high-risk foods (e.g., meat, dairy)	Customs or relevant government agencies
Halal/Kosher/Organic Certification	Ensure compliance with religious/dietary/environmental standards	Production, processing, and packaging must follow specific religious/dietary/environmental guidelines	Religious bodies or certified third-party organizations
Certificate of Origin (COO)	Verifies the country of manufacture or growth	Determines tariffs, trade agreements, and origin-based regulations	Chamber of commerce or government office in exporting country
FSMA Compliance (USA)	Ensures food safety throughout the supply chain for US-bound products	Requires hazard analysis, preventive controls, and traceability	U.S. Food and Drug Administration (FDA)
Labeling Requirements	Ensure accurate consumer information and legal compliance	Label must show product name, ingredients, allergens, net weight, origin, expiry, nutritional info, etc., per destination country	National food safety or consumer protection agencies
Quality Standards Certification	Ensures product meets importing country's quality and sanitary standards	Must pass inspections, meet health standards, and adhere to packaging/labelling rules	ISO, national certification bodies, or regional authorities

Source: Food Safety and Standards Authority of India (FSSAI) & Ken Research Analysis

Government Initiatives and Policy Support Pertaining to Confectionery Industry in India

The Indian government provides targeted policy support to the processed food and confectionery ecosystem, with a focus on capacity expansion, MSME formalization, branding, and export competitiveness. Key schemes include:

- **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY),** PMKSY directly supports the confectionery industry by strengthening **back-end processing infrastructure** critical for sugar-based and cocoa-based products, including **mega food parks, common processing facilities, cold storage, and food safety testing labs.**
  - ✓ Access to plug-and-play infrastructure lowers capex barriers for confectionery manufacturers, especially MSMEs producing chocolates, sugar confectionery, bakery-linked sweets, and value-added jaggery products.
  - ✓ The scheme's scale (INR 10.6 thousand crore outlay) and approved projects (41 Mega Food Parks, 400+ cold chains) indirectly support confectionery clustering and contract

- **PM Formalization of Micro Food Processing Enterprises (PMFME):** It plays a foundational role in expanding the unorganised and regional confectionery segment, particularly traditional sweets, candies, toffees, jaggery-based confectionery, and bakery-linked products.

- ✓ Through the One District One Product (ODOP) approach, several districts promote local sweet specialities (e.g., chikki, peda, laddu, jaggery confections), aiding branding, packaging upgrades, and market access.
- ✓ The scheme improves access to formal credit, food safety compliance (FSSAI), and modern packaging

- **Make in India & FDI Policy Support:** The liberalised FDI regime (100% FDI under automatic route in food processing) has directly benefited chocolate and confectionery multinationals operating manufacturing units in India.
  - ✓ Enables global confectionery players to localise production, develop India-specific SKUs, and integrate India into global supply chains.
  - ✓ Encourages technology transfer, modern processing, and quality benchmarking for domestic manufacturers.

- **FSSAI Regulations & Product Standards:** FSSAI standards for chocolates, sugar confectionery, cocoa products, fortification, and labelling provide **regulatory clarity and consumer trust,** which are essential for brand-led growth.
  - ✓ Clear norms on cocoa solids, sweeteners, additives, and fortification enable innovation in healthier alternatives, functional, and child-focused confectionery.
  - ✓ Strengthened food safety compliance improves acceptance in modern trade and exports.

- **MSME & Credit-Linked Support:** Confectionery manufacturing particularly at small and mid-scale is capital-intensive due to moulding lines, cooling tunnels, and packaging automation.
  - ✓ Credit guarantee and interest subvention schemes improve access to finance for MSME confectionery units expanding capacity or upgrading technology.

Competition Landscape – India's Confectionery Market

Major Confectionery Suppliers in the Industry

The Confectionery market is fragmented with ~20 large players such as Mondelez International, Hershey, Perfetti Van Melle, Nestlé, Mars, Ferrero, and Amul, dominating the market with established brands and pan-India reach. Additionally, there are 30+ agile SMEs, including Shellz India Limited, Prayagh Consumer, Kayeempe Foods, and Annapurna Swadisht Ltd., which are carving out niche positions by focusing on affordable price points, localized flavors, and festival-driven demand without relying on OEMs or co-manufacturers.

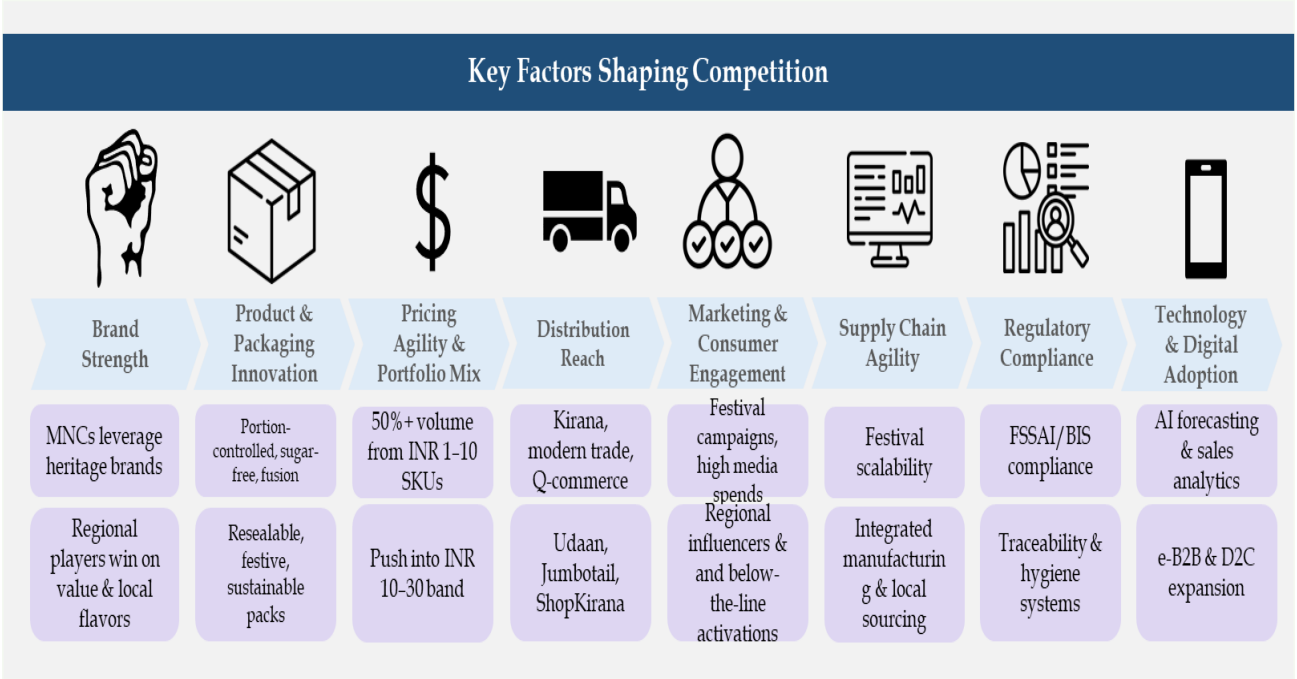
Distribution of confectionery is increasingly enabled by B2B Kirana aggregators like Jumbotail, ShopKirana, and Udaan, which facilitate delivery and inventory management for Kirana stores. On the B2B retail side, modern trade players such as D-Mart, Reliance Retail, and Spencer's are key volume drivers.

Regulation of confectionery production is managed by agencies like Food Safety and Standards Authority of India (FSSAI), Bureau of Indian Standards (BIS), and the Directorate General of Foreign Trade (DGFT), which govern safety, standards, and trade compliance.

Key Factors Shaping Competition

Competition in India's confectionery market is shaped by brand equity, pricing flexibility, distribution reach, and innovation agility. With the market expanding across both premium and mass segments, players must balance affordability with differentiation while maintaining high product visibility and supply consistency.

Figure 0-37: Factors Shaping Competition in the India Confectionery Market



Source: Ken Research Analysis

Together, these dynamics establish a high entry and performance barrier, favouring companies that demonstrate strong consumer trust, rapid innovation, and advanced distribution capabilities. Competitive intensity in the market will increasingly hinge not only on pricing power but also on the strategic integration of data-driven marketing, supply chain optimization, and localized product strategies to drive sustainable and scalable growth.

Company Profiling

Shellz India Limited

Shellz India Limited, based in Delhi and established in 2012, is a confectionery manufacturer in North India, positioned in the INR 1–INR 10 value segment. The company operates across two core brand verticals namely, Hugs, and Tosca covering Baked Treats, Choco Delights, Jellies, Panned and Sugar Candies and Food and Bakery Ingredients. Its business model is anchored in a distributor-driven general-trade network, reaching neighboring states and institutional buyers. The company's focus is on affordable and innovative confectionery formats.

Prayagh Consumer Care Pvt. Ltd.

Prayagh Consumer Care Pvt. Ltd., based in Hyderabad, Telangana, is a sugar-confectionery manufacturer with three Telangana plants and a portfolio spanning candies, toffees, éclairs, lollipops, jellies and chocolates under Cintu, Lavian and Lavian Exotique. Formed via the 2023 NCLT-approved demerger of Prayagh Nutri Products' confectionery division, it now services almost 500,000 retail outlets and 10,000 wholesalers across India and exports to Latin America, Central America and Africa.

Annapurna Swadisht Ltd.

Annapurna Swadisht Ltd., which acquired Indore-based Madhur Confectioners Pvt. Ltd. (MCPL) is based in Kolkata, West Bengal, is a packaged foods and confectionery company. Through MCPL, it adds a portfolio of candies, lollipops, premium moulded chocolates and cream-filled wafers and integrates ~300 MCPL distributors into Annapurna's wider national network, enhancing its reach in value and impulse confectionery across northern and central India. The company offers a broad portfolio across candies (Cofilo, Truelove, Mr. Yummy, Lacto), lollipops (Fan Pop, Chilli Pop, Rainbow Pop, Yogito), premium molded chocolates under the Doyana brand, and cream-filled wafers such as Speed Breaker and Crispy. It offers playful product formats, novelty-driven flavors and affordable price-point architecture and has presence across northern and central India, especially within the children's confectionery category.

Kayempee Foods Pvt Ltd

Kayempee Foods Pvt Ltd., based in Hyderabad and incorporated in 1989, is a diversified confectionery manufacturer with a product portfolio covering moulded chocolates, biscuits and cookies, wafer rolls, center-filled candies and éclairs,

gummies. The company is engaged in white-label and custom manufacturing, partnering with FMCG clients to deliver tailored product development, flavor customization and packaging solutions, while simultaneously scaling its own brands such as Pepe, Ausome, Byond, and Marco across value and mid-premium segments.

Dolphin Foods India Limited

Dolphin Foods India Limited, based in Hyderabad and founded in 1984, is a confectionery and baked-snacks manufacturer with presence across Eastern and Southern India as well as a growing export footprint. The company offers hard-boiled candies, toffees, lollipops, jellies, wafers, cakes and chocolates under its flagship Oshon and Otter brands, along with specialty products such as healthier alternatives and fruit-flavored candies, premium cake bars and choco-filled wafers. Dolphin Foods India Limited offers affordable, mass-market products with diverse flavor formats, supported by a large assortment of SKUs including Cake Bar, Waffer Town, Coffista Candy, Mitha Paan, Magic Pop Lollipop, Assorted Lollipops, Choc 7 Heartz, Wonderz Original, Eclairs Toffees and Peanut Rich.

Cross-Comparison of Peers in India's Confectionery Market

Some of the key competitors competing in the country's Confectionery Market space are benchmarked on the basis of operational and financial parameters as follows:

Table 0-12: Cross-Comparison of Peers in India's Confectionery Market on basis of Operational Parameters (HQ, Geographical Presence (India), Founded Year, Key Product Offerings), as of March 2026 (1/5)

Peer Players	HQ	Founded Year	Key Product Offerings
Shellz India Limited	Delhi	2012	• **Chocolates & Centre-fills:** Moulded chocolates, center-filled bites and bars • **Choco Snacks & Wafer Cones:** Choco-and-milk wafer cones, cereal bars and bite-sized choco treats • Jellies and puddings, compressed and panned sugar candies
Prayagh Consumer Care Pvt. Ltd.	Hyderabad, Telangana	1999	• **Candies:** Fruit-flavored, center-filled, and deposited candies • **Toffees & Éclairs:** Including center-filled variants • **Lollipops:** Including yoghurt and caramel pops • **Jellies:** Fruit-flavored jellies • **Chocolates:** Shell-moulded and chocolate-coated wafers
Annapurna Swadisht Ltd.	Kolkata, West Bengal	2015	• **Candies:** Coffee and Fruit flavored • **Lollipops:** Various Flavors with fun toys • **Chocolates:** Milk chocolate, White chocolate, molded chocolates • **Premium Moulded chocolate:** Dovana
Kayempee Foods Pvt. Ltd.	Hyderabad, Telangana	1977	• **Chocolates:** Moulded chocolate, chocolate bars • **Biscuits and Cookies:** Cream, glucose, Marie biscuits, Nice, coconut biscuits • **Wafer Products:** Wafer rolls and sticks • **Candies and Toffees:** Center-filled candies, eclairs • **Gummies** Bubble Gums • **Cakes:** Banana & other flavored cakes
Dolphin Foods India Limited	Hyderabad, Telangana	1984	• **Confectionery & Snacks:** Hard boiled candies, toffees, lollipops, jellies, wafers, cakes, and chocolates under Oshon and Otter brands • **Specialty Products:** healthier variants and fruit-flavored candies, premium cake bars, choco-filled wafers

Source: Ken Research Analysis, Companies' Websites, Annual Reports

Table 0-13: Cross-Comparison of Peers in India's Confectionery Market on basis of Unique Selling Point and Business Vertical (Brands), as of March 2026 (2/5)

Key Players	Unique Selling Point	Business Vertical (Brands)
Shellz India Limited	Shellz India Limited, located in North India's is a confectionery company, offering around 90+ products and 275+ SKUs, positioned around high-quality offerings priced INR 1–INR 10.	• **Hugs:** Choco & milk–based wafer cones, center-filled bites, cereal bars, and toy-linked choco treats. • **Tosca:** Moulded chocolates, biscuit balls, truffle-style chocolates, and flavored beverage mixes.
Prayagh Consumer Care Pvt. Ltd.	**Aug'24:** Strong contract manufacturing serving as a B2B manufacturer for major FMCG brands like ITC.	• **Cintu:** Wholesale distribution focusing on value-for-money confectionery products. • **Lavian:** Retail distribution targeting premium customers in metros and tier-I cities. • **Lavian Exotique:** Products SKUs for modern trade and e-commerce channels
Annapurna Swadisht Ltd.	MCPL offers uniquely shaped offerings with diverse range of confectionery products including toy-based treats.	• **Candies:** Cofilo, Truelove, Mr. Yummy, Lacto, etc. • **Lollipops:** Fan Pop, Chilli Pop, Rainbow Pop, Yogito, etc. • **Dovana:** Premium Moulded Chocolate • **Wafers:** Speed Breaker, Crispy and crunchy cream-filled, etc.
Kayempee Foods Pvt Ltd	Offers tailored customization and white-label manufacturing for chocolates and confections, collaborate closely with clients to craft unique flavour profiles that reflect their brand identities.	• **Own Brands:** Pepe, Ausome, Byond, Marco, and Snackday. • **White-Label Manufacturing:** Offers contract manufacturing services for other brands, providing product development, customization, and packaging solutions
Dolphin Foods India Limited	Established player in confectionery and baked snacks, catering to both domestic and export markets; known for affordable, mass-market products with wide flavor variety and strong presence in Eastern and Southern India	• **Brands:** Oshon, Otter • **Product Categories:** Cake Bar, Waffer Town, Coffista Candy, Mitha Paan, Assorted Lollipops, Magic Pop Lollipop, Choc 7 Heartz, Wonderz Original, Eclairs Toffees, Peanut Rich

Source: Ken Research Analysis, Companies' Websites, Annual Reports, News Articles, Companies Announcement

Table 0-14: Cross-Comparison of Peers in India's Confectionery Market on basis of Distribution Channel Strategy and Recent Development, as of March 2026 (3/5)

Key Players	Distribution Channel Strategy	Recent Development
Shellz India Limited	• Operates a distributor-driven general-trade network anchored in North and Central India, supplying kirana stores and regional wholesalers with mass-market SKUs. • Uses a hub-and-spoke logistics model and third-party transporters to service neighbouring states and institutional buyers.	• Continued focus on expanding regional distributor coverage in North India, with SKU additions to deepen general-trade penetration.

Key Players	Distribution Channel Strategy	Recent Development
Prayagh Consumer Care Pvt. Ltd.	• Has a distribution system that reaches over 500,000 retail outlets in India through a network of distributors and super stockists. • Supplies around 10,000 wholesalers via over 500 wholesale dealers. • Records export revenues of over INR 100 crore, with presence in Latin America, Central America, and Africa.	• Strengthened export-oriented distribution, particularly in Africa and Central America, alongside steady domestic expansion in Tier-II and Tier-III markets through additional wholesale dealer appointments
Annapurna Swadisht Ltd	• Around 300 distributors dedicated to confectionery products, which integrate with Annapurna's larger distribution network of 550 distributors post-acquisition	• Annapurna Swadisht Ltd acquired MCPL by December 31, 2024, and MCPL became a wholly owned subsidiary with the deal of acquisition for INR 180 Crores.
Kayempee Foods Pvt Ltd	• Primarily operates through regional distributors and wholesale channels, with a focus on North and West India for confectionery and snack products.	• Acquired a 265,000 sq ft plot in Hyderabad with plans to develop over 1.5 million sq ft of built-up area, aimed at scaling manufacturing capacity and improving pan-India supply capabilities.
Dolphin Foods India Limited	• Operates through a combination of domestic distributors and export-linked distribution partners, supporting both India and overseas markets.	• N/A

Source: Ken Research Analysis, Companies' Websites, Annual Reports, News Articles, Companies Announcement

Table 0-15: Cross-Comparison of Major Key Peers in Economy Segment Confectionery Product Market on basis of Financial Parameters, FY'23 – FY'26 H1 (4/5)

Company	Financial Year	Revenue From Operations (INR Cr)	EBITDA (INR Cr)	EBIDTA Margin	PAT (INR Cr)
Shellz India Limited	FY'26 H1	91.9	14.7	16.0%	6.3
	FY'25	187.0	24.8	13.2%	8.9
	FY'24	162.4	20.1	12.4%	5.0
	FY'23	158.5	17.0	10.7%	3.1
Prayagh Consumer Care Pvt. Ltd.	FY'25	894.3	43.1	4.8%	8.3
	FY'24	834.5	45.4	5.4%	11.3
	FY'23	689.5	34.5	5.0%	11.5
Annapurna Swadisht Ltd.	FY'26 H1	249.5	32.1	12.9%	15.4
	FY'25	408.0	49.7	12.2%	21.5
	FY'24	265.0	28.1	10.6%	13.1
	FY'23	160.2	13.5	8.5%	7.1
Kayempee Foods Pvt. Ltd.	FY'25	307.1	21.7	7.1%	4.6
	FY'24	250.1	19.6	7.8%	5.`5
	FY'23	248.6	17.8	7.2%	3.1
Dolphin Foods India Limited	FY'25	255.0	16.8	6.6%	3.8
	FY'24	206.7	31.1	15.0%	17.1

FY'23	177.9	20.2	11.3%	7.9

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases
Note 1: FY'25 indicates financial year which starts from 1st April 2024 and ends on 31st March 2025, FY'26 H1 indicates half yearly data from 1st April 2025 and ends on 30th September 2025
Note 2: N/A indicates information Not Available
EBITDA = PBT + Finance cost + Depreciation and Amortization
PAT = PBT - Total Tax Expense
Return on Net Worth (%) (ROE) = PAT/Average Total Shareholder's Equity
Capital Employed = Total Equity + Deferred Tax Liabilities + Long Term Borrowings + Short-Term Borrowings– Deferred Tax Asset
ROCE (%) = EBIT/ Average Capital Employed
Debt-Equity Ratio = Total Debt/Total Equity

Table 0-16: Cross-Comparison of Major Key Peers in Economy Segment Confectionery Product Market on basis of Financial Parameters, FY'23 – FY'26 H1 (5/5)

Company	Financial Year	Return on Equity (%)	ROCE (%)	Debt-Equity Ratio
Shellz India Limited	FY'26 H1	26.2%*	19.6%*	1.7
	FY'25	25.8%	19.1%	1.9
	FY'24	20.5%	16.9%	2.7
	FY'23	15.2%	14.9%	3.2
Prayagh Consumer Care Pvt. Ltd.	FY'25	5.5%	8.4%	1.0
	FY'24	6.5%	10.0%	0.8
	FY'23	5.9%	7.2%	0.5
Annapurna Swadisht Ltd.	FY'26 H1	10.0%	12.8%	0.4
	FY'25	10.4%	13.9%	0.3
	FY'24	15.1%	18.6%	0.5
	FY'23	23.7%	26.0%	0.4
Kayempee Foods Pvt. Ltd.	FY'25	12.2%	12.3%	1.9
	FY'24	17.1%	10.5%	1.9
	FY'23	11.3%	8.4%	2.5
Dolphin Foods India Limited	FY'25	3.7%	6.5%	0.7
	FY'24	18.7%	17.2%	0.6
	FY'23	10.1%	11.6%	0.6

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases
Note 1: FY'25 indicates financial year which starts from 1st April 2024 and ends on 31st March 2025, FY'26 H1 indicates half yearly data from 1st April 2025 and ends on 30th September 2025
Note 2: N/A indicates information Not Available
EBITDA = PBT + Finance cost + Depreciation and Amortization
PAT = PBT - Total Tax Expense
Return on Net Worth (%) (ROE) = PAT/Average Total Shareholder's Equity
Capital Employed = Total Equity + Deferred Tax Liabilities + Long Term Borrowings + Short-Term Borrowings– Deferred Tax Asset
ROCE (%) = EBIT/ Average Capital Employed
Debt-Equity Ratio = Total Debt/Total Equity
**Return on Equity and Return on Capital Employed figured of FY' 26 (H1) have been annualized.*

The remainder of this page has been intentionally left blank

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to the Company, on a consolidated basis. To obtain a complete understanding of our Company and business, prospective Bidders should read this section along with "Risk Factors", "Industry Overview", "Other Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 26, 134, 242 and 245, 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" on page 1 for definitions of certain terms used in this section.

*The industry information contained in this section is derived from the industry report titled "India's Confectionery Market" dated March 25, 2026, which is exclusively prepared for the purposes of the Issue and issued by Ken Research and is commissioned and paid for by our Company ("**Ken Report**"). Ken Research was appointed on October 06, 2025. We commissioned and paid for the Ken Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Issue, as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's services, that may be similar to the Ken Report. The Ken Report is available on the website of our Company at https://www.shellz.in/investor-relations/. Otherwise indicated, financial, operational, industry and other related information derived from the Ken Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this Draft Red Herring Prospectus, each of which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with AS, Indian GAAP, IFRS or U.S. GAAP. Such measures and indicators are not defined under AS, Indian GAAP, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance, liquidity or profitability measures under AS, Indian GAAP, IFRS or U.S. GAAP. In addition, such measures and indicators are not standardized terms, and a direct comparison of these measures and indicators between companies may not be possible. Other companies may calculate these measures and indicators differently from us, limiting their usefulness as a comparative measure. Although such measures and indicators 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 risks relating to non-GAAP measures, see "Risk Factors – We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under AS" on page 69.

Some of the information set out in this section, especially information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 24 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" on page 26 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward -looking statements.

Our financial year ends on March 31 of every year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year.

Overview

We are engaged in the manufacturing and marketing of confectionery products in India, with a diversified product portfolio comprising over 250+ SKUs across multiple categories, including choco delights, jellies, baked treats and other confectionery formats. We also manufacture and supply food and bakery ingredients. We focus on developing confectionery products at accessible price points and distributing them across a wide geographic footprint, including urban and semi-urban markets, as well as smaller towns and rural areas.

According to Ken Report, the Indian confectionery market size was INR 93.1 thousand crore in FY'25 and is projected to grow to INR 125.8 thousand crore by FY'30, at a CAGR of 6.3%. The market has demonstrated robust growth, expanding at a CAGR of 9.1% between FY'19 and FY'25, driven by rising consumer demand for affordable indulgences, increased frequency of festive consumption, and deeper penetration of packaged chocolate and sugar confectionery across both urban and rural markets. Confectionery items priced between INR 1–10 accounted for the highest purchase intent at 86%, indicating their dominant role in daily consumption patterns. The Indian confectionery market has seen a significant

transformation, driven by the shift in tastes of urban and semi-urban consumers. Small-pack, low-cost options priced under INR 10 have penetrated Tier 2/3 cities, making innovative flavors and textures more accessible. India's economy confectionery market was valued at INR 50.5 thousand crores in FY'25, reflecting the continued relevance among price-sensitive consumers, particularly in Tier 2–3 cities and rural areas. India consumed 523.0 million kg of confectionery, with a per capita consumption of 0.37 kg in FY'23, which reached 0.39 kg by FY'25, substantially lower than countries like Germany (14.4), USA (9.1), and Japan (3.2). Despite the low per capita figure, India's absolute population base is driving total consumption reaching 576 million kg in FY'25, positioning it as a high-volume yet under-penetrated market. India's low per capita base presents significant room for expansion, with consumption projected to rise to 0.5 kg by FY'30E, growing at a CAGR of ~4.6%. This growth is being driven by urbanization, rising incomes, a young population, and increasing access to affordable SKUs.

We market our consumer products under two brands, "*Hugs*" and "*Tosca*". Under our flagship "*Hugs*" brand, we offer products across four categories, including baked treats, choco delights, jellies, and panned and sugar confectionery. The "*Hugs*" portfolio is largely positioned at mass-market price points, with a majority of products priced at ₹10 or below. According to the Ken Report, 68% of non-adult consumers opt for confectionery, including chocolate, at price points of ₹10 or below. Confectionery products are typically impulse-driven purchases, and sales are influenced by product availability and visibility at retail points. According to the Ken Report, 92% of grocery consumption in India continues to occur through Kirana stores. As on September 30, 2025, our products are distributed through a network of over 200 super stockists and are available across *kirana* outlets in around 24 states in India. Our distribution model is focused on driving volumes through repeat purchase-driven SKUs and wide retail penetration.

Under our "*Tosca*" brand, we offer products with a relatively higher unit selling price, positioned towards mass-premium segments. The brand is currently being developed with a focus on e-commerce and quick commerce channels. The "*Tosca*" portfolio comprises products with differentiated formats and packaging targeted at urban consumers. We are also expanding the "*Tosca*" portfolio to include products incorporating cereal-based ingredients, aligned with evolving consumer preferences for differentiated snacking options. As part of this portfolio, we formulated "*Tosca Oat Choco*", an oat and cereal-based bar positioned as an alternative to traditional confectionery formats, containing approximately 33% less sugar than certain leading chocolate bars, based on internal product comparisons.

In addition to marketing and sales of consumer products under our own brands, we also undertake private label manufacturing for third-party customers. We also export our products to international markets, including countries in the Middle East, South East Asia and Spain. These channels complement our core consumer business and support diversification across customers, product formats and routes to market.

Set out below is our revenue from operations, based on our Restated Financial Information, from various Brands in India and overseas for period ended September 30, 2025 and the Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

Channel	**Period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Hugs	8,418.06	*91.63%*	17,119.03	*91.56%*	15,345.10	*94.48%*	14,928.59	*94.17%*
Tosca	59.97	*0.65%*	166.19	*0.89%*	148.42	*0.91%*	118.05	*0.74%*
Food & Bakery Ingredients (non-branded) including Private Labelling	708.53	*7.71%*	1,412.10	*7.55%*	747.75	*4.60%*	805.54	*5.08%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

We focus on product development and innovation as part of our business operations. In the confectionery industry, the introduction of new products and variants is an important aspect of maintaining relevance with evolving consumer preferences. We have a team of over 10 food and packaging technologists engaged in developing new products, improving existing formulations and working on packaging formats. Our product development efforts are aligned with market requirements and informed by consumer preferences across different age groups and consumption occasions. This supports

the introduction of products across multiple price points. We continuously introduce new variants, flavours and packaging formats across our portfolio, including products incorporating different ingredient combinations.

Our manufacturing operations are supported by production facilities located in Delhi and Sonipat, Haryana. The Sonipat facility is being developed as part of the consolidation and expansion of our existing Delhi operations, with the objective of increasing production capacity and supporting future growth. All our consumer products are manufactured in-house, enabling us to maintain control over product quality, processes and timelines. Our operations are supported by machinery sourced from multiple countries, including Turkey, China and Indonesia, along with ancillary equipment from domestic suppliers, enabling us to support production across a wide range of SKUs. We follow defined processes across procurement, production and packaging, supported by quality assurance systems aimed at maintaining consistency in product quality.

For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, our revenue from operations was ₹9,186.57 lakhs, ₹18,697.32 lakhs, ₹16,241.26 lakhs and ₹15,852.16 lakhs, respectively. Our CAGR for revenue from operations is 8.60% from Fiscal 2023 to Fiscal 2025. For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, we recorded EBITDA of ₹1,366.84 lakhs, ₹2,278.70 lakhs, ₹1,893.66 lakhs and ₹1,531.40 lakhs, respectively. Our CAGR for EBITDA is 21.98% from Fiscal 2023 to Fiscal 2025. For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, our net profit was ₹618.55 lakhs, ₹830.20 lakhs, ₹525.45 lakhs and ₹319.30 lakhs, respectively. Our CAGR for net profit is 61.25% from Fiscal 2023 to Fiscal 2025.

We are led by an experienced promoter–management team with domain knowledge in the food processing industry. Our Promoter, Kapil Garg, has over two decades of experience in the consumer-packaged food industry and has been associated with our business since inception. Under his leadership, our Company has scaled its operations and expanded its product portfolio and distribution network across India. He is involved in overseeing the overall strategy of the Company, including business development, product portfolio expansion and operational planning.

The following table sets forth certain key financial and operational indicators for our Company as at/for the periods indicated:

Based on Restated Financial Information:

a) Key financial indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations (₹ in Lakhs) (1)	9,186.57	18,697.32	16,241.26	15,852.18
EBITDA (₹ in Lakhs) (2)	1,366.84	2,278.70	1,893.66	1,531.40
EBITDA Margin (%) (3)	14.88%	12.19%	11.66%	9.66%
PAT (₹ in Lakhs) (4)	618.55	830.20	525.45	319.30
PAT Margin (%) (5)	6.73%	4.44%	3.24%	2.01%
Annualized Return on equity (%) (6)	26.79%	24.57%	21.56%	15.78%
Annualized Return on capital employed (%) (7)	18.23%	17.50%	15.89%	13.11%
Debt-Equity Ratio (times) (8)	1.76	1.93	2.63	3.06
Inventory (Days) (9)	187*	149	126	113
Trade Receivables (days) (10)	76*	89	122	115
Trade Payables (days) (11)	91*	90	98	94
Working Capital Cycle (days) (12)	172*	148	150	134

Notes:

(1) Revenue from operations is calculated as revenue from sale of manufactured products and services.

(2) EBITDA is calculated as restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation and amortisation expense minus other income.

(3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations.

(4) PAT represents total profit after tax for the year/period.

(5) PAT margin is calculated as a percentage of PAT divided by revenue from operations.

(6) Return on Equity (ROE%) is calculated as a percentage of PAT divided by average total equity at the end of the year /period, whereas total equity is calculated as average of opening equity share capital and reserves and surplus and closing of equity share capital and reserves and surplus.

(7) Return on Capital Employed (ROCE%) is calculated as a percentage of EBIT divided by average capital employed at the end of the year /period, whereas average capital employed is calculated as average of opening capital employed and closing capital employed. EBIT is calculated as restated profit before tax plus finance costs minus other income. capital employed is calculated as total equity minus DTA plus DTL, long term borrowings and short-term borrowings.

(8) Debt to Equity ratio is calculated as total borrowings divided by total equity.

(9) Inventory cycle (days) is calculated as average Inventory divided by cost of material consumed plus changes in inventories of finished goods and work in progress multiplied by 365. Average Investment is calculated as average of opening Inventory and closing Inventory.

(10) Trade Receivables (days) is calculated as average trade receivables divided by revenue from operations multiplied by 365. Average trade receivables are calculated as average of opening trade receivables and closing trade receivables.

(11) Trade Payables (days) is calculated as average trade payables divided by cost of material consumed plus changes in inventories of finished goods and work in progress. Average trade payables is calculated as average of opening trade payables and closing trade payables.

(12) Working capital cycle (days) is calculated trade receivables days plus inventory cycle days minus trade payables days.

**Inventory, Trade Receivable and Trade Payable days have been calculated using 183 days for September 30, 2025.*

b) Key operational indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
No. of SKUs [(1)]	**345**	**356**	**361**	**326**
-Baked Treats	109	92	123	103
-Choco Delights	144	130	101	68
-Jellies	58	44	42	37
-Panned and Sugar candies	12	23	37	47
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	22	67	58	71
No. of Products [(2)]	**111**	**107**	**108**	**94**
-Baked Treats	22	30	30	29
-Choco Delights	42	37	33	19
-Jellies	30	18	15	19
-Panned and Sugar candies	8	12	19	17
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	9	10	11	10
No. of Super Stockists [(3)]	**246**	**364**	**370**	**455**
-North India	124	187	172	195
-East India	37	27	32	38
-South India	50	87	85	101
-West India	32	79	89	137
-Export	3	8	6	12
No. of Fulfilled Orders [(4)]	**2,664**	**5,268**	**4,682**	**5,104**

Notes:

(1) SKUs refers to Stock Keeping Units and represents the total number of distinct product variants offered by the Company across its product categories. Each SKU corresponds to a unique product configuration based on factors such as flavour, packaging type, pack size or formulation within a particular product category.

(2) Products refers to the number of product types offered by the Company across its various categories. Unlike SKUs, this metric represents the base product offerings without distinguishing between variations in pack size, flavour or packaging format.

(3) Super Stockists refers to the number of Super Stockist who procure products in bulk from the Company and supply them to distributors, Wholesalers, Intermediaries and Kirana Stores within designated regions.

(4) Fulfilled Order refers to the number of orders processed and dispatched by the Company during the relevant period through its distribution and supply chain network. This metric includes orders received from both new and existing customers and may include multiple or repeat orders placed by the same customer during the relevant period.

Our Products

Our product portfolio comprises consumer products organised into four principal categories, namely baked treats, choco treats, jellies, and panned & sugar candies. In addition, we manufacture and supply food and bakery ingredients to institutional customers.

1. ***Baked Treats:*** We manufacture and sell a range of confectionery snacks that combine components such as biscuits, wafers, cones and cream or chocolate fillings. These products are ready-to-eat and cater to impulse consumption, particularly among children and young consumers. Key products sold under this category include *Push Up the Cone, Dip Sticks, Monster Express, Top Sticks* and *Choco Club*. The following table sets out certain details about our key baked confectionery products:

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	Push Up the Cone	₹ 5		• Choco • Strawberry • Cookies and Cream	• 63 Units Jar • 30 Units Box • 30 Units Jar
Hugs	Dip Sticks	₹ 5		• Choco • Strawberry • Black Forest • Dark • Coffee	• 32 Units Tray • 24 Units Tray • 60 Units Jar
Hugs	Monster Express	₹ 5		• Choco	• 33 Units Box • 60 Units Jar

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	Top Sticks	₹ 10		• Choco	• 12 Units Tray
Hugs	Choco Club	₹ 1		• Choco	• 150 Units Jar • 300 Units Jar • 60 Units Pouch

2. ***Choco Delights:*** We manufacture and sell chocolate and milk-based confectionery products in bar, centre-filled and enrobed formats. These products are available across different price points and are consumed for everyday snacking, sharing and occasional gifting. Key products under this category include *American Cow, Gold Bon-Bons, Ghana Truffles, Muso Choc Coin* and *Oat Choco*. The following table sets out certain details about our key chocolate products:

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	American Cow	₹ 5		• Milky White	• 30 Units Box • 30 Units Container
Hugs	Gold Bon-Bons	₹ 2		• Milk Choco	• 125 Units Jar • 50 Units Box
Hugs	Ghana Truffles	₹ 5		• Dark Choco	• 70 Units Container • 36 Units Jar • 70 Unit Box
Tosca	Muso Choc Coin	₹ 400		• Milk Choco	• 60 Units Jar
Tosca	Oat Choco	₹ 100 ₹ 400		• Milky White	• 10 Units Pouch • 40 Units Pouch

3. ***Jellies:*** We manufacture and sell jelly and pudding-based confectionery products in fruit-flavoured formats and soft-texture profiles. These products are primarily consumed by children and young consumers and are offered in various shapes and packaging formats. Key products under this category include *Squarz, Mad Heart, Golmaal, Havai, Crazy Duck* and *Relive.* The following table sets out certain details about our key Jellies and Puddings products:

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	Squarz	₹ 5		• Mango and Lychee Pudding • Assorted Fruit Jelly	• 30 Units Jar • 50 Units Jar • 20 Units Tray
Hugs	Mad Heart	₹ 5		• Assorted Fruit Pudding • Assorted Fruit Jelly	• 40 Units Jar • 36 Units Jar

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	Golmaal	₹ 1		• Assorted Fruit Jelly	• 40 Units Pouch
Hugs	Havai	₹ 1		• Assorted Fruit Pudding • Assorted Fruit Jelly	• 50 Units Pouch
Hugs	Crazy Duck	₹ 5		• Assorted Fruit Pudding • Assorted Fruit Jelly	• 40 Units Jar
Hugs	Relive	₹ 10		• Mango, Lychee and Strawberry Pudding	• 6 Units Tray

4. ***Panned & Sugar Candies:*** We manufacture and sell sugar confectionery products, including sugar-coated chocolates and flavoured sugar-based candies. These products have bright visual appeal, longer shelf life and are consumed across age groups for everyday snacking as well as festive assortments. This category complements our confectionery portfolio and supports our presence in mass-market price points. Key products under this category include *Whistler Candy*, *Biscos* and *Choco Colour Jumbo*. The following table sets out certain details about our key Compressed and Panned Sugar Candies products:

Brand	Product Name	MRP	Product image	Flavours	Packing format
Hugs	Whistler Candy	₹ 1		• Mixed Fruit	• 100 Units Pouch
Tosca	Biscos	₹ 250		• Milky Choco	• 150gm Jar
Hugs	Choco Colours Jumbo	₹ 5		• Milky Choco	• 30 Unit Box

5. ***Food and Bakery Ingredients:*** We also manufacture and sell food and bakery ingredient products such as cocoa-based products, cocoa solids, custard powder, premixes and related formulations. These products are supplied to HoReCa (Hotels, Restaurants and Cafés), institutional buyers and industrial users, and are used as inputs in bakery, confectionery and dessert applications.

Our Strengths

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

a) Ability to develop differentiated products across formats and price points

We focus on developing differentiated confectionery products across formats, categories and price points, supported by our understanding of consumer preferences across target markets. Our product portfolio includes a range of formats such as baked treats, choco delights, jellies, panned and sugar candies, food and bakery ingredients enabling us to cater to varied consumption occasions and consumer segments.

Our approach to product development includes the introduction of products with distinct formats and combinations, aimed at enhancing consumer engagement within the confectionery category. For instance, we have developed products such as "*Dip Sticks*", which combines biscuit sticks with chocolate cream, and "*Push Up*", a cone-based cream and biscuit snack format designed for on-the-go consumption. These products reflect our focus on developing formats beyond traditional confectionery offerings, supporting the expansion of our product portfolio across categories and formats.

We also develop products across a range of price points, including mass-market offerings as well as relatively higher-priced products under our "*Tosca*" brand. This allows us to address both mass-market and emerging demand for differentiated and premiumised products. As part of this approach, we have introduced products such as "*Tosca Oat Choco*", an oat and cereal-based product positioned as an alternative to traditional confectionery formats.

Our product development efforts are supported by an in-house team of food and packaging technologists who work on new product development, formulation and packaging formats. This enables us to continuously introduce new products and variants across categories in line with evolving consumer preferences. We believe our ability to develop products across multiple formats, while addressing different price points and consumption occasions, supports the expansion of our portfolio and helps us remain relevant across changing market preferences.

b) Our presence at mass-market price-points supported by a diversified product portfolio

A significant portion of our product portfolio is positioned at mass-market price points, with a majority of our SKUs priced at ₹10 or below. This aligns with consumption patterns in the Indian confectionery market, where a large share of purchases is driven by affordability and frequent, impulse-led consumption.

Our focus on these price points enables us to participate in the mass-market segment characterised by repeat purchases and wide consumer accessibility. Products at these price points are typically distributed across several retail outlets and are consumed across urban, semi-urban and rural markets. This price-point positioning also supports accessibility across a wide consumer base, including school-going children, young consumers and households seeking affordable packaged confectionery products.

We offer products across multiple confectionery categories at these price points, rather than relying on a limited number of SKUs or a single product type. This enables us to participate across multiple consumption occasions and consumer preferences while retaining relevance in value-driven segments of the market. Our ability to offer products across different categories, pack sizes and formats supports repeat purchases and allows us to address differing regional and retail requirements.

The remainder of this page has been intentionally left blank

The following table sets forth information on our product mix in the periods indicated:

(₹ in Lakhs)

Particulars	As at		Fiscal					
	September 30, 2025		2025		2024		2023	
	Amount (₹ in lakhs)	***% of Total Revenue***	**Amount (₹ in lakhs)**	***% of Total Revenue***	**Amount (₹ in lakhs)**	***% of Total Revenue***	**Amount (₹ in lakhs)**	***% of Total Revenue***
Baked Treats	3,693.64	*40.20%*	8,803.55	*47.10%*	8,297.52	*51.10%*	8,538.44	*53.90%*
Choco Delights	4,054.54	*44.10%*	6,240.31	*33.40%*	5,159.22	*31.80%*	5,035.74	*31.80%*
Jellies	547.69	*6.00%*	1,867.36	*10.00%*	1,223.00	*7.50%*	810.33	*5.10%*
Panned & Sugar Candies	182.17	*2.00%*	374.00	*2.00%*	813.78	*5.00%*	662.13	*4.20%*
Food and Bakery Ingredients	708.53	*7.70%*	1,412.10	*7.60%*	747.75	*4.60%*	805.54	*5.10%*
Total Product category Revenue	***9,186.57***	***100.00%***	***18,697.32***	***100.00%***	***16,241.26***	***100.00%***	***15,852.18***	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

By aligning our product offerings with prevailing consumption behaviour in the confectionery category, we are able to drive consistent volumes across categories and maintain relevance across a broad consumer base. We believe this positioning in affordable and frequently purchased product segments provides a foundation for scale.

c) Super stockist-led distribution model enabling scalable market reach

Our products are distributed through a network of over 200 super stockists, enabling us to achieve a wide geographic presence across multiple states in India. This super stockist-led distribution model allows us to access several retail outlets across urban, semi-urban and rural markets without maintaining a direct, on-ground salesforce for retail execution. For details, see "- *Our Sales Channel*" on page 193.

Set out below is our revenue from operations, based on our Restated Financial Information, from various states in India and overseas for period ended September 30, 2025 and the Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

State	Period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Delhi NCR	3,685.19	*40.11%*	6,731.42	*36.00%*	6,223.66	*38.32%*	6,316.05	*39.84%*
Haryana	1,715.80	*18.68%*	2,742.59	*14.67%*	1,995.59	*12.29%*	1,518.54	*9.58%*
Assam	551.21	*6.00%*	1,038.46	*5.55%*	787.01	*4.85%*	719.71	*4.54%*
Uttar Pradesh	493.35	*5.37%*	1,517.59	*8.12%*	1,230.97	*7.58%*	1,001.16	*6.32%*
West Bengal	449.92	*4.90%*	1,078.32	*5.77%*	699.87	*4.31%*	819.56	*5.17%*
Jammu & Kashmir	374.48	*4.08%*	658.67	*3.52%*	359.72	*2.21%*	253.97	*1.60%*
Tamil Nadu	306.61	*3.34%*	449.85	*2.41%*	388.60	*2.39%*	496.36	*3.13%*
Bihar	263.09	*2.86%*	766.40	*4.10%*	891.04	*5.49%*	856.39	*5.40%*
Karnataka	224.91	*2.45%*	480.49	*2.57%*	554.88	*3.42%*	484.79	*3.06%*
Andhra Pradesh	157.33	*1.71%*	397.47	*2.13%*	359.82	*2.22%*	311.15	*1.96%*
Kerala	153.31	*1.67%*	267.92	*1.43%*	170.76	*1.05%*	137.22	*0.87%*
Punjab	149.33	*1.63%*	590.11	*3.16%*	579.53	*3.57%*	468.22	*2.95%*
Export	48.97	*0.53%*	171.79	*0.92%*	291.08	*1.79%*	300.70	*1.90%*
Other States	613.07	*6.67%*	1,806.25	*9.66%*	1,708.75	*10.52%*	2,168.35	*13.68%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

Our model is structured to support product movement through established channel partners, with a focus on ensuring product availability across key markets. By leveraging the distribution networks of our super stockists and distributors, we are able to expand our reach efficiently across regions. This distribution structure is particularly relevant in confectionery categories where product availability at the point of sale plays an important role in supporting sales.

The use of super stockists also enables us to service multiple markets in a relatively scalable and cost-efficient manner, while relying on local channel relationships and downstream market knowledge for product movement. This supports our presence across *kirana* stores and other general trade outlets, which continue to be an important sales channel for the category.

This approach enables us to optimise distribution costs while supporting consistent product availability across markets. It also allows us to focus on product development and manufacturing, while utilising our distribution network for downstream market coverage. We believe this model supports expansion of our geographic reach while remaining aligned with the requirements of a multi-SKU confectionery portfolio.

d) Integrated in-house manufacturing capabilities with focus on scalability and process control

We manufacture our consumer products in-house at our production facilities, which enables us to maintain control over product quality, manufacturing processes and production timelines. In-house manufacturing allows us to manage multiple stages of the production process, including formulation, processing and packaging, and supports consistency across product batches.

Our operations are supported by machinery sourced from multiple countries along with ancillary equipment from domestic suppliers. This enables us to support production across a wide range of product categories and formats, including products with varied ingredient compositions, textures and packaging requirements. The ability to manufacture diverse products in-house also supports coordination between product development and production functions.

Our manufacturing infrastructure is designed to support production across a diverse portfolio of product categories and formats, with defined processes across procurement, production and packaging. This allows us to respond to demand requirements, manage production planning across product categories and support the introduction of new products and formats as part of our product development efforts. It also enables us to manage products with differing production requirements, including fat-based, milk-based, cocoa-based, water-based, and sugar-based confectionery formats, within our overall manufacturing system.

We have an operational facility at Sonipat, Haryana, which is currently being utilised for manufacturing of packaging materials used for captive consumption and warehousing. We are in the process of consolidating our existing operations into this facility, along with undertaking expansion of production capacity. This consolidation is expected to support improved integration of manufacturing and warehousing functions and streamline production and logistics operations over time. As our operations expand, this facility is expected to support future growth across our existing and newly introduced product categories.

Our manufacturing model also enables us to align production with the requirements of a multi-category portfolio, enabling consistent supply across markets and facilitating efficient execution of our distribution model. We believe our in-house manufacturing capabilities are an important enabler of both scale and product complexity across the business.

e) In-house product development capabilities supported by technical expertise

Our product development efforts are supported by an in-house team of food and packaging technologists involved in multiple stages of the product development process, including formulation development, ingredient selection, product trials and packaging design. This enables us to undertake product development activities internally across categories and formats.

Our product development process includes evaluation of products across parameters such as taste, stability, manufacturability and shelf life prior to commercialisation. This allows us to assess product performance and production feasibility before scaling up manufacturing.

Our in-house product development capability supports coordination between product development and manufacturing functions, facilitating the transition from product concept to commercial production. As these functions operate in alignment, we are able to assess production requirements and feasibility at an early stage in the development process.

This integrated approach enables us to undertake product development and implementation within our existing manufacturing framework, while maintaining consistency across production batches and formats. We believe this capability supports controlled introduction of products and variants across our portfolio.

f) Experienced Promoters and Management Team

We believe that the experience and leadership of our Promoter, Kapil Garg, is a key factor in our growth and development. Kapil Garg has over two decades of experience in the consumer-packaged food industry and has been associated with our business since inception. His industry knowledge and understanding have enabled us to build relationships with suppliers, distributors and other stakeholders across our value chain. He provides strategic direction to our Company and is also involved in key business decisions across product development, manufacturing and distribution.

Our senior management team comprises professionals with experience across key functional areas including strategy, finance, engineering and sales. Pavil Garg leads strategy and operations and is involved in product development initiatives, operational improvements and market expansion. Sangeeta Thakur, Chief Financial Officer of our Company, has close to twenty years of experience in financial management, corporate governance and business operations, and oversees financial planning, cost control, compliance and cash flow management. Deepak Panchal leads engineering at our manufacturing facilities and has over eighteen years of experience in engineering and project execution and is responsible for overseeing technical operations and process improvements.

We believe that the combined experience of our promoter, Board and senior management team, across product development, manufacturing, engineering, finance and sales, enables us to implement our business strategies and supports the ongoing development and expansion of our operations.

For further details, see "*Our Management*" on page 221.

Our Strategies

We intend to strengthen our position and also growing our business at scale by implementing the following strategies:

a) Expand product portfolio to enhance product mix and improve margin profile

We intend to expand our product portfolio beyond our existing confectionery offerings into adjacent snacking categories and differentiated product formats. This includes the introduction of products such as biscuits, premium biscuit variants, cereal-based snacks and other packaged food products, along with continued development of confectionery products across formats.

Our approach to product development focuses on expanding participation across multiple consumption occasions and consumer segments by offering products across a range of formats, textures and price points. We intend to introduce products that combine differentiated formats with accessible pricing, while also developing products positioned at relatively higher price points under appropriate brand segments.

As part of our portfolio expansion, we also intend to develop products with improved contribution profiles through better product mix and formulation choices. This includes evaluating products that are less dependent on input materials with relatively higher price volatility, such as cocoa-based inputs, where commercially viable. We also intend to explore ingredient compositions involving cereals, milk-based formulations and alternative blends, which may support more stable cost structures across certain product categories.

In addition, we intend to expand our presence in products aligned with evolving consumer preferences, including products positioned with relatively lower sugar content, reduced fat composition or alternative ingredient profiles, subject to regulatory requirements and commercial feasibility. These products may be positioned within differentiated or higher-value segments and are expected to complement our existing portfolio across categories.

Our product development efforts are supported by in-house capabilities across formulation, product trials and packaging development, enabling us to evaluate new product concepts in a structured manner prior to scale-up. We aim to introduce new products and variants on a continuous basis, while also optimising existing products based on market response and operational considerations.

Through expansion across categories, formats and product profiles, we aim to build a diversified product portfolio that supports participation across multiple consumption occasions, improves product mix and enhances our ability to respond to evolving consumer demand.

b) Scale manufacturing capabilities and improve operational efficiency through our Sonipat facility

We have established an operational manufacturing facility at Sonipat, Haryana, which forms a key part of our strategy to consolidate and expand our production capabilities. We are in the process of progressively integrating our existing operations into this facility.

The Sonipat facility is designed to support higher production capacity and improved workflow efficiency through better integration of manufacturing functions. Compared to our existing facilities, the Sonipat facility provides improved layout planning, enabling more efficient material movement, reduced handling and better utilisation of available space.

We intend to enhance production efficiency at the Sonipat facility through the gradual implementation of automation and semi-automation across manufacturing and packaging processes, where feasible. This is expected to support more consistent output, optimise labour deployment and reduce operational inefficiencies over time.

The consolidation of operations at Sonipat facility is also expected to enable improved utilisation of installed machinery and equipment by allowing for more streamlined production planning and reduced fragmentation across facilities. The facility provides the flexibility to scale production across multiple product categories and formats as our portfolio expands.

In addition, the Sonipat facility is expected to support our ability to cater to a wider range of customer requirements, including institutional customers and export markets, which may require higher consistency in production, packaging and documentation processes.

We also intend to align our manufacturing processes at Sonipat facility with applicable food safety and quality requirements relevant for both domestic and international markets, subject to regulatory and customer-specific standards.

Through the consolidation and expansion of operations at the Sonipat facility, we aim to improve operational efficiency, support higher production volumes and strengthen our manufacturing capabilities as our business scales.

c) Build and scale the "*Tosca*" brand in higher-value product segments to enhance brand presence and improve product mix and margin profile

We intend to build and scale our "*Tosca*" brand as a platform for expanding our presence in relatively higher-value product segments within confectionery and adjacent snacking categories. The "*Tosca*" brand is positioned to cater to distinct product formats, ingredient combinations and packaging approaches, enabling us to participate in segments beyond our core value-oriented offerings under the "*Hugs*" brand.

Under "*Tosca*", we intend to develop and expand products across categories such as chocolate-based products, cereal-based snacks, biscuit-based formats and other snack offerings. These products are expected to be positioned at relatively higher price points and may incorporate varied textures, flavours and ingredient compositions.

We also intend to align the "*Tosca*" portfolio with evolving consumer preferences, including products with relatively lower sugar content, alternative ingredient compositions and varied formats, subject to regulatory requirements and commercial feasibility. This approach enables us to participate in consumption trends within organised retail and digital-led channels.

We intend to increase the presence of the "*Tosca*" brand through product placement, packaging differentiation, channel-specific availability and digital platforms, in line with the positioning of the brand. We aim to expand the availability of Tosca products across channels such as modern trade, e-commerce and other organised retail formats where such products are more relevant.

The "*Tosca*" brand is expected to contribute to improving overall product mix by increasing the share of products with relatively higher unit realisations within our portfolio. In addition, structured brand positioning and channel-specific presence are expected to support improved recognition of the brand over time.

Through the development and scaling of the Tosca brand, we aim to expand our presence in higher-value segments, improve product mix and support margin profile over time.

d) Expand geographic presence and deepen market penetration of our "*Hugs*" brand across India to drive volume growth

We intend to expand the geographic presence of our "*Hugs*" brand across India by increasing penetration in underpenetrated regions and strengthening our presence in existing markets. Our expansion is supported by a super stockist-led distribution model, which enables us to access a wide network of distributors and retail outlets in an efficient manner.

This model allows us to scale distribution across geographies without a field-intensive sales structure at the retail level, supporting relatively faster market entry and expansion. We intend to continue strengthening this network by onboarding additional super stockists and enhancing engagement with existing partners.

In addition to expanding geographic reach, we focus on deepening our presence within existing markets by increasing product availability and widening assortment across retail outlets. We aim to increase the number of our products available per outlet, thereby improving visibility and supporting increased offtake across our product portfolio.

Our "*Hugs*" product portfolio is positioned at accessible price points, enabling participation across a broad consumer base. The nature of our product categories supports repeat consumption, which, combined with improved availability and assortment, is expected to contribute to volume growth.

We also intend to align our product mix with regional consumption preferences by prioritising relevant SKUs across different geographies. This approach enables us to improve acceptance and strengthen our presence within diverse markets. Through a combination of geographic expansion, deeper market penetration and portfolio-led distribution, we aim to increase volumes across our core product categories and strengthen the presence of the "*Hugs*" brand across India.

e) Expand presence across export markets through a segmented and margin-conscious approach

We intend to expand our presence across export markets by adopting a segmented approach based on product positioning, regulatory requirements and market dynamics. Our export strategy is focused on aligning product offerings with the specific requirements of different geographies rather than adopting a uniform approach across markets.

We intend to prioritise expansion in markets that support relatively higher unit realisations and require compliance with defined quality, documentation and certification standards. Our manufacturing facility at Sonipat is expected to support such requirements through improved process control and alignment with applicable food safety and regulatory frameworks, subject to customer and market-specific requirements.

In parallel, we may continue to participate in price-sensitive markets where product specifications and regulatory requirements differ. Our approach in such markets is expected to remain selective and aligned with product suitability, commercial viability and capacity utilisation considerations. Over time, we intend to increase the share of exports to markets that support relatively higher unit realisations, subject to regulatory requirements and commercial feasibility.

We intend to tailor our product portfolio for export markets based on local preferences, pricing dynamics and channel requirements. This may include supplying both branded and customer-specific products, depending on the nature of the market and customer engagement.

Our export strategy is also supported by our experience in dealing with international customers and suppliers, enabling us to adapt to varying market requirements across geographies.

Through a segmented and calibrated approach to exports, we aim to expand our international presence, improve product mix and support capacity utilisation over time.

Our Sales Channels

We employ a multi-channel sales approach to maximize availability and convenience for our consumers. Our structured approach covers:

Super Stockist Model: In this model, we sell our products to super stockists, who purchase in bulk. Super stockists further supply to distributors, who then distribute goods to Wholesalers, Intermediaries and *Kirana* Stores. This structure allows products to move through multiple layers of trade until they reach retail shops, where they are purchased by consumers.

Online Platforms: We also sell through online platforms, including Amazon, Flipkart, Meesho, Kirana Club and Swiggy Instamart. Orders placed through these platforms are fulfilled either through supply to central warehouses or through marketplace fulfilment services. This online presence enables access to customers purchasing packaged confectionery through e-commerce and facilitates visibility in digital retail channels.

Export Markets: Our products are also supplied to export markets, where we sell to overseas buyers based on orders received. Export transactions are undertaken in compliance with relevant import regulations, packaging norms and labelling requirements applicable in the destination country.

Private Labelling: We undertake private label manufacturing, where we manufacture products for third-party brands based on specifications provided by them. These arrangements allow us to utilise spare manufacturing capacity for the brands that market the product under their own label.

Modern Trade: In the modern trade channel, we supply our products to organised cash-and-carry retail formats. These outlets cater primarily to bulk buyers, including retail customers as well as general trade store owners. Our presence in such formats enables product placement through standardised merchandising and facilitates access to customers purchasing in bulk quantities. This channel includes cash-and-carry stores such as Walmart, Metro and Lots.

The following table sets forth the details of our revenue mix based on channels for the period ended September 30, 2025, and for Fiscal 2025, Fiscal 2024, and Fiscal 2023, based on our Restated Financial Information:

(₹ in Lakhs)

Channels	**Period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Export	48.97	*0.53%*	171.79	*0.92%*	291.08	*1.79%*	300.70	*1.90%*
Modern trade	38.14	*0.42%*	146.73	*0.78%*	322.94	*1.99%*	302.97	*1.91%*
Private Labelling	28.34	*0.31%*	37.36	*0.20%*	-	*0.00%*	-	*0.00%*
Online platforms	119.95	*1.31%*	332.37	*1.78%*	296.84	*1.83%*	236.10	*1.49%*
Super stockist	8,951.18	*97.44%*	18,009.07	*96.32%*	15,330.40	*94.39%*	15,012.41	*94.70%*
Total Channel Revenue	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

Our Manufacturing Facilities

We currently manufacture our products at our manufacturing facility located at Samaipur, Delhi, which supports production across our four key product categories such as baked treats, choco delights, jellies and panned & sugar candies. In addition, we manufacture and supply food and bakery ingredients. The facility comprises defined production areas along with storage for raw materials, work-in-progress and finished goods, enabling integrated manufacturing operations across categories.

In line with our expansion plans, we are in the process of consolidating and scaling our manufacturing operations at our facility located at Sonipat, Haryana. Upon consolidation and expansion, our total installed production capacity is expected to increase from approximately 17,100 MTPA to approximately 34,500 MTPA. The Sonipat facility is being developed to support higher production volumes, improved process integration and enhanced operational efficiency across product categories.

The facility is structured into multiple processing zones designed to support specialised manufacturing requirements. These include dedicated zones for polymer processing, sugar and panned candies, cream-based snacks, jellies (wet processing), chocolate and fat-based products, and baking operations. This zonal configuration enables effective segregation of processes, improved quality control and flexibility in handling diverse product formats within a single manufacturing location.

Our manufacturing infrastructure at Sonipat is being aligned with applicable food safety and quality requirements relevant for domestic and international markets, subject to regulatory and customer-specific standards. The facility is also designed to enable efficient material flow and to support the gradual integration of automation across selected processes.

The Sonipat facility is strategically located within an established food processing cluster and benefits from strong connectivity to key logistics infrastructure. It is situated in close proximity to the National Highway, enabling efficient movement of goods. The facility is also located near the Barhi Mega Food Park, providing access to shared infrastructure such as testing laboratories and cold storage facilities, as required. In addition, the presence of the National Institute of Food Technology Entrepreneurship and Management (NIFTEM) in Sonipat supports access to a specialised talent pool and technical ecosystem.

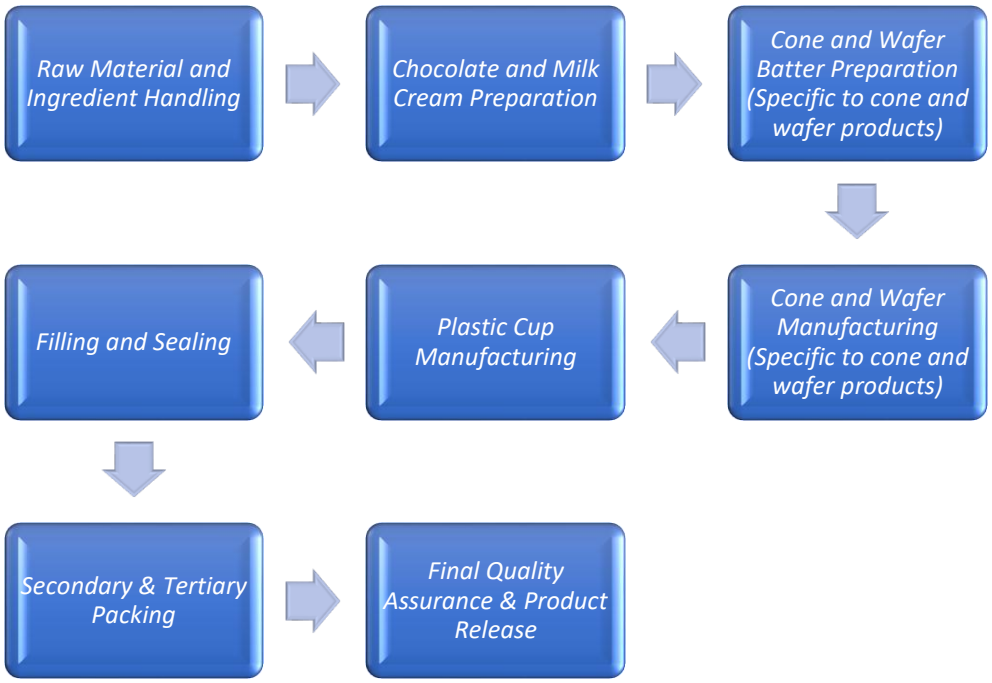
The facility is located within close proximity to ICD Baxi, facilitating efficient handling of containerised cargo for both export and import operations. This enables streamlined outbound logistics for international shipments as well as efficient inbound movement of imported raw materials and specialised inputs, supporting improved supply chain reliability and cost efficiency.

Overall, the consolidation of manufacturing operations at the Sonipat facility is expected to strengthen our production capabilities, enhance operational efficiencies, and support our ability to scale across product categories while aligning with evolving market and regulatory requirements.

Business Model: Detailed Flow of Process

The brief detailed process of four principal product categories is mentioned below:

Baked Treats



1. Raw Material and Ingredient Handling:

The baked confectionery category primarily uses chocolate cream, milk cream, biscuits, wafers, cones and food-grade plastic components. Key ingredients include sugar, vegetable fat, cocoa solids, milk solids, wheat flour, raising agents, additives and salt. All raw materials are received at the manufacturing facility, inspected for quality and compliance with internal specifications, and stored under defined conditions prior to use in production.

2. Chocolate and Milk Cream Preparation:

Chocolate, milk and various other flavoured creams are prepared using high-speed mixers, where sugar, vegetable fat, cocoa or milk solids and additives are blended to form a uniform mixture. The blended mass is refined using a refining mill under controlled temperature to reduce particle size and achieve the desired texture. The finished cream is transferred to stainless steel holding tanks with controlled agitation to maintain uniformity until the filling stage.

3. Cone and Wafer Batter Preparation (Specific to cone and wafer products):

Batter for cones and wafers is prepared in dedicated chilled high-speed batter mixers. Ingredients are mixed to achieve a smooth, lump-free batter with controlled viscosity. Ingredient dosing is automated to ensure consistency across batches. The prepared batter is stored in intermediate tanks with continuous agitation to prevent settling before baking.

4. Cone and Wafer Manufacturing (Specific to cone and wafer products):

Prepared batter is deposited into automatic cone baking machines or wafer baking drums. For cones, batter is baked in heated cone-shaped moulds and formed into finished cones. For wafers, batter is baked on drums to form wafer sheets, which are subsequently rolled into cylindrical wafer rolls while still pliable. The baked cones and wafers are then cooled and stabilised prior to the filling process. Moisture levels are controlled within defined tolerances to ensure consistency in texture and crunch.

5. Plastic Cup Manufacturing:

Food-grade plastic cups used in certain baked confectionery products are manufactured in-house using thermoforming machines. Thermoplastic sheets are extruded from polymer granules and then moulded using male and female dies under controlled vacuum, temperature and pressure conditions to achieve uniform wall thickness. The formed cups are cooled, trimmed and automatically ejected for subsequent filling operations.

6. Filling and Sealing:

Cups, cones and wafers are fed into automated filling lines through stacker and conveyor systems. Multi-nozzle temperature-controlled depositors dispense chocolate or milk cream into each unit, ensuring consistent fill weight and controlled usage of filling material. Cups are sealed using heat-sealing or foil-lidding systems. Blister packs are formed using thermoformed cavities, filled with cream and sealed with aluminium foil or sealing film to provide product protection and tamper evidence.

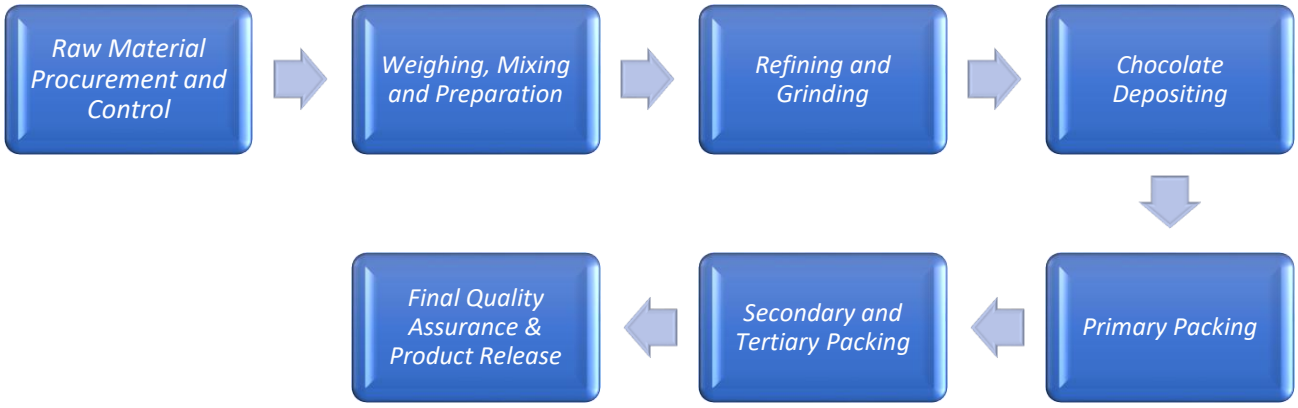
7. Secondary & Tertiary Packing:

After primary sealing, products are transferred to secondary packaging tables, where they are packed into boxes, jars or pouches suitable for handling and storage. Secondary packs are then placed into tertiary cartons or crates. Finished cartons are labelled, stacked and sealed.

8. Final Quality Assurance & Product Release:

Finished products, after packaging, are subject to final quality evaluation to ensure compliance with defined quality and food safety standards. This includes inspection of product appearance, weight conformity, packaging integrity and labelling accuracy, along with applicable sensory and stability parameters. This final quality check serves as a control point prior to storage and dispatch, ensuring that products delivered to the market meet internal specifications and applicable regulatory requirements.

Choco Delights



1. Raw Material Procurement and Control:

The chocolate manufacturing process begins with procurement of key raw materials including sugar, edible vegetable fat, cocoa solids, milk solids, additives and salt. All incoming raw materials are received at the manufacturing facility and subjected to defined quality checks. Materials are inspected for conformity with internal specifications and applicable food

safety regulations before being approved for use in production. Approved raw materials are stored under prescribed conditions to maintain quality and stability.

2. *Weighing, Mixing and Preparation:*

Approved raw materials are weighed in accordance with approved formulations. The ingredients are then transferred to mixing units where sugar, cocoa solids, vegetable fat, milk solids, additives, and salt are blended to form a homogeneous chocolate mass. The mixing process is carried out under controlled conditions to ensure uniform distribution of ingredients.

3. *Refining and Grinding:*

The mixed chocolate mass undergoes refining and grinding under controlled temperature to reduce particle size, typically to a fine range of approximately 20–22 microns. This step is critical to achieve the required texture and mouthfeel. Refining equipment ensures consistency in particle size and uniformity across production batches.

4. *Chocolate Depositing:*

The prepared liquid chocolate is deposited into moulds using depositor machines that ensure controlled filling, uniform weight, and consistent shape, enabling the production of both solid chocolates and centre-filled variants depending on product requirements. The filled moulds are then passed through temperature-controlled cooling tunnels, where controlled cooling enables proper crystallization of the chocolate, ensuring structural stability, smooth surface finish, and ease of demoulding. Once the chocolate has fully set, the finished pieces are released from the moulds using demoulding systems designed to prevent breakage or surface damage to the chocolates. This process is carried out in air-conditioned processing areas to maintain controlled temperature and humidity conditions, ensuring product stability, consistency and quality.

5. *Primary Packing:*

Finished chocolates are transferred to primary packaging lines where they are packed according to the product format. Flow wrap packaging is used for bars and individual units, foil wrap packaging is used for products requiring enhanced protection, fold wrap packaging is used for select product presentations, and twist wrap packaging is used for select truffles. The packaging materials are carefully selected to protect the products from moisture, air, and contamination, thereby helping maintain product quality, freshness, and shelf life during storage and distribution.

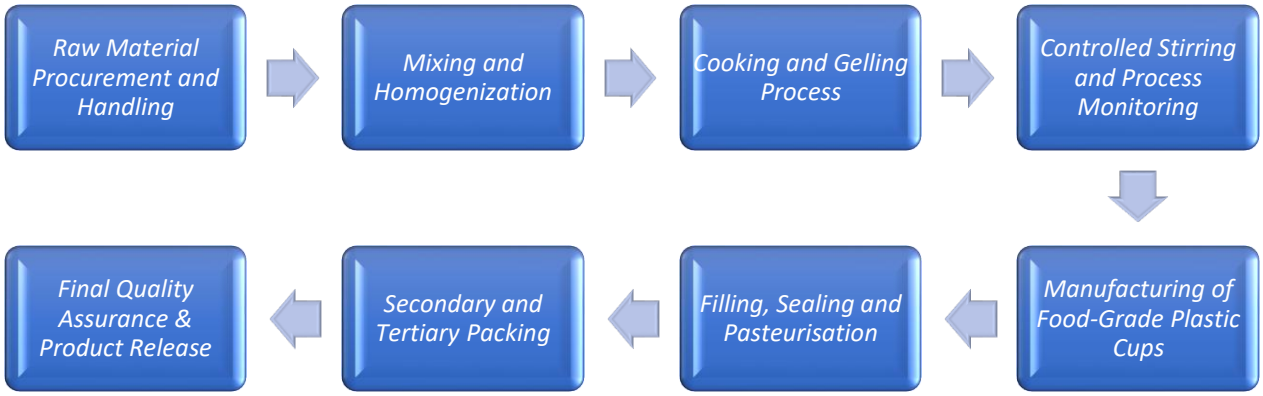
6. *Secondary and Tertiary Packing:*

Primary-packed chocolates are grouped into boxes, pouches, or trays as part of secondary packaging. These units are then placed into outer cartons or crates during tertiary packaging. Cartons are labelled, sealed, and prepared for storage and dispatch.

7. *Final Quality Assurance & Product Release:*

Finished products, after packaging, are subject to final quality evaluation to ensure compliance with defined quality and food safety standards. This includes inspection of product appearance, weight conformity, packaging integrity and labelling accuracy, along with applicable sensory and stability parameters. This final quality check serves as a control point prior to storage and dispatch, ensuring that products delivered to the market meet internal specifications and applicable regulatory requirements.

Jellies



1. *Raw Material Procurement and Handling:*

The manufacturing process for jellies and puddings begins with the procurement of approved raw materials, including water, sugar, stabilizers, acidity regulators, and permitted preservatives. All raw materials are received at the factory, inspected for quality and compliance with internal specifications, and stored under hygienic conditions. Ingredients are weighed accurately as per standardized formulations to ensure batch-to-batch consistency and product uniformity.

2. *Mixing and Homogenization:*

Measured raw materials are transferred to stainless-steel mixing tanks. Water, sugar, stabilizers, acidity regulators, and preservatives are blended using high-shear mixers. This stage ensures complete dispersion of ingredients, prevents lump formation, and results in a homogeneous mixture suitable for further processing. Controlled mixing parameters help achieve uniform texture and stability in the final product.

3. *Cooking and Gelling Process:*

The homogenized mixture is transferred to cooking kettles equipped with precise temperature control systems. The mixture is heated to activate stabilizers and develop the required gelling properties along with pasteurising the mixture. Heating is carried out using steam-jacketed systems to ensure uniform heat distribution across the batch.

4. *Controlled Stirring and Process Monitoring:*

Continuous stirring is maintained during the cooking stage to prevent scorching and ensure even cooking. Key parameters such as temperature, time, and viscosity are monitored throughout the process to achieve consistent texture, clarity, and stability. This controlled process ensures that the product meets defined quality and sensory standards.

5. *Manufacturing of Food-Grade Plastic Cups:*

Parallel to product preparation, food-grade thermoplastic cups are manufactured in-house. Thermoplastic sheets are extruded from polymer granules and then moulded using male and female dies under controlled vacuum, temperature and pressure conditions to achieve uniform wall thickness. The formed cups are cooled, trimmed and automatically ejected for subsequent filling operations.

6. *Filling, Sealing and Pasteurisation:*

The cooked jelly or pudding is transferred to automated filling machines, where it is filled into pre-formed food-grade cups with accurate volume control. Immediately after filling, the cups are sealed using high-speed sealing machines with appropriate lid materials to ensure airtight closure and product protection. Post sealing, the filled cups are subjected to a pasteurisation process, wherein they are passed through hot water systems under controlled temperature conditions. This process is designed to enhance product safety and extend shelf life. Following pasteurisation, the products are cooled in a controlled manner and subsequently dried to remove surface moisture prior to further handling and packaging.

7. *Secondary and Tertiary Packing:*

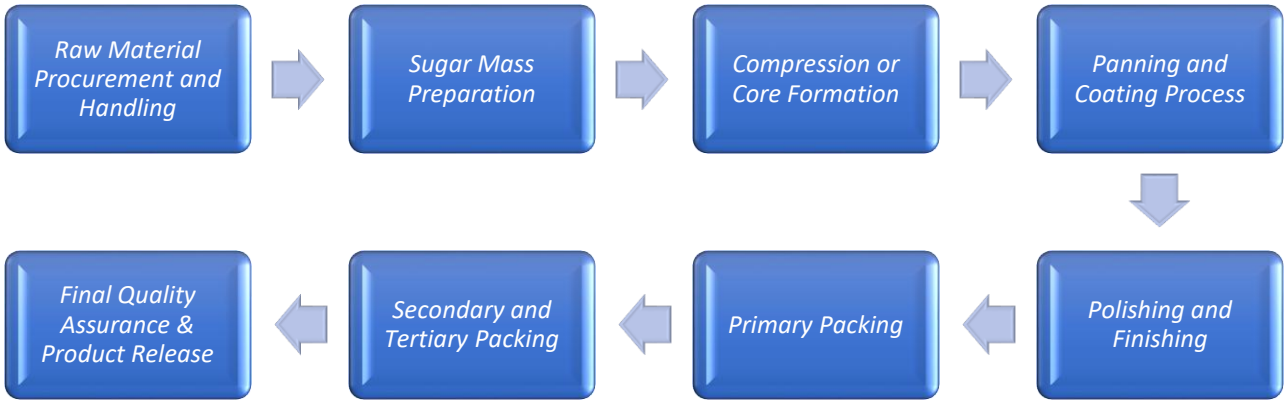
Primary-packed jellies are grouped into boxes, jars, or trays as part of secondary packaging. These units are then placed into outer cartons or crates during tertiary packaging. Cartons are labelled, sealed, and prepared for storage and dispatch.

8. *Final Quality Assurance & Product Release:*

Finished products, after packaging, are subject to final quality evaluation to ensure compliance with defined quality and food safety standards. This includes inspection of product appearance, weight conformity, packaging integrity and labelling accuracy, along with applicable sensory and stability parameters. This final quality check serves as a control point prior to storage and dispatch, ensuring that products delivered to the market meet internal specifications and applicable regulatory requirements.

The remainder of this page has been intentionally left blank

Panned and Sugar Candies



1. *Raw Material Procurement and Handling:*

The manufacturing process for compressed and panned sugar candies begins with procurement of approved raw materials, including sugar, glucose, permitted flavours, colours, binding agents and glazing materials. All raw materials are received at the manufacturing facility, inspected for quality and conformity with internal specifications, and stored under defined hygienic conditions prior to use.

2. *Sugar Mass Preparation:*

Sugar and other ingredients are weighed as per approved formulations and transferred to mixing or cooking vessels. The ingredients are processed to form a uniform sugar mass with controlled moisture and consistency. This stage ensures that the base material is suitable for compression or panning operations.

3. *Compression or Core Formation:*

For compressed candies, the prepared sugar mass is transferred to compression machines where it is formed into tablets or shaped units using dies and punches. Compression parameters such as pressure and weight are controlled to ensure uniform size, shape and hardness. For panned candies, cores are prepared either through compression or depositing machines, depending on product requirements. These cores serve as the base for subsequent coating operations.

4. *Panning and Coating Process:*

Prepared candy cores are transferred to rotating panning drums. Sugar syrup or coating solution is applied in controlled quantities while the drum rotates, allowing uniform layering on the candy surface. Multiple coating cycles are carried out to achieve the desired thickness, appearance and texture. Controlled drying is applied between coating cycles to stabilise each layer.

5. *Polishing and Finishing:*

After completion of the coating process, candies may undergo polishing using approved glazing agents to improve surface finish and handling properties. This step ensures consistency in appearance and reduces surface stickiness.

6. *Primary Packing:*

Finished candies are transferred to packaging lines where they are packed into pouches or other approved packaging formats. Packaging machines ensure accurate fill quantities and secure sealing.

7. *Secondary and Tertiary Packing:*

Primary-packed candies are grouped into boxes, jars, or pouches as part of secondary packaging. These units are then placed into outer cartons or crates during tertiary packaging. Cartons are labelled, sealed, and prepared for storage and dispatch.

8. *Final Quality Assurance & Product Release:*

Finished products, after packaging, are subject to final quality evaluation to ensure compliance with defined quality and food safety standards. This includes inspection of product appearance, weight conformity, packaging integrity and labelling accuracy, along with applicable sensory and stability parameters. This final quality check serves as a control point prior to storage and dispatch, ensuring that products delivered to the market meet internal specifications and applicable regulatory requirements.

Food and Bakery Ingredients

The Company manufactures a range of food and bakery ingredients, including products such as choco paste, cocoa powder, custard powder and other premixes, which are supplied to institutional customers, HoReCa channels and for internal consumption.

The manufacturing processes for these products vary based on product type, formulation and end-use requirements. For products such as choco paste, the process involves blending, refining and grinding to achieve the required texture, consistency and stability. In the case of cocoa-based products, processes such as crushing, alkalisation and particle size control are undertaken to achieve desired colour, flavour and functional characteristics.

For powdered products such as custard and other premixes, ingredients are processed through controlled blending operations to ensure uniformity, dispersion and batch consistency. These processes are designed to maintain formulation accuracy and product stability across batches.

Across all product categories, raw materials are sourced, inspected and handled in accordance with defined quality standards. Manufacturing processes are carried out using appropriate equipment and controlled parameters to ensure consistency, product safety and compliance with applicable regulations.

Finished products are packed in suitable food-grade packaging formats such as buckets, pouches or bulk packs, depending on customer requirements. Packed products are labelled, stored under prescribed conditions and dispatched through the Company's distribution network or supplied directly to institutional customers.

Production Capacity and Capacity Utilisation

Set out in the table below are the installed capacity, actual production and capacity utilisation details of our Delhi facility for the periods indicated below:

Product Name	Actual											
	Period ended September 30, 2025			FY 2024-2025			FY 2023-2024			FY 2022-2023		
	Installed Capacity (MT)	Utilized Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Utilized Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Actual Capacity (MT)	Utilized Capacity (%)	Installed Capacity (MT)	Actual Capacity (MT)	Utilized Capacity (%)
Baked Treats	2,850	1,847	64.80%	5,700	4,402	77.22%	5,700	4,149	72.79%	5,700	4,269	74.90%
Choco Delights	2,550	2,027	79.50%	5,100	3,075	60.29%	4,350	2,580	59.30%	3,600	2,518	69.94%
Jellies	2,400	913	38.03%	4,800	3,112	64.84%	3,600	2,038	56.62%	3,000	1,351	45.02%
Panned & Sugar Candies	225	91	40.48%	450	187	41.56%	450	407	90.42%	450	331	73.57%
Food & Bakery Ingredients	525	354	67.48%	1,050	706	67.24%	1,050	374	35.61%	1,050	403	38.36%
Total	**8,550**	**5,232**	**61.20%**	**17,100**	**11,482**	**67.15%**	**15,150**	**9,547**	**63.02%**	**13,800**	**8,871**	**64.29%**

The above capacity and production figures are calculated considering that the plant operates for 300 working days in a year. Accordingly, half-yearly capacities have been derived on a pro-rata basis. As certified by Er. Aayushman Chauhan, Chartered Engineer pursuant to certificate dated March 21, 2026.

Set out in the table below are the proposed installed capacity details of our Sonipat facility:

Products	Proposed Installed Capacity (MT)
Baked Treats	7,500
Choco Delights	6,600
Jellies	7,200
Panned & Sugar Candies	750

Products	Proposed Installed Capacity (MT)
Food & Bakery Ingredients	1,500
New Equipment Phase 1	2,850
New Equipment Phase 2	4,500
New Equipment Phase 3	3,600
Total	**34,500**

The above capacity and production figures are calculated considering that the plant operates for 300 working days in a year.
As certified by Er. Aayushman Chauhan, Chartered Engineer pursuant to certificate dated March 21, 2026.

Raw Materials

The primary raw materials required to manufacture our products are key raw materials such as cocoa, sugar, milk solids, cereal flours and edible fats. The raw materials consumed constituted 46.89%, 58.13%, 57.56%, and 52.03%, respectively, as a percentage of our revenue from operations for the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023 respectively. Further, we also require ingredients such as edible common salt, starch, flavouring agents and permitted food colours. Besides this, we also need liquid glucose, permitted emulsifiers, desiccated coconut powder and speciality food ingredients.

We presently procure all these raw materials from the local market based on our requirements on an on-going basis. We have relationships with our suppliers although we do not have any long-term contracts with such parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products. All our raw materials used for manufacturing are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets and other factors.

Product Type	Raw Material Required
Baked treats	Sugar, Wheat Flour, Vegetable Fat, Cocoa Solids, Milk Solids, Raising Agent, Salt, Additives
Choco delights	Sugar, Edible Vegetable Fat, Cocoa Solids, Milk Solids, Desiccated Coconut Powder, Additives, Salt
Panned and sugar candies	Dextrose, Sugar Syrup, Maltodextrin, Acidity Regulator, Additives
Jellies	Water, Sugar, Stabilizer, Acidity Regulators, Additives
Food and bakery ingredients	Sugar, Premixes, Edible Vegetable Fat, Cocoa Solids, Milk Solids, Additives

Packaging

Our products are packaged using a multi-layered packaging framework comprising primary, secondary and tertiary packaging, each serving distinct functional and commercial objectives across the value chain. Currently, we have commenced in-house packaging material operations at our facility located in Sonipat, Haryana.

Primary packaging refers to the immediate packaging in direct contact with the product and is designed to ensure product safety, hygiene, freshness and shelf life, while also serving as the key consumer-facing interface. Secondary packaging comprises packaging formats used for retail display and product consolidation, enabling effective merchandising and handling at the point of sale. Tertiary packaging comprises bulk packs used for handling, storage and transportation across the distribution network.

Primary Packaging: We utilize a range of food-grade primary packaging materials depending on product requirements, including polyvinyl chloride (PVC), polypropylene (PP), polyethylene (PE), aluminium foil, and multi-layer laminates comprising combinations of biaxially oriented polypropylene (BOPP), polyethylene terephthalate (PET), cast polypropylene (CPP) and other substrates. Material selection is based on required barrier properties and product sensitivity, including resistance to moisture, oxygen and light. Key parameters such as water vapour transmission rate (WVTR) and oxygen transmission rate (OTR) are evaluated to ensure optimal product stability, freshness and shelf life. Aluminium foil is used in applications requiring high barrier protection, particularly for chocolate and fat-based products, while multi-layer laminates are deployed for products requiring enhanced protection and extended shelf stability, including chocolates and baked confectionery.

Secondary Packaging: Secondary packaging is designed to facilitate product grouping, protection and retail display. We utilize mono carton boxes manufactured from paperboard, laminated pouches for multipack formats, and rigid packaging formats such as polyethylene terephthalate (PET) and polyvinyl chloride (PVC) jars. These formats provide structural integrity, durability and effective shelf presence, while also supporting ease of handling and storage.

Tertiary Packaging: Tertiary packaging is used for bulk handling, storage and transportation of finished goods across our distribution network. We utilize corrugated outer cartons and bags of appropriate strength and specifications to protect

products from mechanical damage during transit and warehousing. These tertiary packs are designed to withstand stacking loads and handling stresses, thereby maintaining product integrity and enabling efficient movement across the supply chain.

Quality Control

We have established quality assurance and control processes across our manufacturing operations to monitor product quality, safety and consistency at various stages of production. These processes are implemented through defined standard operating procedures covering procurement of raw materials, in-process manufacturing controls, packaging and storage of finished goods. We have a dedicated research and development, and quality assurance team comprising 11 personnel who ensure that adequate training is imparted to employees working in the supply chain departments from procurement to sales and marketing on quality assurance aspects.

All raw materials and packaging materials are subject to defined quality checks upon receipt and are released for production only after verification against prescribed specifications and parameters. We maintain approved specifications for all key inputs, including ingredients and packaging materials, to ensure consistency in production.

We operate in-house testing facilities for both food products and packaging materials. Our food laboratory conducts tests across a range of parameters, including microbiological analysis, moisture content, ash content, fat analysis, acidity and Brix levels, among others. Our packaging material testing includes evaluation of parameters such as tearing strength, sealing integrity, moisture levels, printing parameters and standard match. These tests support validation of input materials as well as in-process and finished product quality.

Quality control is maintained at multiple stages during manufacturing, with defined critical control points across process flows to monitor key parameters and ensure adherence to internal specifications. Products are subjected to in-process checks as well as final quality evaluation prior to dispatch.

We maintain batch-wise records and retain daily production samples to enable traceability and facilitate investigation in case of any quality-related issues. Any non-conforming materials or finished products identified during quality checks are segregated and recorded, and corrective and preventive actions are implemented in accordance with internal procedures.

Our manufacturing facilities follow defined protocols for hygiene, sanitation and material handling, with documented procedures and records maintained to support compliance and consistency across operations.

Overall, our quality assurance framework is designed to support consistent product quality, process control and traceability across our product categories.

Our manufacturing facilities and processes have been granted quality certifications including manufacturing license from the Food Safety and Standards Authority of India and ISO 22000:2018 for Delhi facility, Food Safety Management Systems from Quality research Organisation for Delhi facility.

Our Geographical Spread

Our revenue from operations is predominantly derived from domestic sales, with North India contributing a significant portion, supported by our established distribution network and market presence in the region. We have also expanded our presence across East and South India, supported by growth in our distribution network and product penetration in these markets. West India continues to form part of our overall domestic distribution footprint.

Revenue from exports has contributed a smaller proportion of our overall revenue from operations during the periods under review. Our export operations are currently selective in nature, with a focus on specific markets and product categories.

Overall, our geographical mix reflects a strong domestic foundation, supported by a growing presence across regions and a selective approach to international markets.

The below geographical distribution represents revenue from operations across all our product categories and brands.

The remainder of this page has been intentionally left blank

(₹ in Lakhs)

Region	For the period ended on		Fiscal					
	September 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ lakhs)	% of total revenue	Amount (₹ lakhs)	% of total revenue	Amount (₹ lakhs)	% of total revenue	Amount (₹ lakhs)	% of total revenue
North India*	6,861.78	*74.69%*	13,584.57	*72.66%*	11,607.50	*71.47%*	10,808.08	*68.18%*
East India	1,107.29	*12.05%*	2,386.48	*12.76%*	1,751.78	*10.79%*	1,822.56	*11.50%*
South India	924.56	*10.06%*	1,772.77	*9.48%*	1,566.48	*9.65%*	1,526.12	*9.63%*
West India	243.97	*2.66%*	781.71	*4.18%*	1,024.43	*6.31%*	1,394.72	*8.80%*
Exports	48.97	*0.53%*	171.79	*0.92%*	291.08	*1.79%*	300.70	*1.90%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

**Jharkhand & Bihar have been classified under North India as per our internal policy.*
As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Marketing Strategy and Brand Building

We believe that developing and strengthening our brands, "*Hugs*" and "*Tosca*", is central to building long-term market presence in the competitive confectionery segment. In categories where multiple products operate at similar price points, differentiation is driven by product visibility, trade engagement and brand recall at the point of sale.

Our marketing approach is primarily aligned with our super stockist-led distribution model, which contributes a significant portion of our revenue. We undertake targeted trade engagement initiatives, including seasonal and region-specific schemes for our channel partners. These schemes are linked to secondary sales performance and offer incentives such as international trips, vehicles, consumer durables and other rewards. Such initiatives are designed to drive product movement across the distribution chain while strengthening relationships within the channel.

We support these efforts through point-of-sale visibility initiatives, including posters, danglers and other display materials deployed at retail outlets to enhance product presence and recall. These activities are aimed at increasing off-take at the retail level, particularly across Tier II and Tier III markets.

In addition to our distribution-led approach, we are selectively building a digital and brand-led presence for our Tosca brand, particularly as we expand into modern trade and e-commerce channels. Our planned initiatives include targeted digital campaigns, influencer-led engagement and content-driven communication aimed at urban consumers seeking accessible indulgence.

Our marketing strategy is focused on achieving cost-effective impact through a combination of distribution-driven initiatives and selective brand-building efforts. As we continue to expand our presence across India and in international markets, we aim to strengthen brand visibility and recall while aligning our approach with evolving consumer preferences and retail formats.

Distribution Network

Our distribution network is structured to support both domestic sales and export operations through a scalable channel model anchored by our super stockist-led distribution system.

As of period ended September 30, 2025, for domestic markets, we operated through a network of over 200 super stockists across 24 states. Finished goods are dispatched from our manufacturing facilities and regional depots, including our facilities in Delhi, Sonipat and our Hyderabad distribution depot, to super stockists based on demand and replenishment cycles. Super stockists further distribute products through their respective networks of distributors, wholesalers, semi-wholesalers and retailers, enabling wide market coverage and last-mile reach across geographies.

In addition to our general trade distribution, we service modern trade through direct store or designated delivery point supplies, while quick commerce platforms are serviced through central fulfilment centres. E-commerce channels are primarily fulfilled through platform-led logistics systems.

As of period ended September 30, 2025, for export markets, we supplied products to customers across three countries. Export shipments are executed against confirmed orders and routed through port infrastructure for delivery to destination markets. Post-import, products are distributed through local importers, distributors or wholesale channels in the respective countries.

Our distribution network is designed to support a wide product portfolio across multiple categories and a large number of SKUs. We continue to focus on expanding our presence across geographies, including strengthening our footprint in western and southern markets and deepening our reach in existing regions through our channel network.

Logistics and Procedures

Our finished goods are dispatched from our manufacturing facilities based on orders received from our channel partners, including super stockists, modern trade partners, quick commerce platforms, online platforms, institutional customers and export buyers. Transportation of goods is fully outsourced to third-party logistics providers.

Our domestic distribution model is primarily based on supply to super stockists, who in turn manage onward distribution through their respective networks of distributors and retailers. Dispatches to super stockists are carried out on a regular basis in line with demand requirements and replenishment cycles.

For modern trade, we undertake direct supplies to stores or designated delivery points, while for quick commerce channels, products are supplied to central fulfilment centres. For e-commerce channels, we either supply through platform-led fulfilment systems or utilise third-party logistics service providers for last-mile delivery to end consumers.

We follow inventory management practices, including the First-In-First-Out (FIFO) method, to manage product shelf life and ensure orderly movement of goods. We also maintain safety stock levels based on historical sales patterns and undertake demand planning based on internal projections to support production and dispatch planning.

Export shipments are executed against confirmed orders, typically on a free-on-board (FOB) basis and are carried out through full container load (FCL) shipments. Export operations are undertaken in compliance with applicable documentation, packaging and labelling requirements.

Overall, our logistics and distribution processes are structured to support multi-channel fulfilment, efficient inventory management and consistent product availability across domestic and international markets

Environment, Health and Safety

Our manufacturing activities are subject to various laws and regulations, including those relating to occupational health and safety, technical safety and environmental protection. These include regulations concerning air and noise emissions, discharge of effluents and other environmental and workplace safety requirements.

We seek to comply with applicable health, safety and environmental regulations and other statutory requirements in our operations. We have adopted safety, health and environment policies and procedures intended to address legislative requirements, conditions stipulated under applicable licenses and approvals, and workplace safety practices at our manufacturing facilities.

Our internal procedures include risk identification and control measures, along with training and awareness programmes for employees and workers, aimed at reducing occupational health and safety risks. Environmental management practices are implemented in line with applicable regulatory requirements, including processes for handling effluents and waste generated from manufacturing activities.

For further information, see "*Key Regulations and Policies*" on page 208.

Power and Water

Our manufacturing operations require power and water for processing of raw materials, operation of machinery and maintenance of controlled conditions across various stages of production and packaging. Power is sourced from state electricity boards and is utilised across our manufacturing processes. Water requirements for our manufacturing operations are met through supply from local authorities and from ground water extraction at our manufacturing locations. Water is used for processing, cleaning and other operational requirements in accordance with internal standards.

Competition

We operate in the confectionery segment, which is characterised by the presence of multiple organised and unorganised players across product categories and price points. There are no listed companies in India that operate with a primary focus on packaged confectionery manufacturing across a similar range of product categories as our Company. Accordingly, while we do not have a directly comparable peer group, we compete with a range of players across product categories, distribution reach and price segments:

Prayagh Consumer Care Pvt. Ltd., based in Hyderabad, Telangana, is a sugar-confectionery manufacturer with three Telangana plants and a portfolio spanning candies, toffees, éclairs, lollipops, jellies and chocolates under Cintu, Lavian and Lavian Exotique. It now services almost 500,000 retail outlets and 10,000 wholesalers across India and exports to Latin America, Central America and Africa.

Annapurna Swadisht Ltd., which acquired Indore-based Madhur Confectioners Pvt. Ltd. (MCPL) is based in Kolkata, West Bengal and is a packaged foods and confectionery company. Through MCPL, it adds a portfolio of candies, lollipops, premium moulded chocolates and cream-filled wafers and integrates ~300 MCPL distributors into Annapurna Swadisht's wider national network, enhancing its reach in value and impulse confectionery across northern and central India. The company offers a broad portfolio across candies (Cofilo, Truelove, Mr. Yummy, Lacto), lollipops (Fan Pop, Chilli Pop, Rainbow Pop, Yogito), premium moulded chocolates under the Doyana brand, and cream-filled wafers such as Speed Breaker and Crispy. It offers playful product formats, novelty-driven flavours and affordable price-point architecture and has presence across northern and central India, especially within the children's confectionery category.

Kayempee Foods Pvt Ltd., based in Hyderabad and incorporated in 1989, is a diversified confectionery manufacturer with a product portfolio covering moulded chocolates, biscuits and cookies, wafer rolls, center-filled candies and éclairs, gummies. The company is engaged in white-label and custom manufacturing, partnering with FMCG clients to deliver tailored product development, flavour customization and packaging solutions, while simultaneously scaling its own brands such as Pepe, Ausome, Byond, and Marco across value and mid-premium segments.

Dolphin Foods India Limited, based in Hyderabad and founded in 1984, is a confectionery and baked-snacks manufacturer with presence across Eastern and Southern India as well as a growing export footprint. The company offers hard-boiled candies, toffees, lollipops, jellies, wafers, cakes and chocolates under its flagship Oshon and Otter brands, along with specialty products such as healthier alternatives and fruit-flavoured candies, premium cake bars and choco-filled wafers. Dolphin Foods India Limited offers affordable, mass-market products with diverse flavor formats, supported by a large assortment of SKUs including Cake Bar, Waffer Town, Coffista Candy, Mitha Paan, Magic Pop Lollipop, Assorted Lollipops, Choc 7 Heartz, Wonderz Original, Eclairs Toffees and Peanut Rich.

(*Source: Ken Report*)

Human Resource

As of February 28, 2026, we have 190 full-time employees. The following table sets forth the number of our employees and consultants as of February 28, 2026:

Department	**No of Employees**
Production	99
Sales	19
Finance	12
R&D and Quality Assurance	11
Product Development & Procurement	5
Engineering	10
Admin	7
Human Resources	6
Logistics	6
Marketing	5
CS & Legal	3
MD's Office	3
Sales Operations	2
Management	2
Total	**190**

The attrition rates for the September 30, 2025, FY 2025, 2024 and 2023 for the employees who are on pay roll of the Company are as under:

Particulars	**September 30, 2025**	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
Attrition Rates [(1)]	15.49%	21.33%	30.00%	18.04%
No. of employees who resigned during the period	22	8	24	12
Total as of the end of the period [(2)]	150	134	91	69

Note: (1) Attrition percentage = Cumulative voluntary attrition during the period / average headcount during the period.
(2) Includes full-time employees of the company.
**As certified by M/s RSAV & Company, Chartered Accountants, by way of their certificate dated March 25, 2026.*

Details of Employees' Provident Fund and Employees State Insurance Corporation as on September 30, 2025:

Department / Function	No. of Personnel registered	Amount paid (₹ in Lakhs)
Employees' Provident Fund	10	0.90
Employees State Insurance Corporation	18	0.15
Non EPF & ESIC	125	-

**The Company had a total of 150 employees during the year. Out of the above, 3 employees are covered under both EPF and ESIC schemes.*
**As certified by M/s RSAV & Company, Chartered Accountants, by way of their certificate dated March 25, 2026.*

We undertake training initiatives across our manufacturing, sales and corporate functions to support skill development and operational effectiveness. These include on-the-job training, periodic sessions on process adherence, product knowledge and safety practices, as well as orientation programmes for new employees. Our approach to employee engagement focuses on building continuity and strengthening capabilities across functions. We aim to support retention by providing a structured work environment, role clarity and opportunities for skill enhancement aligned with business requirements.

Collaboration

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

Insurance

We maintain insurance coverage for certain risks associated with our operations, assets and business activities. Our insurance policies include coverage for property and plant and machinery, inventory, goods in transit and other customary risks, in accordance with industry practice. The details of the insurance policies are mentioned below:

Sr. No.	Location	Policy Type	Insurance company	Policy No	Premium (₹ in Lakhs)	Sum Insured (₹ in Lakhs)	Insurance Valid Up to
1.	Samaipur, Delhi	Fire and Burglary	Bajaj Allianz General Insurance Company Ltd.	OG-26-1104-4094-00000007	9.40	5,530.00	April 24, 2026
2.	Punjabi Bagh, Delhi	Property and Burglary	Go Digit General Insurance Ltd	D235972680	0.015	40.00	November 12, 2026
3.	Hyderabad, Telangana and	Burglary Insurance Policy	United India Insurance Company Limited	0801021225P112082668	0.012	Hyderabad, Telangana – 500.00	October 26, 2026
4.	Hyderabad, Telangana	Fire Policy	United India Insurance Company Limited	0801021125P112082705	0.35	Hyderabad, Telangana – 500.00	October 26, 2026
5.	Barhi Sonipat, Haryana	Burglary Insurance Policy	Bajaj Allianz General Insurance Company Limited	OG-26-1104-4010-00000900	0.24	4,000.00	January 27, 2027
6.	Barhi Sonipat, Haryana	Fire Policy	Bajaj Allianz General Insurance	OG-26-1104-4057-00000232	8.02	4,000.00	January 27, 2027

Sr. No.	Location	Policy Type	Insurance company	Policy No	Premium (₹ in Lakhs)	Sum Insured (₹ in Lakhs)	Insurance Valid Up to
			Company Limited				

Intellectual Property

We have registered or have applied for registration for several trademarks in connection with our business, in India. Our main brands "*Hugs*" and "*Tosca*" are registered under class 30 and 32 of the Trade Marks Act and both of them are currently operational. We also have few copyrights registered in connection with our business. For further information on the intellectual property of our Company, see "*Government and Other Approvals*" on page 308. In addition, we are also aware that the use of our brands or similar trade names by third parties may result in confusion among consumers and loss of business. For further information, see "*Risk Factors – Legal and Regulatory Risks - Certain of the trademarks, logos and copyrights used in our business are either unregistered or registered in the name of our subsidiary, and any inability to protect or continue using such intellectual property may adversely affect our business, brand recognition and prospects*." on page 55.

Properties

Sr No.	Date of the agreement	Name of Lessor	Area of the property	Address of the property	Period of agreement	Rent (₹ in Lakhs)	Purpose
1.	October 03, 2024	Rajesh Gupta	1,700 Sq. Ft.	39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), West Delhi, New Delhi, Delhi, India, 110 026*	3 years	2.90 per month	Registered office & Corporate office
2.	March 21, 2025	Pluchi Texnit Private Limited	14,380 Sq. mt.	Plot No. 427-F, Phase-I, HSIIDC Barhi, Sonipat, Haryana-131 101, India	18 years	24.00 per month with annual increment of 5% of last lease rent paid	Manufacturing unit
3.	January 01, 2026	Gajinder Yadav, Devendra Yadav HUF, Madhu Yadav, Renu Yadav	3,000 Sq. mt.	99, Main Chowk, Samaipur, Delhi-110 042, India	11 months	11.00 per month	Manufacturing unit
4.	March 20, 2026	Bokka Bharath Simha Reddy	5,600 Sq. Ft.	Sy No. 249/4/1, Injapuri Village, Abdullapurmet Mandal, Telangana-501 512, India	11 months	0.80 per month	Depot

**The premises may be used for carrying out the business of Shellz Overseas Pvt. Ltd. and/or its group or sister concerns (collectively, the "Shellz Group"), in accordance with Clause 4.5 of the Agreement*

The remainder of this page has been intentionally left blank

KEY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of treats, including chocolates, jellies, beverages, and cream-filled biscuits, etc. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.

Approvals

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "*Government and Other Approvals*" on page number 308.

Applicable Laws and Regulations

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies, as amended, and are subject to future amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Business and/or Key Industry and/or Trade related Laws and Regulations

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. With effect from April 01, 2025 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs.2.5 Crore and annual turnover does not exceed Rs. 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.25 crore and annual turnover does not exceed Rs. 100 Crore; a medium enterprise, where the investment in plant and machinery does not exceed Rs. 125 crore and annual turnover do not exceed Rs. 500 Crore**.**

The Food Safety and Standards Act, 2006 (the "FSS Act")

The FSS Act consolidates laws relating to food and establishes the Food Safety and Standards Authority of India ("FSSAI"), lays down science-based standards for food articles and regulates their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI also include specifications for food activities, flavourings, processing aids and material in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. The FSS Act also sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSS Act also lays out procedures for adjudication by the Food Safety Appellate Tribunal. Further, the Food Safety and Standards Rules, 2011("FSS Rules") lays down detailed standards for various food products, which include, among others, specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. For enforcement under the FSS Act, the 'commissioner of food safety', 'food safety officer', and 'food analyst' have been granted with detailed powers of seizure, sampling, taking extracts, and analysis under the FSS Rules. The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011

- Food Safety and Standards (Packaging and Labelling) Regulations, 2011
- Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011
- Food Safety and Standards (Approval for Non-Specified Food and Food Ingredients) Regulations, 2017
- Food Safety and Standards (Organic Food) Regulations, 2017
- Food Safety and Standards (Alcoholic Beverages) Regulations, 2018
- Food Safety and Standards (Advertising and Claims) Regulations, 2018
- Food Safety and Standards (Food Safety Auditing) Regulations, 2018
- Food Safety and Standards (Fortification of Food) Regulations 2018
- Food Safety and Standards (Packaging) Regulations, 2018
- Food Safety and Standards (Labelling and Display) Regulations, 2020
- Food Safety and Standards (Vegan Foods) Regulations, 2022
- Food Safety and Standards (Ayurveda Aahara) Regulations, 2022

The Food Safety and Standards (Packaging) Regulations, 2018

The Food Authority of India had in accordance with the powers conferred upon it under section 23 of Food Safety and Standards Act, 2006, promulgated the Food Safety and Standards (Packaging and Labelling) Regulations, 2011 for packaging and labelling of food. Under it, every food business operator shall ensure that the packaging material used shall be in accordance with these regulations, which inter-alia provide for, the packaging material to be of food grade quality, suitable for the type of product, the conditions provided for storage and the equipment for filling, sealing and packaging of food as well as transportation conditions and to be able to withstand mechanical, chemical or thermal stresses encountered during normal transportation and food products to be packed in clean, hygienic and tamper-proof package or container, etc. Every food business operator shall obtain the certificate of conformity issued by NABL accredited laboratory against these regulations for the packaging material which comes in direct contact with food or layers likely to come in contact with food to be used.

The Food Safety and Standards (Advertising and Claims) Regulations, 2018

The Food Safety and Standards Authority of India, in exercise of the powers conferred under the Food Safety and Standards Act, 2006, has notified the Food Safety and Standards (Advertising and Claims) Regulations, 2018 to regulate advertisements and claims made by food business operators in respect of their food products. These regulations govern the manner in which food-related information is communicated to consumers and prohibit any advertisement that is misleading, false, unsubstantiated, or likely to deceive the public.

The Food Safety and Standards (Labelling and Display) Regulations, 2020

These regulations prescribe the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored.

Agricultural and Processed Food Products Export Development Authority Act, 1985 ("APEDA Act")

The APEDA Act established the Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of agricultural or processed food products as specified in the first schedule of the APEDA Act. Persons exporting such products are required to be registered under the APEDA Act and also required to adhere the specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by persons exporting products as specified in the schedule**.**

The Consumer Protection Act, 2019

The Consumer Protection Act, 2019 which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling or distributing or

importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakhs depending upon the nature of injury to the consumer.

The Consumer Protection (E-Commerce) Rules, 2020

The Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") were notified under the Consumer Protection Act, 2019 to regulate all e-commerce entities offering goods or services to consumers in India. These rules aim to ensure transparency, accountability, and fair-trade practices in online transactions. The E-Commerce Rules apply to all e-commerce platforms—whether operating as inventory-based or marketplace-based models—and extend to all goods and services sold digitally, including those offered through websites, mobile applications, or other electronic means.

The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act, 2009 came into effect on January 14, 2010, and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, interalia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

Legal Metrology (Packaged Commodities) Rules, 2011 (the "Packaged Commodities Rules")

The Legal Metrology (Packaged Commodities) Rules, 2011 (the "Packaged Commodities Rules") were framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A "pre –packaged commodity" means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

The Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act was notified on March 22, 2016, and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS's ambit and allows the Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard marks.

The Bureau of Indian Standards Rules, 2018 (the "Bureau of Indian Standards Rules")

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

Haryana Fire and Emergency Services Act, 2022

The Haryana Fire and Emergency Services Act, 2022 regulates fire prevention, life safety, and fire-fighting measures in the State of Haryana. It mandates owners or occupiers of buildings, including industrial establishments, to obtain fire-safety clearances and maintain prescribed fire-fighting equipment and systems. The Act empowers the Fire Department to conduct inspections and issue or renew fire-safety No Objection Certificates ("NOCs"). The Act is applicable to the Company to the extent its manufacturing facilities or offices are situated in Haryana, requiring it to maintain valid fire-safety NOCs and comply with applicable fire-safety standards.

Delhi Fire Service Act, 2007

The Delhi Fire Service Act, 2007 provides for fire prevention, fire safety, and fire-fighting services within the National Capital Territory of Delhi. The Act mandates that all owners or occupiers of buildings, including industrial and commercial establishments, obtain fire-safety clearances and maintain adequate fire-fighting equipment as prescribed. It empowers the Director of the Delhi Fire Service to inspect premises, issue or renew fire-safety No Objection Certificates ("NOCs"), and enforce compliance with safety norms. The Act is applicable to the Company to the extent its offices or facilities are located in Delhi, requiring it to maintain valid fire-safety NOCs and ensure adherence to prescribed fire-safety measures.

Environment Related Legislation

The Environment Protection Act, 1986 and The Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests look into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

The Water (Prevention and Control of pollution) Act, 1974 (the "Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. 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. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

Solid Waste Management Rules, 2016

The Solid Waste Management Rules, 2016 shall apply to every authority responsible for collection, segregation, storage, transportation, processing and disposal of solid wastes. The operator of a facility involved in collecting, segregating, storing,

transporting, processing and disposal solid wastes and any other agency appointed for the management and handling of solid wastes is required to obtain authorizations from the State Pollution Control Board. Any solid waste generated is required to be managed and handled in accordance with the procedures specified in the Solid Wastes Rules.

Tax Related Legislations

The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987

The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 (as adapted by the State of Telangana pursuant to the Andhra Pradesh Reorganisation Act, 2014) provides for the levy and collection of tax on professions, trades, callings, and employments within the State of Telangana. The Act mandates every person engaged in any profession, trade, calling or employment to obtain registration with the prescribed assessing authority and to pay the tax specified in the Schedule thereto. Employers are responsible for deducting the tax payable by their employees from monthly salaries or wages and remitting the same to the Government Treasury within the prescribed time.

Income Tax Act, 1961

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by October 31st of each assessment year.

Income Tax Act 2025

Income Tax Act 2025 gets President's assent; will be effective from 1st April 2026. The Income Tax Act, 2025, has been published in the Official Gazette after it received the President's assent. It will come into effect from 1st April 2026. The Act applies to all companies, whether domestic or foreign, whose income is taxable under its provisions, depending on their residential status and the nature of income. It provides for the taxation of residents on their global income, and of non-residents on income that is received, accrued, or arises in India, or is deemed to do so.

The Goods and Services Tax Act, 2017 ("GST")

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Customs Act, 1962

The Customs Act, 1962 regulates the imposition and collection of duties on goods imported into or exported from India, and provides a legal framework for customs clearance, assessments, and enforcement. Pursuant to amendments introduced via the Finance Bill, 2025, the Act now prescribes a two-year time limit (extendable by one year) for finalizing provisional assessments under Section 18(1B). A new Section 18A facilitates voluntary revision of customs entries post-clearance, subject to conditions, with excess duty paid being deemed as a refund claim under Section 27. The refund limitation period has been clarified to one year from the date of duty payment. Additionally, the Settlement Commission has been phased out and replaced with an Interim Board to adjudicate pending matters under Chapter XIV. These amendments aim to improve regulatory efficiency, streamline dispute resolution, and align customs administration with global best practices.

Employment and Labour Laws

Delhi Shops and Establishments Act, 1954

The objective of the Act is to regulate the working and employment conditions of workers employed in shops and establishments including commercial establishments. The Act generally provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The Act also provides for registration for shops and establishments.

The Telangana Shops and Establishments Act, 1988

The Telangana Shops and Establishments Act, 1988 ("Telangana S&E Act"), as adapted and amended by the Government of Telangana pursuant to the Andhra Pradesh Reorganisation Act, 2014, governs the regulation of conditions of work and employment in shops, commercial establishments, restaurants, theatres and other establishments within the State of Telangana. The Act mandates that every establishment shall register with the local labour authority within thirty days of commencement of business and display the registration certificate in a conspicuous place.

Haryana Shops & Commercial Establishments Act, 1958

The Haryana Shops and Commercial Establishments Act, 1958 ("Haryana S&E Act") governs the regulation of conditions of work and employment in shops and commercial establishments within the State of Haryana. The Act requires registration of establishments, compliance with provisions relating to working hours, leave, wages and maintenance of records, and display of the registration certificate. Non-compliance may attract penalties as prescribed thereunder.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

The Employees' State Insurance Act, 1948 (ESI Act)

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees' State Insurance Corporation.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and 'workplace' are both defined in the Act. Every employer should constitute an "Internal Complaints Committee" and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

Employment and Labour Laws Codification

The Code on Wages, 2019 (the "Wages Code")

The Code on Wages, 2019 (the "Wages Code") regulates matters relating to minimum wages, floor wages, payment of wages, permissible deductions, bonus, and equal remuneration. The provisions of the Wages Code came into effect pursuant to a notification issued by the Ministry of Labour and Employment with effect from November 21, 2025, as part of the

implementation of the four Labour Codes rationalising 29 existing central labour laws. The Wages Code has replaced four earlier legislations, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It applies to all employees and empowers the Central Government to fix a statutory minimum wage. The Wages Code extends to the whole of India and introduces a harmonised definition of "wages", prohibits discrimination on the grounds of gender in matters of wages and recruitment for the same work or work of a similar nature, and confers a statutory right to minimum wages for all employees, supported by a national floor wage below which State minimum wages cannot fall. Further, it provides for the constitution of advisory boards, an Inspector-cum-Facilitator-based compliance mechanism, maintenance of prescribed registers, issuance of wage slips, and prescribes penalties for non-compliance.

The Occupational Safety, Health and Working Conditions Code, 2020 (the "OSHWC Code")

The OSHWC Code is a central legislation enacted to consolidate and amend the laws regulating the occupational safety, health and working conditions of persons employed in an establishment; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws. The OSHWC Code replaces and subsumes 13 central enactments relating to safety, health and working conditions, including, among others, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Mines Act, 1952, the Plantations Labour Act, 1951, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 and laws governing dock workers, working journalists, cine-workers and sales promotion employees, subject to repeal-and-savings provisions that preserve existing rules and notifications to the extent they are not inconsistent with the Code.

The OSHWC Code applies, inter alia, to establishments employing 10 or more workers and to all mines and docks, as well as to specified categories such as factories, building and other construction works, plantations, motor transport undertakings, audio-visual production units and newspaper establishments, and requires eligible establishments to obtain registration (with deemed migration of existing registrations), comply with notified occupational safety and health standards, provide a safe working environment and prescribed welfare facilities, conduct periodic medical examinations including free annual health check-ups for specified employees, issue letters of appointment to all employees, and report certain accidents, dangerous occurrences and notified occupational diseases. It also contains specific provisions on working hours, leave and overtime, engagement and conditions of contract labour and inter-State migrant workers, and employment of women (including in night shifts and in all types of work subject to consent and prescribed safeguards), and establishes an Inspector-cum-Facilitator and advisory board framework for enforcement and standard-setting.

The OSHWC Code also provides for registration of applicable establishments, maintenance of safe and healthy working environment and welfare facilities, engagement and treatment of contract labour and inter-State migrant workers, employment of women, and maintenance of prescribed registers, records and returns and timely reporting of accidents, dangerous occurrences and occupational diseases.

The Industrial Relations Code, 2020 (the "IR Code")

The IR Code is a central legislation enacted to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes; it received the assent of the President of India on September 28, 2020 and, pursuant to notifications issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The IR Code consolidates and replaces three key enactments, namely (i) the Industrial Disputes Act, 1947, (ii) the Trade Unions Act, 1926, and (iii) the Industrial Employment (Standing Orders) Act, 1946. It extends to the whole of India and, among other matters, provides a unified framework for (i) registration, governance and recognition of trade unions, including recognition of a negotiating union or negotiating council in industrial establishments having multiple unions; (ii) constitution of bi-partite forums such as Works Committees and Grievance Redressal Committees in establishments above prescribed thresholds; (iii) certification, modification and deemed adoption of standing orders in industrial establishments employing 300 or more workers, aligned with central model standing orders; and (iv) mechanisms for conciliation, voluntary arbitration and adjudication of industrial disputes by Industrial Tribunals and the National Industrial Tribunal.

The IR Code also introduces provisions on fixed term employment with parity of wages and benefits vis-à-vis permanent workers and gratuity eligibility after one year, prescribes conditions and procedures for strikes and lock-outs, and revises the regime governing lay-off, retrenchment and closure in certain industrial establishments, including a higher statutory threshold (currently 300 workers, with power for States to increase this limit) for prior government approval for lay-off,

retrenchment and closure, while defining "worker" and "employee" broadly to cover a wider segment of the workforce and prohibiting unfair labour practices.

The Code on Social Security, 2020 (the "Social Security Code")

The Social Security Code is a central legislation enacted to modernise and consolidate the laws relating to social security with the objective of extending social security coverage to employees and workers in the organised, unorganised, gig and platform sectors across India; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment under Section 1(3), has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The Social Security Code consolidates and replaces nine central enactments, including the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. Among other matters, it provides the framework for social security schemes relating to provident fund, pension and deposit-linked insurance, employees' state insurance, maternity benefits, gratuity, employee compensation and welfare of building and other construction workers, as well as social security schemes for unorganised workers, gig workers and platform workers, and establishes or continues social security organisations such as the Central Board of Trustees of the Employees' Provident Fund, the Employees' State Insurance Corporation, the National and State Social Security Boards for unorganised workers and State Building and Other Construction Workers' Welfare Boards.

The Social Security Code also contemplates electronic registration of establishments, technology-enabled record-keeping and benefit delivery, and empowers the Central and State Governments to extend the application of EPF, ESIC and other schemes to additional classes of establishments and workers.

The Social Security Code and the rules and schemes framed thereunder, provides for to registration of eligible establishments, enrolment of employees under the Employees' Provident Fund and Employees' State Insurance schemes, payment of employer and employee contributions, provision of statutory gratuity, maternity and employee compensation benefits, facilitation of social security for eligible contract, unorganised, gig or platform workers engaged in its operations, and maintenance of prescribed records and returns, and any non-compliance may result in interest, penalties and other enforcement action.

Intellectual Property Legislations

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act, 1957 provides protection to original literary, artistic, musical, and cinematographic works, and grants the author or owner exclusive rights to reproduce, distribute, and communicate such works to the public. It also recognizes moral rights of authors and prescribes civil and criminal remedies for infringement, including damages, injunctions, and seizure of infringing material.

Trade Marks Act, 1999 ("TM Act")

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

The Trade Marks Rules, 2017

The Trade Marks Rules, 2017, framed under the Trade Marks Act, 1999, lay down the procedural framework for trademark registration, renewal, opposition, and enforcement in India. These rules simplify the filing process, prescribe electronic filing forms, consolidate fee structures, and streamline classification and examination of marks.

Foreign Investment Laws

Foreign Trade (Development and Regulation) Act, 1992 And The Rules Framed Thereunder ("FTA")

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the Export-Import ("EXIM") Policy. The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("IEC") granted by the Director General of Foreign Trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority.

Foreign Exchange Management Act, 1999 & Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India ("RBI") also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

General Laws

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the following are also applicable to our Company such as The Bharatiya Nyaya Sanhita, 2023, The Bharatiya Nagarik Suraksha Sanhita, 2023, The Bharatiya Sakshya Adhiniyam, 2023, The Indian Stamp Act, 1899 and Stamp Acts in various states, The Negotiable Instrument Act, 1881, The Transfer of Property Act, 1882, The Arbitration & Conciliation Act, 1996, The Information Technology Act, 2000, The Companies Act, 2013, The Sale of Goods Act, 1930, The Registration Act, 1908, The Indian Contract Act, 1872, The Specific Relief Act, 1963, The Competition Act, 2002, The Electricity Act, 2003, The Digital Personal Data Protection Act, 2023 (the "PDP Act").

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our company was incorporated as a private limited Company under the name "*Tifosi Foods Private Limited*" under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 07, 2012, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, the name of our company was changed from "*Tifosi Foods Private Limited*" to "*Shellz India Private Limited*" pursuant to a special resolution passed in the extraordinary general meeting of our shareholders held on August 04, 2020 with the fresh certificate of incorporation dated September 21, 2020 issued by the Registrar of Companies, Delhi. Thereafter, our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed in the extra ordinary general meeting of our shareholders held on December 12, 2024 and the name of our Company was changed to "*Shellz India Limited*" with the fresh certificate of incorporation dated February 04, 2025, issued by the Assistant Registrar of Companies/Deputy Registrar of Companies/Registrar of Companies, Central Processing Centre.

Changes in the Registered Office of our Company

Except as stated below, our Company has not changed its registered office since its incorporation:

Date of change	Details of change	Reasons for change
October 08, 2025	Registered office of our Company was changed from 99, Main Chowk, Samaipur, Delhi – 110 042, India to 39/35, 2nd floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), West Delhi, Delhi – 110 026, India	Operational convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To carry on all or any of the business as exporters, importers, buyers, sellers, manufacturer, traders, merchants, supplier, dealers, advisors, hire purchasers, agents, commission agents, assemblers, refiners, cultivators, miners, packers, producer, advisors, hire purchasers of all kinds of raw material for food Industries like cocoa powder, insoluble saccharine, sodium saccharine compounded chocolates, wheat gluten, blended food colour, custard powder, yeast and yeast products, bread improvers, cake gef, bakery mixes and flour, tooth picks, bottle caps, bottle openers, citric acids, gilletene, flavours, stabilizers, enzymes, orange oil, calcium proponate, preservative, papaya candy, baking powder, corn flaour powder, chocolated covering, chocolate paste, homemade chocolated, licing sugar, jelly crystals, tuti fruity, gulab jamun mix and ail other kinds of raw material and packing material and finished goods related to bakery cakes, confectionery, Ice cream, biscuits, bread, chocolates, breads, sweets, jelly, cakes, pastry, all dairy products etc.*

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution	Nature of Amendment
August 04, 2020	Clause I. of our Memorandum of Association was amended to reflect the change in name of our Company from 'Tifosi foods Private Limited' to 'Shellz India Private Limited' pursuant to the name change of our Company
November 10, 2020	Clause V. of our Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from ₹50,00,000 consisting of 5,00,000 Equity Shares of ₹10/- each to ₹70,00,000 consisting of 7,00,000 Equity Shares of ₹10/- each
December 02, 2024	Clause V. of our Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from ₹70,00,000 consisting of 7,00,000 Equity Shares of ₹10/- each to ₹13,00,00,000 consisting of 1,30,00,000 Equity Shares of ₹10/- each
December 12, 2024	Clause I. of our Memorandum of Association was amended to reflect the change in name of our Company from 'Shellz India Private Limited' to 'Shellz India Limited', pursuant to the conversion of our Company into a public limited Company

Major Events and Milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Key Events/Milestones/Achievements
2012 – 2013	Incorporation as Private Limited Company and commenced operations at the Delhi facility for jelly and chocolate products under the brand "*Hugs*"
	Introduced ₹1/- centre-filled chocolate
2013 – 2015	Expanded product categories into jellies and baked treats
	Launched Dipsticks, a ₹5/- biscuit-with-chocolate-cream
2015 - 2019	Expanded team size and established a corporate office in Punjabi Bagh, New Delhi
	Launched "*Tosca*" brand with a focus on alternate channels*
	Introduced breakage-free, moisture-resistant cones packed in polymer cups – "*Push Up The Cone*"
2020 - 2021	Set up Hyderabad depot to strengthen distribution across South India
	Achieved the ₹100 crore revenue milestone
	Entered the compressed candies category
2022	Achieved the ₹150 crore revenue milestone
2023	Launched the "*Better-for-You*" range with Oats Choco, entering the snacking space
2025	Conversion from Private Limited to Public Limited Company
	Commencement of the Sonipat facility to support rising domestic and international demand and initiation of in-house packaging manufacturing operations

. We have obtained a No Objection Certificate (NOC) from Shellz Overseas Private Limited for the use of the registered trademark "HUGS" and "TOSCA".*

Awards, Accreditations or Recognition

The table below sets forth the Awards received by our Company:

Calendar Year	Awards
2018	Received ITQI-Superior Taste Award, Brussels for *Hugs Gold twist Choco*[*]
2021	Received National Award for Excellence in Branding and Marketing – *Hugs*
2021	Received FSSAI License – under FSS Act, 2006 for our Delhi facility
2025	Received ISO 22000: 2018 Food Safety Management System Certificate
2026	Received Agriculture Innovation Award by Asia Retail Congress – *Oat Choco*

** The iTQi Superior Taste Award, Belgium was received by our subsidiary, Shellz Overseas Private Limited, in respect of a product manufactured by the Company. The subsidiary acted solely as the marketing and distribution partner and has provided a No Objection Certificate for disclosure of the said award.*

Launch of Key Products or Services, Entry or Exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see "- *Major Events and Milestones of our Company*" and "*Our Business*" on pages 218 and 182, respectively.

Financial or Strategic Partners

Our Company does not have any financial or strategic partners as on the date of filing this Draft Red Herring Prospectus.

Time or Cost Overruns

There has been no time and cost overruns in the setting up of projects by our Company since incorporation.

Defaults or Rescheduling / Restructuring of Borrowings with Financial Institutions / Banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured. However, there have been delays in servicing certain payments relating to our indebtedness, including repayment of principal or payment of interest which have been reported in our credit history records, including in reports issued by credit information companies. Also see, "*Risk Factors – Risks Relation to our Business - We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business. Further, there have been certain instances of delay in repayment of borrowings which have been reported in our credit history records, including in reports issued by credit information companies.*" on page 115.

Revaluation of Assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Details regarding acquisition or divestment of Business or Undertakings

As on the date of this Draft Red Herring Prospectus, our Company has not undertaken any material acquisitions or divestments of business or undertakings during the last ten years, except that in March 2026, our Company acquired 18,57,675 equity shares of Shellz Overseas Private Limited, representing 100.00% of the issued, subscribed and paid-up capital of Shellz Overseas Private Limited.

Mergers or Amalgamations

Our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

Shareholders' Agreements

There are no arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, any agreements between our Company, our Promoters and/or our Shareholders, agreements of like nature and clauses / covenants which are material to our Company. Further, there are no clauses/ covenants that are adverse or prejudicial to the interest of the minority and public shareholders of our Company.

Agreements with Key Managerial Personnel, Senior Management, Director, Promoters or any other Employee

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Guarantees provided by our promoters and Directors in relation to loans availed by our Company

As on the date of this Draft Red Herring Prospectus, our Promoters and our directors, Kapil Garg and Shalini Gard have provided personal guarantees to various banks and financial institutions in relation to the loans availed by our Company. For details, please see "*Financial Indebtedness*" on page 285.

Other Material Agreements

Our Company has not entered into any subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business.

Our Holding Company, Associates and Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company, associate or joint venture.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has one Subsidiary:

Indian Subsidiaries

1. Shellz Overseas Private Limited

Corporate Information

Shellz Overseas Private Limited was incorporated on May 02, 1996, as a Private Limited Company under the Companies Act, 1956. Its CIN is U65923DL1996PTC078653. It has its registered office at 39/35, 2nd floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Shivaji Park (West Delhi), West Delhi, New Delhi – 110 026, India.

Nature of Business

The company is primarily engaged in the business of trading, importing, exporting, marketing and distribution of food products and edible items. Its business activities include dealing in bakery products, confectionery, chocolates, biscuits, snacks, processed foods, ready-to-eat items, beverages and allied food articles. The Company also undertakes sourcing, packaging, branding and sale of food products through wholesale and retail channels. It operates across domestic and international markets and undertakes allied commercial activities incidental to the food business. The Company focuses on quality, branding and scalable distribution of consumer food products.

Capital Structure

The details of the share capital of Shellz Overseas Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Authorised Share Capital	**Aggregate nominal Value (₹ in Lakhs)**
30,00,000 shares of par value of ₹10/- each	300.00
Issued, subscribed and paid-up share capital	
18,57,676 shares of par value of ₹10/- each	185.77

Shareholding pattern

The following table sets forth the details of the current shareholding of Shellz Overseas Private Limited:

Sr. No	**Name of Shareholders**	**Number of shares**	**Percentage of total equity shareholding**
1.	Shellz India Limited	18,57,675	100.00%
2.	Kapil Garg	1	Negligible
	Total	**18,57,676**	**100.00%**

There is no number of accumulated profits or losses of the subsidiary(ies) not accounted for by the Company.

The remainder of this page has been intentionally left blank

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting. As on the date of filing this Draft Red Herring Prospectus, our Company has four Directors on the Board, one is Executive Director, one is non-executive woman director and two are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, age, address, occupation, current term, period of directorship and DIN	Other Directorships
Kapil Garg *Designation:* Chairman & Managing Director *Date of Birth:* December 13, 1969 *Age:* 56 years *Address:* House No 20, Second Floor, North Avenue Road, Punjabi Bagh (West), Punjabi Bagh, West Delhi, Delhi – 110 026, India *Occupation:* Salaried *Current Term:* For a period of five years with effect from March 03, 2025 *Period of directorship:* Director since May 15, 2012 *DIN:* 00006050	*Indian Entities:* 1. Winola India Private Limited 2. Shellz Overseas Private Limited 3. Skyway Polymers Private Limited 4. Joystreet Hospitality LLP *Foreign Entities:* Nil
Shalini Garg *Designation:* Non-Executive Director *Date of Birth:* March 04, 1971 *Age:* 55 years *Address:* House No 20, Second Floor, North Avenue Road, Punjabi Bagh (West), Punjabi Bagh, West Delhi, Delhi – 110 026, India *Occupation:* Salaried *Current Term:* With effect from December 10, 2020 and liable to retire by rotation *Period of directorship:* Director since December 10, 2020 *DIN:* 00006159	*Indian Entities:* 1. Winola India Private Limited 2. Shellz Overseas Private Limited 3. Skyway Polymers Private Limited *Foreign Entities:* Nil
Sapna Tomar *Designation:* Independent Director	Nil

Name, designation, date of birth, age, address, occupation, current term, period of directorship and DIN	Other Directorships
Date of Birth: July 09, 1979 *Age:* 46 years *Address:* Tower - I, UG - 003, Classic Residency, Raj Nagar Extension, Ghaziabad – 201 017, Uttar Pradesh, India *Occupation:* Professional *Current Term:* For a period of five years with effect from November 07, 2024 *Period of directorship:* Director since November 07, 2024 *DIN:* 03385676	
Narinder Sethi *Designation:* Independent Director *Date of Birth:* November 07, 1953 *Age:* 72 years *Address:* C2/2403, Cleo County, Near SRS Hospital, Sector – 121, Noida, Gautam Buddha Nagar, Noida – 201 301, Uttar Pradesh, India *Occupation:* Salaried *Current Term:* For a period of five years with effect from February 10, 2025 *Period of directorship:* Director since February 10, 2025 *DIN:* 01316823	Nil

Brief Profile of our Directors

Kapil Garg is the Chairman and Managing Director on the Board of our Company. He has completed his higher secondary from Bal Bharati Public School, New Delhi. He is also associated with our subsidiary, Shellz Overseas Private Limited as Director since March 21, 2005. He has around twenty years of experience in confectionery industry. He is responsible for building and leading teams, expanding the product portfolio, and driving revenue growth by introducing high-margin products in our company. He has received Global Business Icon Award, 2018 by NNS Media Group.

Shalini Garg is the Non - Executive Director on the Board of our Company. She holds a Bachelor of Arts degree from Delhi University. She is also associated with our subsidiary, Shellz Overseas Private Limited as Director since March 21, 2005. She has around twenty years of experience in confectionery industry. She has been associated with the branding and marketing functions of our Company and has led the creative direction, contributing to product branding, design, and communication strategies.

Sapna Tomar is Independent Director on the Board of our Company. She holds an LLB Degree from Chaudhary Charan Singh University, Meerut and a bachelor's in commerce from Delhi University. She is a fellow member of the Institute of Company Secretaries of India having around twenty years of experience in secretarial, legal, and accounts management. She was associated with Star Wire (India) Limited as Company Secretary. Since June 2008, she has been a practicing at S Tomar & Associates, Company Secretaries, Ghaziabad. Her expertise includes corporate governance, compliance management, financial reporting, and regulatory affairs.

Narinder Sethi is Independent Director on the Board of our Company. He holds a Bachelor of Commerce degree from Delhi University. He has around twenty-five years of experience in the packaging and converting industry. He was

previously associated as Director (Technical) at S.B. Packaging Private Limited. Since 2002, he has been working as a consultant for several companies in the packaging and converting sector, providing expertise in printing, coating technologies, adhesives, equipment upgrades, process troubleshooting, and production system improvements.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, 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.

Relationships between our Directors and the Key Managerial Personnel or Senior Management

Except for Kapil Garg and Shalini Garg being spouses to each other, and Shalini Garg and Kapil Garg being mother-father to Pavil Garg, none of our other directors are related to each other or to any of our other Key Managerial Personnel or Senior Management.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Service Contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association, the applicable provisions of the Companies Act, and pursuant to a resolution passed by our Board in its meeting held on March 03, 2025 and a resolution passed by our Shareholders at their extra ordinary general meeting held on March 28, 2025 our Board is authorised to borrow, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers) exceeding the aggregate of the paid-up share capital, free reserves and securities premium provided that the total amount so borrowed by the Board shall not at any time exceed ₹20,000.00 lakhs or the aggregate of the paid-up share capital, free reserves and securities premium of the Company or as may be specified in the applicable provisions of law, whichever is higher.

Terms of Appointment of our Directors

a) Terms of employment of our Executive Director

Kapil Garg, Chairman and Managing Director

Kapil Garg was appointed as the Director since incorporation. His designation was changed to Chairman and Managing Director of our Company pursuant to a resolution passed by our Directors in their Board meeting held on March 03, 2025, for a period of five years with effect from with effect from March 03, 2025 and by passing the resolution, the same was ratified by our Shareholders at their extraordinary general meeting held on March 28, 2025 on such terms and remuneration as provided in the appointment letter provided by our Company.

The details of the remuneration that Kapil Garg is entitled to and the other terms of his employment are enumerated below:

1. ***Remuneration:*** Remuneration of ₹18.00 Lakhs p.a. as decided by the Board of Directors. Any increment in salary, as may be determined by the Board shall be within the threshold specified as per the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

b) Sitting fees to Non-Executive and Independent Directors

Pursuant to a resolution passed by our Board of Directors dated November 10, 2025, our Non-Executive and Independent Directors are entitled to receive sitting fees of ₹0.10 lakhs and ₹0.10 lakhs for attending each meeting of our Board and the

committees constituted by our Board, respectively. Further, our Non-Executive and Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI LODR Regulations.

Except as disclosed above, our Company has not entered any contract appointing or fixing the remuneration of a director, Whole-time Director or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Payments or Benefits to our Directors

a) Kapil Garg, Chairman and Managing Director

He was appointed as Managing Director on March 03, 2025. In Fiscal 2025, he received salary of ₹3.00 lakhs from our Company as disclosed in related party transactions in accordance with AS 18 read with the SEBI ICDR regulations. These exclude provision for gratuity and compensated absences as these are determined on the basis of actuarial valuation for the company as a whole.

b) Shalini Garg, Non - Executive Director

In Fiscal 2025, she has not received any remuneration from our Company.

c) Sapna Tomar, Non-Executive Independent Director

She was appointed as a director on our Board of Directors on November 07, 2024 and she was not paid any remuneration in Fiscal 2025.

d) Narinder Sethi, Non-Executive Independent Director

He was appointed as a director on our Board of Directors on February 10, 2025 and he was entitled ₹0.50 lakhs remuneration in Fiscal 2025.

Remuneration paid or payable to our Directors by our Subsidiary or Associate

Except as disclosed below, none of our other directors have received any salary or professional fees by our subsidiary company in Fiscal 2025:

Name of the Director	Name of the Subsidiary	Amount paid (₹ in Lakhs)
Kapil Garg	Shellz Overseas Private Limited	12.00
Shalini Garg	Shellz Overseas Private Limited	12.00
Total		**24.00**

As on date of this Draft Red Herring Prospectus, we do not have any Associate Company.

Contingent and deferred compensation payable to Directors

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.

Bonus or Profit-Sharing Plan for the Directors

Except as set out in "– *Terms of appointment of our directors*" on page 223, our Company does not have any performance linked bonus or a profit-sharing plan in which our directors have participated.

Shareholding of our Directors

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name of the shareholder	No. of Equity Shares	% of the pre-Issue paid up share capital	% of the post- Issue paid up share capital
Kapil Garg	62,40,000	71.59%	[●]%
Shalini Garg	14,40,000	16.52%	[●]%
Total	**76,80,000**	**88.11%**	**[●]%**

Our Articles of Association do not require our directors to hold qualification shares.

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 other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. Kapil Garg may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 84.

Our directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our directors, see "– *Shareholding of our Directors*" on page 224.

Further, our directors may also be directors on the boards, or are shareholders, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 84.

There is no material existing or anticipated transaction whereby our directors will receive any portion of the proceeds from the Issue.

Interest in promotion of the Company

As on the date of this Draft Red Herring Prospectus, except for Kapil Garg and Shalini Garg who are the Promoters of our Company, none of our other directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 236.

Interest in land and property

Our directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Further, our directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Loans to Directors

As on the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our Company.

Other Confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce such Director to become or to help such Director qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Sapna Tomar	Independent Director	November 07, 2024	Appointment as Independent Director
Narinder Sethi	Independent Director	February 10, 2025	Appointment as Independent Director
Kapil Garg	Chairman and Managing Director	March 03, 2025	Re-designation as the Chairman and Managing Director

Note: This table does not include details of regularisations of Additional Directors.

Corporate Governance

In accordance with the Regulation 15 (2) (b) of SEBI LODR Regulations, the compliance with the corporate governance provisions as specified in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of Regulation 46 (2) of SEBI LODR Regulations and Para C, D and E of Schedule V of SEBI LODR Regulations shall not apply in respect of listed company which has listed its specified securities on the SME Exchange. Hence, only the provisions of the Companies Act, 2013 with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on BSE SME.

Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof. As on the date of this Draft Red Herring Prospectus, we have four Directors on the Board, of whom one is Executive Director, one is Non - Executive Woman Director and two are Independent Directors.

Committees of our Board

In terms of the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

a) Audit Committee
b) Nomination and Remuneration Committee
c) Stakeholders' Relationship Committee
d) Corporate Social Responsibility Committee

a) Audit Committee

The Audit Committee was constituted by our Board through its resolution dated February 10, 2025. It is in compliance with Section 177 of the Companies Act. The current constitution of the Audit committee is as follows:

Name of the Directors	Position in the Committee	Designation
Sapna Tomar	Chairman	Independent Director
Narinder Sethi	Member	Independent Director
Kapil Garg	Member	Managing Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee of the Company;

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required; and

(5) such other powers as may be prescribed under the Companies Act.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for the appointment, re-appointment, replacement remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i) 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

ii) Changes, if any, in accounting policies and practices and reasons for the same

iii) Major accounting entries involving estimates based on the exercise of judgment by management

iv) Significant adjustments made in the financial statements arising out of audit findings

v) Compliance with listing and other legal requirements relating to financial statements

vi) Disclosure of any related party transactions; and

vii) Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the half yearly and annual financial statements before submission to the Board for approval;

(8) reviewing, with the management, the statement of uses / Bid 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, appointed if any, 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;

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company;

Explanation: The term "related party transactions" shall have the same meaning provided in the Companies Act, 2013.

(11) approval of related party transactions to which the subsidiary of the Company is a party;

(12) scrutiny of inter-corporate loans and investments;

(13) valuation of undertakings or assets of the Company, and appointing a registered valuer in terms of Section 247 of the Companies Act, wherever it is necessary;

(14) evaluation of internal financial controls and risk management systems;

(15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(16) 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;

(17) discussion with internal auditors of any significant findings and follow up there on;

(18) 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;

(19) 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;

(20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(21) 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;

(22) reviewing the functioning of the whistle blower mechanism;

(23) monitoring the end use of funds raised through public offers and related matters;

(24) 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;

(25) 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;

(26) to formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;

(27) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(28) approving the key performance indicators for disclosure in its offering documents;

(29) reviewing compliance with the provisions of the SEBI PIT Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;

(30) carrying out any other functions required to be carried out by the Audit Committee as contained in the Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time; and

(31) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

(32) Such other matters as may be prescribed under the applicable laws from time to time.

(33) The aforesaid shall be governed by the applicable provisions/limits/threshold provided in Companies Act, 2013, as amended from time to time.

(34) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

(35) Such other matters as may be prescribed under the applicable laws from time to time.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The Audit Committee is required to meet at least four times in a year. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the Audit Committee, whichever is greater, with at least two independent directors.

b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by our Board through its resolution dated February 10, 2025. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act. The current constitution of the Nomination and Remuneration committee is as follows:

Name of the Directors	Position in the Committee	Designation
Narinder Sethi	Chairman	Independent Director
Sapna Tomar	Member	Independent Director
Shalini Garg	Member	Non-Executive Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. Its terms of reference are as follows:

(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 (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;

(3) Formulation of criteria for evaluation of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) 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);

(6) Analysing, monitoring and reviewing various human resource and compensation matters;

(7) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(8) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(9) Recommending to the board, all remuneration, in whatever form, payable to non-executive directors and the senior management, as may be deemed necessary;

(10) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the Companies Act, 2013 or any other applicable law, as and when amended from time to time;

(11) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(12) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;

(13) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") and any agreements defining the

rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(14) Administering the ESOP Scheme including the following:

i. Determining the eligibility of employees to participate under the ESOP Scheme;

ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

iii. Date of grant;

iv. Determining the exercise price of the option under the ESOP Scheme;

v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

x. The grant, vest and exercise of option in case of employees who are on long leave;

xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;

xii. The procedure for cashless exercise of options;

xiii. Forfeiture/ cancellation of options granted

xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;

- for this purpose, global best practices in this area may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(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 SEBI PIT Regulations;

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable; and

(c) SEBI LODR Regulations by the Company and its employees, as applicable.

(16) Specifying the manner for effective evaluation of performance of the Board and independent directors to be carried out by the Nomination and Remuneration Committee; and

(17) Perform such other activities as may be delegated by the Board or specified / provided under the Companies Act, 2013 to the extent notified and effective, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board through its resolution dated November 10, 2025. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of the Directors	Position in the Committee	Designation
Sapna Tomar	Chairman	Independent Director
Narinder Sethi	Member	Independent Director
Shalini Garg	Member	Non-Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with the Companies Act. Its terms of reference are as follows:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;

(2) Review of measures taken for effective exercise of voting rights by shareholders;

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(4) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of Bidder services;

(5) 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;

(6) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

(7) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

(8) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

(9) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s);

(10) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, or by any other regulatory authority; and

(11) Such terms of reference as may be prescribed under the Companies Act.

The Stakeholders' Relationship Committee is required to meet at least once in a year.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board through its resolution dated November 10, 2025. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of the Directors	Position in the Committee	Designation
Kapil Garg	Chairman	Managing Director
Shalini Garg	Member	Non-Executive Director
Sapna Tomar	Member	Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with section 135 of the Companies Act, 2013. Its terms of reference are as follows: Its terms of reference are as follows:

(1) 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;

(2) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(3) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company. The amount spent pursuant to the corporate social responsibility policy of the Company shall be as prescribed under the applicable law from time to time or as may be approved by the Board of Directors;

(4) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(5) 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;

(6) 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:

   (i) 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;

   (ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;

   (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

   (iv) monitoring and reporting mechanism for the projects or programmes; and

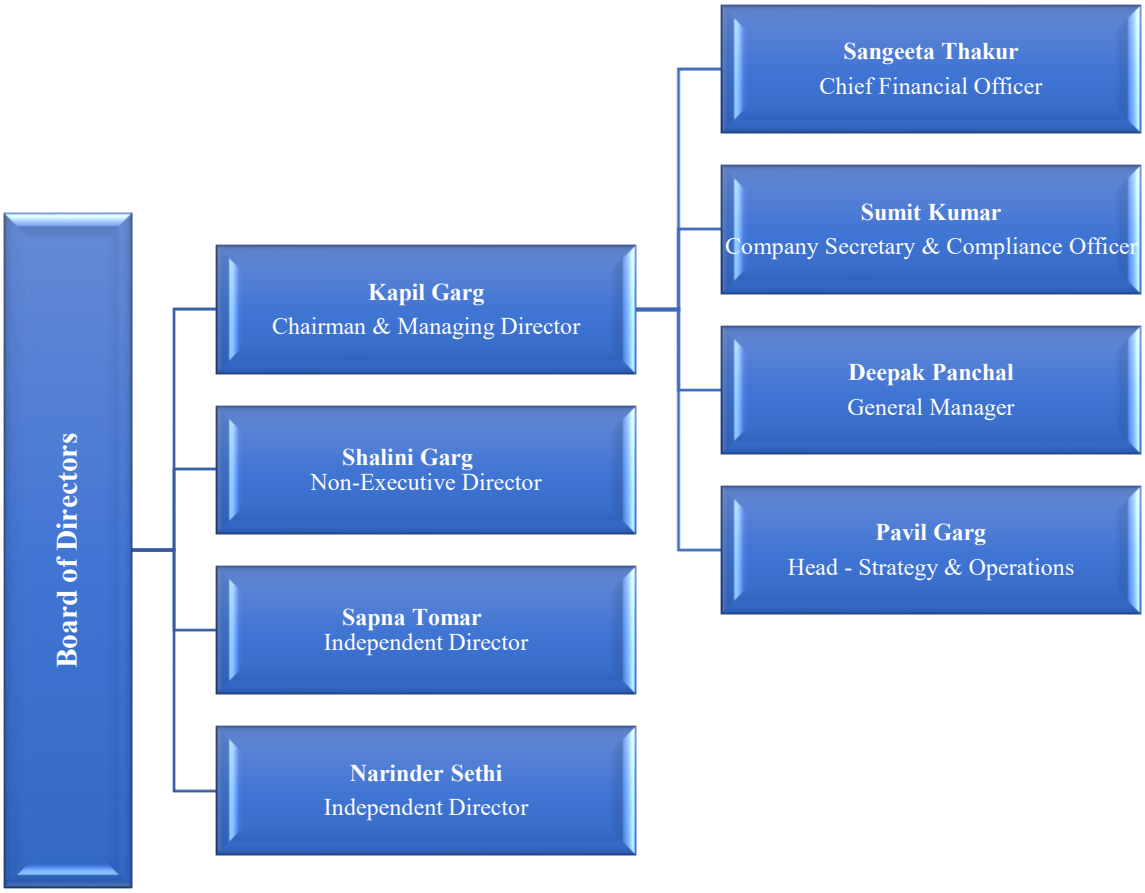
   (v) details of need and impact assessment, if any, for the projects undertaken by the Company,

(7) to take note of the compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;

(8) 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

(9) 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.

Management Organization Chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Kapil Garg, Chairman and Managing Director of our Company, whose details are provided in "– *Brief profiles of our Directors*" on page 222, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Sangeeta Thakur is the Chief Financial Officer of our Company. She has been associated with our company since March 2025. She holds bachelor's degree in commerce, master's in arts and Master of Business Administration from Maharshi Dayanand University, Rohtak. She has experience of approximately twenty years in financial management, corporate governance, and business operations. She oversees end-to-end financial operations including budgeting, forecasting, cost control, statutory compliance, and cash flow management in our company. She was previously associated with our subsidiary, Shellz Overseas Private Limited, KV Spices India Private Limited, T U & Company, Chartered Accountants and Sunstar Overseas Limited. In Fiscal 2025, she received salary of ₹10.08 lakhs from our Company as disclosed in related party transactions in accordance with AS 18 read with SEBI ICDR regulations. These exclude provision for gratuity and compensated absences as these are determined on the basis of actuarial valuation for the company as a whole.

Sumit Kumar is the Company Secretary and Compliance Officer of our Company. He has been associated with our company since March 2025. He has completed his Bachelor of Commerce from Kurukshetra University and is an Associate member of the Institute of Company Secretaries of India. He has also completed Post Graduate Diploma in Alternative Dispute Resolution from the Indian Law Institute. He is responsible for the Secretarial, Legal and Compliance division of our Company along with investor and other stakeholders' relationships. He has around nine years of experience in the legal and secretarial functions and was previously associated with our subsidiary, Shellz Overseas Private Limited and Lex Indis Law Offices. In Fiscal 2025, he received salary of ₹11.18 lakhs from our Company as disclosed in related party transactions in accordance with AS 18 read with SEBI ICDR regulations. These exclude provision for gratuity and compensated absences as these are determined on the basis of actuarial valuation for the company as a whole.

Senior Management

In addition to the Executive Directors of our Company and the Key Managerial Personnel, whose details are provided in "– *Brief profiles of our Directors*" and "– *Key Managerial Personnel*" on pages 222 and 233, respectively, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus, are as set forth below:

Pavil Garg is Head - Strategy and Operations at our company. He has completed World bachelor's in business (WBB) program conducted across three universities, namely the University of Southern California (USA), The Hong Kong University of Science and Technology (Hong Kong), and Bocconi University (Italy). He has been associated with our Company since 2022. Prior to joining us, he has completed his internships with Udaan, A.T. Kearney Middle East Ltd and Landmark Group. In our company, he focuses on driving business growth, strengthening product offerings, and improving operational efficiency. He has played a key role in launching new products and expanding our presence. In Fiscal 2025, he received salary of ₹12.00 lakhs from our Company.

Deepak Panchal is General Manager at our company. He has completed his Bachelor of Engineering from Maharshi Dayanand University, Rohtak and brings around eighteen years of experience in process and project engineering, FMCG production operations, automation, maintenance management, cost optimization, vendor development, and continuous operational improvement. He has been associated with our Company since 2014 and was previously associated with Kay International Limited and Lambda Eastern Telecommunication Ltd. In Fiscal 2025, he received salary of ₹10.79 lakhs from our Company.

Relationships among Key Managerial Personnel, Senior Management and Directors

Except as specified in "– *Relationships between our Directors and Key Managerial Personnel or Senior Management*", none of our Key Managerial Personnel or the Senior Management are related to each other or to the Directors of our Company.

Arrangements or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Key Managerial Personnel or our Senior Management have been appointed pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel or the Senior Management in last three years

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 225, there have been no changes in the Key Managerial Personnel or Senior Management during the preceding three years:

Name	Date of Change	Reason for Change
Sumit Kumar	February 10, 2025	Appointment as Company Secretary and Compliance Officer
Kapil Garg	March 03, 2025	Change in Designation as Chairman and Managing Director
Sangeeta Thakur	March 03, 2025	Appointment as Chief Financial Officer

The rate of attrition of our Key Managerial Personnel and our Senior Management is not high in comparison to the industry in which we operate.

Status of our Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Service Contracts and retirement or termination benefits

Other than statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, our Key Managerial Personnel or Senior Management is entitled to any benefits upon termination of employment, including under any service contract with our Company. Further, other than the respective employment agreements/appointment letters entered into by our Key Managerial Personnel or Senior Management with our Company, none of our Directors, Key Managerial Personnel or Senior Management have entered into a service contract/appointment letter with our Company pursuant to which they are entitled to such statutory benefits upon termination of their employment in our Company.

Shareholding of the Key Management Personnel and Senior Management

None of our KMPs or senior management holds any shares of our Company as on the date of this Draft Red Herring Prospectus except as stated in the below table:

Key Managerial Personnel

Name	No. of Equity Shares	% of the pre-Issue paid up share capital	% of the post-Issue paid up share capital
Kapil Garg	62,40,000	71.59%	[●]%

Senior Management

Name	No. of Equity Shares	% of the pre-Issue paid up share capital	% of the post-Issue paid up share capital
NA	NA	NA	NA

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2025, which does not form part of their remuneration for such period.

Bonus or Profit-Sharing Plan of Key Management Personnel and Senior Management

Except as set out in "– *Terms of appointment of our directors*" on page 223, our Company does not have any performance linked bonus or a profit-sharing plan in which our Key Managerial Personnel and the Senior Management participate. Our Company makes bonus payments to our Key Managerial Personnel or the Senior Management, in accordance with their terms of appointment.

Interest of Key Managerial Personnel and Senior Management

For further details of the interest of our Executive Directors in our Company, see "*–Interest of Directors*" on page 225.

Our Key Managerial Personnel and the Senior Management are interested in our Company to the extent of the remuneration (including any variable pay or sales-linked incentives), 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. For further details, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 84.

Our Key Managerial Personnel and the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company and any share-based employee benefit receivable by them.

None of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

There are no other loans and advances which have been made by the Company to any of its Key Managerial Personnel or Senior Management, or person/entity related to them.

Employee Stock Option Plan

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

Payment or benefit to Officers of our Company (Non-Salary Related)

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as stated in "– *Interests of Directors*" on page 225, "– *Interest of Key Managerial Personnel and Senior Management*" on page 235 and as stated in "*Other Financial Information - Related Party Transactions*" on page 244, no amount or benefit in kind has been paid or given within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are our Individual Promoters, Kapil Garg and Shalini Garg.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 76,80,000 Equity Shares, representing 88.11% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. For details on the shareholding of our Promoters and the members of Promoter Group in our Company, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" on page 99.

Details of our Promoters

Individual Promoters

Kapil Garg



Kapil Garg, aged 56 years, is the Promoter, Chairman and Managing Director of our Company. For the complete profile of Kapil Garg, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 221.

His Permanent Account Number is AAHPG7399D.

As on date of this Draft Red Herring Prospectus Kapil Garg holds 62,40,000 Equity Shares, representing 71.59% of the issued, subscribed and paid-up equity share capital of our Company.

Shalini Garg



Shalini Garg, aged 55 years, is the Promoter and Non-Executive Director of our Company. For the complete profile of Shalini Garg, along with details of her date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 221.

Her Permanent Account Number is AAHPG7401J.

As on date of this Draft Red Herring Prospectus, Shalini Garg holds 14,40,000 Equity Shares, representing 16.52% of the issued, subscribed and paid-up equity share capital of our Company.

Our Company confirms that the permanent account number, Aadhaar card number, driving license number, bank account numbers and the passport number of Kapil Garg and Shalini Garg will be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

Change in Control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus. Pursuant to a resolution passed by the Board of Directors at their meeting held on March 03, 2025, Shalini Garg has been also identified as a 'Promoter' since she is spouse of Kapil Garg and is contributing Equity Shares towards the Promoters' Contribution in order to satisfy the requirements under Regulations 236 and 238 of the SEBI ICDR Regulations. Further, Shalini Garg is also appointed as Non -Executive Director of our company.

Interest of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, the shareholding of their relatives in our

Company, or the shareholding of entities in which our Promoters are interested, in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" on page 96.

Further, our Individual Promoters may also be director on the boards, or a shareholder, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see "*Other Financial Information – Related Party Transactions*" on page 244.

Our Individual Promoters may also be deemed to be interested to the extent of remuneration, benefits, reimbursements of expenses, sitting fees and commission payable to them as Directors on our Board. For further details, see "*Our Management – Payments or Benefits to our Directors*" and "*Our Management – Interest of Directors*" on pages 224 and 225, respectively.

Our Promoters do not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company, except that Shellz Overseas private Limited, Winola India Private Limited, 1. Skyway Polymers Private Limited and Euroville Private Limited are engaged in same line of activities.

Companies or Firms from which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Promoter	Name of Entity	Date of disassociation	Reason
1.	Kapil Garg	Joystreet Hotels Private Limited	November 14, 2023	Resignation from Directorship
2.	Kapil Garg	Joystreet India Private Limited	February 25, 2025	Strike off
3.	Kapil Garg	Dolphin Products Private Limited	March 16, 2025	Strike off
4.	Kapil Garg	Shellz Overseas Private Limited	March 22, 2026	Pursuant to share transfer
5.	Shalini Garg	Joystreet India Private Limited	February 25, 2025	Strike off
6.	Shalini Garg	Dolphin Products Private Limited	March 16, 2025	Strike off
7.	Shalini Garg	Shellz Overseas Private Limited	March 22, 2026	Pursuant to share transfer

Payment or Benefits to Promoters or members of Promoter Group

Except as disclosed herein and as stated in "*Other Financial Information – Related Party Transactions*" at page 244, 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.

Material Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

Natural Persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Name of the Promoter	Name of Promoter Group Member	Relationship with the Promoter
Kapil Garg	Shalini Garg	Spouse
	Late Rajinder S Garg	Father
	Prem Lata Garg	Mother
	Late Anil Garg & Sunil Garg	Brother(s)
	Sarita Mangla, Sunita Garg & Manju Jain	Sister(s)
	Pavil Garg	Son
	Gazal Garg	Daughter
	Sumati Prakash Jain	Spouse's Father
	Sukhdev Jain	Spouse's Mother
	Sameer Jain	Spouse's Brother

Name of the Promoter	Name of Promoter Group Member	Relationship with the Promoter
Shalini Garg	Kapil Garg	Spouse
	Sumati Prakash Jain	Father
	Sukhdev Jain	Mother
	Sameer Jain	Brother
	Pavil Garg	Son
	Gazal Garg	Daughter
	Late Rajinder S Garg	Spouse's Father
	Prem Lata Garg	Spouse's Mother
	Late Anil Garg & Sunil Garg	Spouse's Brother(s)
	Sarita Mangla, Sunita Garg & Manju Jain	Spouse's Sister(s)

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Kapil Garg HUF
2. Euroville Private Limited
3. Joystreet Hospitality LLP
4. Winola India Private Limited
5. Skyway Polymers Private Limited
6. Sunbeen Impex Private Limited
7. Sunbeen Cocoa Private Limited
8. Prime Trading Co (Proprietorship of Sunita Garg)
9. Prem Chemical Industries (Proprietorship of Prem Lata Garg)

The remainder of this page has been intentionally left blank

DIVIDEND POLICY

Our Board of Directors, pursuant to a resolution dated November 10, 2025, have adopted a dividend distribution policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned during the financial year, earning stability and outlook, past dividend pattern, cash flow position of our Company, capital expenditure to be incurred by our Company, accumulated reserves, statutory requirements like transfer to statutory reserve fund, liquidity position of the company including its working capital requirements and debt servicing obligations. In addition, our ability to pay dividends may be impacted by a number of factors such as economic environment, changes in the Government policies, industry specific rulings and regulatory provisions, industry outlook for the future years, and inflation rate. Our Company may decide against paying dividend due to, inter alia, inadequacy of profits or whenever the Company has incurred losses, undertaking of or proposal to undertake a significant expansion project requiring higher allocation of capital, and undertaking of any acquisitions or joint arrangements requiring significant allocation of capital. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 285. Our Company may pay /dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Our Company has not declared any dividends on the Equity Shares during the last three Fiscals.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – Risks Related to the Issue - We cannot assure payment of dividends on the Equity Shares in the future.*" on page 73.

The remainder of this page has been intentionally left blank

SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Sr No.	Particulars	Page No
1.	Restated Financial Information	F-1 to F-40

The remainder of this page has intentionally been left blank

INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,
The Board of Directors,
Shellz India Limited,
39/35, West Punjabi Bagh,
Main Rohtak road,
New Delhi – 110026

Dear Sir,

1. We have examined the attached Restated Audited Financial Information of Shellz India Limited *(hereinafter referred as "the Company")* comprising the Restated Audited Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023, the Restated Audited Statement of Profit & Loss and the Restated Audited Cash Flow Statement for the Financial Period ended on September 30,2025, March 31, 2025, March 31, 2024, March 31, 2023, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on March 11, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus ("DRHP/RHP) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 and 32 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations),2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act,1992

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note").

   d) The terms of reference to our engagement letter with the company dated December 12, 2024 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of BSE Limited ("IPO" or "SME IPO")

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Delhi in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the Financials Period ended on September 30,2025, March 31, 2025, March 31, 2024 & March 31, 2023 on the basis of preparation stated in ANNEXURE –IV to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 12, 2024 in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:

a) Audited special purpose interim financials as at and for the period ended September 30, 2025 prepared in accordance with Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on March 02, 2026.

b) Audited Financial Statement for the financial year ended March 31, 2025, March 31, 2024 & March 31, 2023 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India and which have been approved by the board of directors.

5. For the purpose of our examination, we have relied on:

a) Auditor's Report issued by us dated March 02, 2026 and September 07, 2025 for period ended September 30, 2025 and for year ended 31 March 2025.

b) Auditor's Report issued by previous auditor Kumar V & Associates dated September 28, 2024 and September 29, 2023 for year ended March 31, 2024 and March 31, 2023 respectively.

c) The audits for the financial years ended March 31, 2024 and 2023 were conducted by the Company's previous auditors. The Previous auditor is not in the position to examine the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and (collectively, the "2024 and 2023 Restated Financial Information"). We have performed adequate procedures to Restate the Financial Information for the said years.

6. There were no qualifications in the Audit report issues by us on the financial statements as at and for the period ended September 30, 2025 and for the year ended March 31, 2025. The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements as at and for year March 31, 2023: -

The basis of the qualification was that the company has not provided for the retirement benefit in term of gratuity as per the actuarial valuation which constitute a departure from the Accounting Standards prescribed u/s 133 of the Companies Act 2013. The company has provided for the retirement benefit in term of gratuity as per the actuarial valuation and the same has been accounted for while preparing restated financials statement.

7. Based on our examination and according to information and explanations given to us, we report that the restated financial information:

   a) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

   b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;

   c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

   d) There were no qualifications in the Audit Reports issued by RSAV & Com for the Year/Period Ended on September 30, 2025, March 31, 2025

   e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE –IV to this report;

   f) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies,

   g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;

   h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement.

   i) The Company has not paid any dividend since its incorporation.

   j) The related party transaction for purchase & sales of services entered by the company are at arm's length.

8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   a) The "Restated Statement of Assets and Liabilities" as set out in ANNEXURE –I to this report, of the Company as at Year/Period Ended on September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –IV to this Report.

   b) The "Restated Statement of Profit and Loss" as set out in ANNEXURE –II to this report, of the Company for Year/Period Ended on September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate

and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –IV to this Report.

c) The "Restated Statement of Cash Flow" as set out in ANNEXURE –III to this report, of the Company for the Year/Period Ended on September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE –IV to this Report.

9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the Year/Period Ended on September 30, 2025 March 31, 2025, March 31, 2024 & March 31, 2023 proposed to be included in the Draft Prospectus / Prospectus ("Offer Document") for the proposed IPO.

Restated Statement of Share Capital, Reserves and Surplus	Note – I.1 & I.2
Restated Statement of Long-Term Borrowings	Note – I.3
Restated Statement of Other Non-Current Liabilities	Note – I.4
Restated Statement of Deferred Tax Liabilities	Note – I.5
Restated Statement of Long-Term Provisions	Note – I.6
Restated Statement of Short-Term Borrowings	Note – I.7
Restated Statement of Trade Payables	Note – I.8
Restated Statement of Other Current Liabilities and Short-Term Provisions	Note – I.9 & Note – I.10
Restated Statement of Fixed Assets	Note – I.11
Restated Statement of Non-Current Investments	Note - I.12
Restated Statement of Long-Term Loans & Advances	Note – I.13
Restated Statement of Other Non-Current Assets	Note – I.14
Restated Statement of Current Investments	Note – I.15
Restated Statement of Inventories	Note – I.16
Restated Statement of Trade Receivables	Note – I.17
Restated Statement of Cash & Cash Equivalents	Note – I.18
Restated Statement of Short-Term Loans & Advances	Note – I.19
Restated Statement of Other Current Assets	Note – I.20
Restated Statement of Revenue from Operations	Note – II.1
Restated Statement of Other Income	Note – II.2
Restated Statement of Cost of Material Consumed	Note – II.3
Restated Statement of Changes in Inventories of Finished goods, WIP & Stock in Trade	Note – II.4
Restated Statement of Employee Benefit Expenses	Note – II.5
Restated Statement of Finance Cost	Note – II.6
Restated Statement of Depreciation & Amortisation	Note – II.7
Restated Statement of Other Expenses	Note – II.8
Restated Statement of Deferred Tax Charge	Note -- II.9
Restated Statement of Earnings per Share	Note -- II.10
Restated Statement of Other Disclosure to the Restated Financial	Note – V
Restated Statement of Statement of Accounting & Other Ratios	Note – VI
Restated Statement of Capitalization	Note – VII
Restated Statement of Tax Shelter	Note – VIII
Restated statement of Related party transaction	Note – IX
Restated statement of Dividend	Note – X

Restated statement of Change in Significant Accounting Policies	Note – XI
Restated statement of Contingent Liabilities	Note – XII

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE –IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

10. We, M/s. RSAV & COMPANY, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

11. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

12. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim consolidated financial statements and audited consolidated financial statements.

13. In our opinion, the above financial information contained in ANNEXURE –I to XII of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE – IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the Board of Directors for inclusion in the DRHP/RHP to be filed with Securities and Exchange Board of India, SME platform of BSE limited and Registrar of Companies, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For RSAV & COMPANY
Chartered Accountants
FRN: 022058N
Peer Review No: 017215

SD/-

Abhinaya Verma
Partner
UDIN: 26511290PRAJUM1114
Date; 11/03/2026
Place: Delhi

SHELLZ INDIA LIMITED
CIN- U15490DL2012PLC235397
ANNEXURE - I
RESTATED STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

	Particulars	Note	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I	**EQUITY AND LIABILITIES**					
	1. Shareholders' funds					
	(a) Share Capital	I.1	72.64	69.28	64.00	64.00
	(b) Reserves and surplus	I.2	5,104.11	3,988.91	2,635.41	2,109.96
	Total Shareholders Funds (A)		**5,176.75**	**4,058.20**	**2,699.41**	**2,173.96**
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	3,910.84	2,117.04	2,635.05	2,469.78
	(b) Other Non-current Liabilities	I.4	-	-	-	-
	(c) Deferred Tax liability (Net)	I.5	-	-	8.18	29.91
	(d) Long-term provisions	I.6	32.50	27.19	18.75	22.42
	Total Non Current Liabilities (B)		**3,943.34**	**2,144.23**	**2,661.98**	**2,522.10**
	3. Current liabilities					
	(a) Short-term borrowings	I.7	5,205.16	5,701.43	4,457.56	4,188.27
	(b) Trade payables	I.8				
	i) Due to Micro and Small		87.20	139.34	85.74	179.72
	ii) Due to Others		3,212.19	3,191.94	3,867.13	3,109.41
	(c) Other current liabilities	I.9	1,373.86	938.49	576.59	401.66
	(d) Short-term provisions	I.10	859.31	562.56	355.20	221.87
	Total Current Liabitlies (C)		**10,737.72**	**10,533.77**	**9,342.22**	**8,100.92**
	TOTAL (A+B+C)		**19,857.81**	**16,736.20**	**14,703.61**	**12,796.99**
II.	**ASSETS**					
	1. Non-current assets					
	(a) Property, Plant and Equipment and Intangible assets					
	(i) Property, Plant and Equipment	I.11	1,757.00	1,811.28	1,949.41	1,932.62
	(ii) Intangible Assets	I.11	-	-	-	-
	(iii) Capital work-in-progress	I.11	554.72	393.58	6.95	33.70
	(b) Non-current investments	I.12	-	-	-	-
	(c) Long-term loans and advances	I.13	2,548.77	2,437.09	-	-
	(d) Deferred Tax Assets (Net)	I.5	34.48	18.17	-	-
	(e) Other Non Current Assets	I.14	434.27	657.03	288.47	232.49
	Total Non Current Assets (A)		**5,329.24**	**5,317.15**	**2,244.83**	**2,198.81**
	2. Current assets					
	(a) Current Investment	I.15	-	-	-	-
	(b) Inventories	I.16	7,088.62	6,565.88	5,480.64	3,853.78
	(c) Trade receivables	I.17	4,100.57	3,555.14	5,571.49	5,289.54
	(d) Cash and Bank Balance	I.18	558.08	2.18	171.10	17.87
	(e) Short-term loans and advances	I.19	2,162.37	931.99	525.37	1,029.02
	(f) Other Current Assets	I.20	618.94	363.83	710.18	407.96
	Total Current Assets (B)		**14,528.58**	**11,419.03**	**12,458.78**	**10,598.17**
	TOTAL (A+B)		**19,857.81**	**16,736.20**	**14,703.61**	**12,796.99**

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For RSAV & COMPANY
Chartered Accountants
Firm's Registration No: 022058N

SD/-
Abhinaya Verma
Partner
M No.511290
UDIN: 26511290PRAJUM1114

Place: Delhi
Date: 11/03/2026

For & on behalf of Board of Directors
SHELLZ INDIA LIMITED
CIN: U15490DL2012PLC235397

SD/-
Shalini Garg
Director
(DIN : 00006159)

SD/-
Kapil Garg
Chairman & Managing Director
(DIN : 00006050)

SD/-
Sumit Kumar
Company secretary
M. No. 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

SHELLZ INDIA LIMITED
CIN- U15490DL2012PLC235397
ANNEXURE - II
RESTATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

	Particulars	Note	For the Period ended on	For the Year ended on		
			September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
I	Revenue from operations	II.1	9,186.57	18,697.32	16,241.26	15,852.18
II	Other Income	II.2	23.82	41.93	39.48	24.98
III	**Total Income (I+II)**		**9,210.39**	**18,739.24**	**16,280.74**	**15,877.16**
	Expenses:					
	(a) Cost of materials consumed	II.3	6,019.12	15,689.67	14,163.08	13,262.09
	(b) Changes in inventories of finished goods and work-in- progress	II.4	650.66	(896.56)	(632.82)	230.41
	(d) Employee benefits expense	II.5	361.44	637.67	291.27	267.92
	(e) Finance costs	II.6	427.76	850.26	827.41	784.08
	(f) Depreciation and amortisation expense	II.7	176.85	383.78	411.33	433.95
	(g) Other expenses	II.8	700.77	812.26	423.45	424.28
IV	**Total expenses**		**8,336.60**	**17,477.08**	**15,483.72**	**15,402.73**
V	**Profit /(Loss) before tax and Exceptional Items (III-IV)**		**873.80**	**1,262.16**	**797.02**	**474.43**
VI	**Exceptional Items**		-	-	-	-
VII	**Profit /(Loss) before tax (V-VI)**		**873.80**	**1,262.16**	**797.02**	**474.43**
VIII	**Tax expense:**					
	(a) Current tax expense		271.55	458.31	293.30	165.63
	(b) Deferred tax charge/(credit)	II.9	(16.31)	(26.35)	(21.73)	(10.50)
			255.25	**431.96**	**271.57**	**155.13**
IX	**Profit after tax for the year (VII-VIII)**		**618.55**	**830.20**	**525.45**	**319.30**
XII	**Earnings per share (face value of ₹ 10/- each):**	II.10				
	(a) Basic (in ₹)		89.25	124.20	82.10	49.89
	(b) Diluted (in ₹)		89.25	124.20	82.10	49.89
	(c) Basic after considering bonus issue from retrospective effect(in ₹)		7.12	9.59	6.09	3.70
	(d) Diluted after considering bonus issue from retrospective effect(in ₹)		7.12	9.59	6.09	3.70

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For RSAV & COMPANY
Chartered Accountants
Firm's Registration No: 022058N

For & on behalf of Board of Directors
SHELLZ INDIA LIMITED
CIN: U15490DL2012PLC235397

SD/-
Abhinaya Verma
Partner
M No.511290
UDIN: 26511290PRAJUM1114

SD/-
Shalini Garg
Director
(DIN : 00006159)

SD/-
Kapil Garg
Chairman & Managing Director
(DIN : 00006050)

Place: Delhi
Date: 11/03/2026

SD/-
Sumit Kumar
Company secretary
M. No. 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

SHELLZ INDIA LIMITED
CIN- U15490DL2012PLC235397
ANNEXURE - III
RESTATED STATEMENT OF CASH FLOW

(₹ in Lakhs)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
A. **CASH FLOW FROM OPERATING ACTIVITIES**				
Net Profit before Extraordinary items	618.55	830.20	525.45	319.30
Adjustment For:				
(a) Provision for tax	255.25	431.96	271.57	155.13
(b) Depreciation and Amortization	176.85	383.78	411.33	433.95
(c) Interest Expense	340.02	674.69	724.79	648.00
(d) Adjustment of Prior Period Item	-	(93.35)	-	(19.33)
(e) Profit on Sale of Fixed Asset	-	-	-	(0.55)
(f) Interest & Other income	(6.82)	(16.55)	(8.18)	(5.57)
(g) Increase /(Decrease) in Long Term Provision	5.31	8.44	(3.67)	22.42
Operating Profit before Working Capital Changes	**1,389.16**	**2,219.16**	**1,921.30**	**1,553.35**
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(522.73)	(1,085.24)	(1,626.86)	636.47
(b) (Increase)/Decrease in Trade Receivables	(545.43)	2,016.35	(281.95)	(607.63)
(c) (Increase)/Decrease in Loans & Advances	(1,230.38)	(406.62)	503.65	(157.22)
(d) (Increase)/Decrease in Other Current Assets	(255.11)	346.35	(302.22)	(392.02)
(e) Increase /(Decrease) in Other Current Liabilities	435.37	361.90	174.93	(370.77)
(f) Increase /(Decrease) in Trade Payables	(31.89)	(621.59)	663.74	(366.64)
(g) Increase /(Decrease) in Short Term Provision	25.19	0.91	(0.08)	2.49
CASH GENERATED FROM OPERATIONS	**(735.82)**	**2,831.22**	**1,052.51**	**298.04**
Less : Direct Taxes paid (Net of Refund)	-	251.87	159.89	106.26
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**(735.82)**	**2,579.36**	**892.62**	**191.78**
Adjustment For :				
(a) Extraordinary Profit	-	-	-	-
(b) Extraordinary Loss	-	-	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	**(735.82)**	**2,579.36**	**892.62**	**191.78**
B. **CASH FLOW FROM INVESTING ACTIVITIES**				
(a) Purchase of Fixed Assets	(283.71)	(632.28)	(446.19)	(427.42)
(b) Sale of Fixed Assets	-	-	44.81	96.45
(c) (Increase) / Decrease in non current asset	222.76	(368.56)	(55.99)	(84.47)
(d) (Increase) / Decrease in Long term loans and advances	(111.68)	(2,437.09)		
(e) Interest and other income	6.82	16.55	8.18	5.57
NET CASH FROM INVESTING ACTIVITIES (B)	**(165.80)**	**(3,421.37)**	**(449.19)**	**(409.87)**
C. **CASH FLOW FROM FINANCING ACTIVITIES**				
(a) Repayment of Long Term Borrowing	(724.41)	(1,926.57)	(131.98)	(763.30)
(b) Increase in Long Term Borrowing	2,518.21	1,408.56	297.25	581.75
(c) Repayment of Short Term Borrowing	(1,835.66)	(2,278.31)	(1,938.74)	(134.28)
(d) Increase in Short Term Borrowing	1,339.39	3,522.18	2,208.03	1,007.70
(e) Increase in share capital	500.00	621.94	-	-
(f) Interest Paid	(340.02)	(674.69)	(724.79)	(648.00)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	**1,457.51**	**673.11**	**(290.23)**	**43.87**
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	555.89	(168.90)	153.22	(174.22)
OPENING BALANCE – CASH & CASH EQUIVALENT	**2.18**	**171.10**	**17.87**	**192.11**
CLOSING BALANCE - CASH & CASH EQUIVALENT	**558.08**	**2.18**	**171.10**	**17.87**

Cash flows are Reported using the indirect method and in compliance with AS-3. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

As per our Report of even date

For RSAV & COMPANY
Chartered Accountants
Firm's Registration No: 022058N

For & on behalf of Board of Directors
SHELLZ INDIA LIMITED
CIN: U15490DL2012PLC235397

SD/-
Abhinaya Verma
M No.511290
UDIN: 26511290PRAJUM1114

SD/-
Shalini Garg
Director
(DIN : 00006159)

SD/-
Kapil Garg
Chairman & Managing Director
(DIN : 00006050)

Place: Delhi
Date: 11/03/2026

SD/-
Sumit Kumar
Company secretary
M. No. 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

SHELLZ INDIA LIMITED

Annexure - I.1

Restated Statement of Share Capital

(Rs. In Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Authorised Capital*				
No. of Equity Shares of ₹ 10/- each	1,30,00,000	1,30,00,000	7,00,000	7,00,000
Authorised Equity Share Capital In Rs.(In Lakhs)	1,300	1,300	70	70
Issued, Subscribed & Fully Paid up				
No. of Equity Shares of ₹ 10/- each	7,26,392	6,92,835	6,40,000	6,40,000
Issued, Subscribed & Fully Paid up Share Capital In Rs.(In Lakhs)	72.64	69.28	64.00	64.00
Total	**72.64**	**69.28**	**64.00**	**64.00**

Aggregate number of shares bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:

(Rs. In Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Equity Shares including Equity shares allotted as fully paid bonus shares by capitalisation of general reserves in the last five years	-	-	-	-
Equity shares allotted as fully paid pursuant to contracts for consideration other than cash	-	-	-	-
Equity shares brought back by the company	-	-	-	-

The company has only one class of Equity having a par value Rs. 10 00 per share. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General meeting, except in case of interim dividend. ln the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has issued paid up capital consisting total number of equity shares 47,435(face value Rs 10 Per share) at a premium of Rs 1155 on 31st August 2024. Moreover, Company has issued paid up capital consisting total number of equity shares 5,400(face value Rs 10 Per share) at a premium of Rs 1,480 on 10th February 2025.

During the Year, Company has increased it authorised share capital by Rs. 12,30,00,000 divided into 1,23,00,000 equity shares of Rs 10/- on 7th November 2024.
The Company has issued paid up capital consisting total number of equity shares 33,557(face value Rs 10 Per share) at a premium of Rs 1480 on 29th September 2025.

Reconciliation of the number of shares outstanding is set out below:-

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Shares outstanding at the beginning of the year	6,92,835	6,40,000	6,40,000	6,40,000
Add:-Shares Issued during the year	33,557	52,835	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**7,26,392**	**6,92,835**	**6,40,000**	**6,40,000**

The company has issued 79,90,312 equity shares of Rs. 10 each in the form of bonus to its existing shareholders in a ratio of 11:1 by the resolution passed by the members in the extraordinary general meeting held on 08th October 2025.

Details of Shareholders holding more than 5 % shares:-

Name of Shareholders	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Kapil Garg				
Number of Shares	5,20,000	5,20,000	5,19,990	5,19,990
% of Holding	71.59%	75.05%	81.25%	81.25%
Shalini Garg				
Number of Shares	1,20,000	1,20,000	-	-
% of Holding	16.52%	17.32%	-	-
Arwa Umesh				
Number of Shares	42,273	-	-	-
% of Holding	5.82%	-	-	-
Shellz Overseas Pvt Ltd.				
Number of Shares	-	-	1,20,000	1,20,000
% of Holding	-	-	18.75%	18.75%

SHELLZ INDIA LIMITED

Annexure - I.1

Restated Statement of Share Capital

Details of Promoters holding shares:-

Name of Shareholders	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Kapil Garg				
Number of Shares	5,20,000	5,20,000	5,19,990	5,19,990
% of Holding	71.59%	75.05%	81.25%	81.25%
Shellz Overseas Pvt Ltd.				
Number of Shares	-	-	1,20,000	1,20,000
% of Holding	0.00%	0.00%	18.75%	18.75%
Varun Garg				
Number of Shares	-	-	5	5
% of Holding	0.00%	0.00%	0.00%	0.00%
Shalini Garg				
Number of Shares	1,20,000	1,20,000	-	-
% of Holding	16.52%	17.32%	-	-
Prem Lata Garg				
Number of Shares	-	-	5	5
% of Holding	0.00%	0.00%	0.00%	0.00%

Changes in Promoters Holding During the year

Name of Shareholder	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Kapil Garg				
Number of Shares	5,20,000	5,20,000	5,19,990	5,19,990
% of Holding	-3.47%	-6.19%	0.00%	4.69%
Shellz Overseas Pvt Ltd.				-
Number of Shares	-	-	1,20,000	1,20,000
% of Holding	0.00%	-18.75%	0.00%	-4.69%
Varun Garg				
Number of Shares	-	-	5	5
% of Holding	0.00%	-100.00%	0.00%	0.00%
Shalini Garg				
Number of Shares	1,20,000	1,20,000	-	-
% of Holding	-0.80%	17.32%	0.00%	0.00%
Prem Lata Garg				
Number of Shares	-	-	5	5
% of Holding	0.00%	-100.00%	0.00%	0.00%

SHELLZ INDIA LIMITED

Annexure - I.2

Restated Statement of Reserves And Surplus **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Surplus in Statement of Profit & Loss A/c				
Opening balance	2,708.93	1,983.23	1,457.78	1,157.81
: Add Net Profit For the current year	618.55	830.20	525.45	319.30
: Less Dividend Paid	-	-	-	-
: Less Paid towards increase of Authorised Capital		(11.15)		
: Less Prior Period Adjustment Note 1		(93.35)		(19.33)
Total	**3,327.48**	**2,708.93**	**1,983.23**	**1,457.78**
Security Premium				
Opening balance	1,279.98	652.18	652.18	652.18
Add: Addition During the year	496.64	627.80	-	-
Less: Deletion During the year	-	-	-	-
Net Surplus in Statement of Profit and Loss	**5,104.11**	**3,988.91**	**2,635.41**	**2,109.96**
Total	**5,104.11**	**3,988.91**	**2,635.41**	**2,109.96**

Note: The amount of 19.33 Lakhs is the gratuity provision which company should have recognised till 31.03.2022 but the same was not recognised in audited financial statement. The amount of 93.35 Lakhs was paid during fy 24-25 by the company for the taxes before 31/03/2022 the provision for the same was not recognised by the company in audited financials.

SHELLZ INDIA LIMITED

Annexure - I.3

Restated Statement of Long Term Borrowings

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A) Secured Loans				
Term Loan				
From Bank	32.14	51.42	89.99	312.03
From NBFC	2,095.23	902.10	1,086.33	621.80
Vehicle Loan				
From Bank	6.64	7.30	8.53	-
From NBFC	-	-	-	-
B) Unsecured Loans				-
From Others	386.98	29.82	292.71	528.26
From Corporate	356.45	235.49	170.82	158.02
From Directors and Shareholders	850.71	662.08	763.67	774.68
Long term maturities of finance lease obligations	182.69	228.83	223.00	74.99
Total	**3,910.84**	**2,117.04**	**2,635.05**	**2,469.78**

Annexure - I.4

Restated Statement of Other Non-Current Liabilities

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total	**-**	**-**	**-**	**-**

Annexure - I.5

Restated Statement of Deferred Tax Liability/(Assets)

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liability				
On account of timing difference in Net block as per books & as per Income Tax	(15.99)	(8.87)	5.40	29.50
Deferred Tax Assets				
On account of timing difference in retirement and other benefits	(13.35)	(7.79)	2.78	0.41
Total	**(29.33)**	**(16.66)**	**8.18**	**29.91**

Annexure - I.6

Restated Statement of Long Term Provisions

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision For Gratuity	32.50	27.19	18.75	22.42
Provision For Leave Encashment	-	-	-	-
Total	**32.50**	**27.19**	**18.75**	**22.42**

Annexure - I.7

Restated Statement of Short Term Borrowings

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Secured				
Loan Repayable on Demands-From Bank				
Yes Bank Working Capital Loan	-	-	1,300.00	-
Yes Bank CC	-	-	-	1,352.12
Axis Bank CC	1,980.41	1,621.39	2,029.15	1,828.45
Bajaj Finance Ltd - New Loan	1,000.00	1,000.00	-	-
Yes Bank - 0068	-	348.99	-	-
Yes Bank - 0625 -Current A/c	-	341.41	-	-
Current Maturities of Long Term Debt				
From Bank	38.57	38.57	58.54	190.80
From NBFC	683.19	356.03	315.57	418.62
Vehicle Loan	1.29	1.23	1.12	-
Unsecured Loan from Others	198.44	262.90	235.55	202.81
Other Borrowings				
Bill Discounting	1,303.26	1,730.92	517.63	195.47
Total	**5,205.16**	**5,701.43**	**4,457.56**	**4,188.27**

SHELLZ INDIA LIMITED
ANNEXURE 1.3.1

Secured Loans

Particulars		Purpose	Sanction Amount	Repayment Schedule	Rate of Interest	Moratorium	Outstanding Amount as on 31.03.23(as per Books)	Outstanding Amount as on 31.03.24(as per Books)	Outstanding Amount as on 31.03.25(as per Books)	Outstanding Amount as on 30.09.25(as per Books)	Is it on Director Personal Guaranty
	Axis Bank Ltd	ECL-GS -LOAN	115.70	60 Months	8.50%	24 MONTH	115.70	115.70	89.99	70.71	No
	Axis Bank Ltd	ECL-GS -LOAN	167.00	26 MONTH	8.50%	NA	109.63	32.83	-	-	No
	SCB Loan-3.42	GECL Loan	342.00	39 MONTH	7.85%	NA	180.50	-	-	-	No
Term Loan From Bank	SCB Loan-97L	GECL Loan	97.00	58 MONTH	9.25%	22 MONTH	97.00	-	-	-	No
	Siemens Financial Services Private Limited	ECL-GS -LOAN	20.00	60 Months	10.90%	24 MONTH	20.00	-	-	-	No
	Siemens Financial Services Private Limited	Machinery Loan	28.50	48 Months	10.95%	NA	23.54	-	-	-	Yes
	Siemens Financial Services Private Limited	Machinery Loan	112.50	48 Months	13.50%	NA	63.76	-	-	-	Yes
	Siemens Financial Services Private Limited	Machinery Loan	84.50	48 Months	13.50%	NA	47.89	-	-	-	Yes
	Siemens Financial Services Private Limited	Machinery Loan	544.00	66 Months	12.30%	NA	-	-	-	543.12	Yes
	Siemens Financial Services Private Limited	Machinery Loan	556.00	66 Months	12.30%	NA	-	-	-	555.40	Yes
	TATA CAPITAL 1.19	ECL-GS -LOAN	119.00	36 Months	9.25%	12 MONTH	42.84	-	-	-	Yes
	TATA CAPITAL 2	Machinery Loan	200.00	60 Months	9.25%	NA	167.44	-	-	-	Yes
	TATA CAPITAL 6.18	Machinery Loan	618.00	60 Months	9.25%	12 MONTH	586.66	-	-	-	Yes
	tata capital 3858130	GECL Loan	38.58	32 Months	9.25%	NA	24.29	-	-	-	No
Term Loan From NBFC	TATA Capital Fin 3274849	GECL Loan	32.75	32 Months	9.25%	NA	19.88	-	-	-	No
	TATA Capital Fin 3946844	GECL Loan	39.47	32 Months	9.25%	NA	22.20	-	-	-	No
	Tata Cap 3648342	GECL Loan	36.48	32 Months	9.25%	NA	20.52	-	-	-	No
	TATA Capital 3247849	GECL Loan	32.48	32 Months	9.25%	NA	1.41	-	-	-	No
	Bajaj Finance Ltd	Business Loan	1,250.00	60 Months	10.10%	NA	-	1,065.24	833.54	724.20	Yes
	Mahindra and Mahindra Financial Services Limited	Machinery Loan	375.00	48 Months	10.60%	NA	-	336.66	252.80	207.56	Yes
	PROTIUM FINANCE LTD.	Machinery Loan	115.29	60 Months	13.10%	NA	-	-	33.03	107.50	Yes
	Mahindra and Mahindra Financial Services Limited	Machinery Loan	150.00	48 Months	10.75%	NA	-	-	138.77	122.84	Yes
	CHOLAMANDLAM INVESTMENT AND COMPANY LIMITED	Machinery Loan	203.25	60 Months	12.75%	NA	-	-	-	203.21	Yes
	POONAWALA FINCORP LTD - MACHINERY LOAN	Machinery Loan	392.96	60 Months	13.00%	NA	-	-	-	174.11	Yes
	PROTIUM FINANCE LTD.	Machinery Loan	140.46	60 Months	13.10%	NA	-	-	-	140.46	Yes
	Siemens Financial Services Private Limited	Machinery Loan	275.46	60 Months	11.00%	NA	-	168.35	121.78	96.52	Yes
Financial Lease Obligation	Siemens Financial Services Private Limited	Machinery Loan	95.77	60 Months	11.00%	NA	-	-	75.03	66.44	Yes
	Siemens Financial Services Private Limited	Machinery Loan	121.79	60 Months	11.00%	NA	74.99	54.65	32.02	19.73	Yes
Vehicle Loan From Bank	Axis Bank Ltd	Vehicle Loan	10.11	84 Months	9.30%	NA	-	9.65	8.53	7.93	No
	Axis Bank Ltd	Working Capital	2,050.00	NA	9.00%	NA	1,828.45	2,029.15	1,621.39	1,980.41	Yes
	Yes bank OD	Working Capital	1,735.00	NA	repo+2.9%	NA	1,352.12	-	-	-	No
	Yes bank OD	Working Capital	1,400.00	NA	repo+2.9%	NA	-	1,300.00	-	-	Yes
	Bajaj Finance Ltd	Business Loan	1,000.00	NA	8.95%	NA	-	-	1,000.00	1,000.00	Yes
Loan Repayable on Demands-From Bank	Yes Bank	Working Capital Loan	1,400.00	NA	repo+2.9%	NA	-	-	348.99	-	Yes
	Yes Bank	Working Capital Loan	1,400.00	NA	repo+2.9%	NA	-	-	341.41	-	Yes

SHELLZ INDIA LIMITED
ANNEXURE 1.3.1

Unsecured Loans

Particulars		Purpose	Sanction Amount	Repayment Schedule	Rate of Interest	Moratorium	Outstanding Amount as on 31.03.23(as per Books)	Outstanding Amount as on 31.03.24(as per Books)	Outstanding Amount as on 31.03.25(as per Books)	Outstanding Amount as on 30.09.25(as per Books)	Is it on Director Personal Guaranty
From Others	ADITYA BIRLA CAPITAL LTD	Business Loan	100.00	48 Months	15.25%	NA	-	-	-	100.00	No
	AXIS FINANCES	Business Loan	50.00	60 Months	15.05%	NA	-	-	-	50.00	Yes
	GODREJ FINANCE LTD	Business Loan	51.00	48 Months	15.05%	NA	-	-	-	51.00	Yes
	ICICI BANK LTD	Business Loan	98.00	48 Months	14.50%	NA	-	-	-	98.00	No
	IDFC FIRST BANK LTD	Business Loan	80.00	36 Months	13.75%	NA	-	-	-	80.00	No
	INDUSIND BANK LTD	Business Loan	50.00	37 Months	15.50%	NA	-	-	-	50.00	Yes
	NEO GROWTH CREDIT PVT LTD	Business Loan	55.00	36 Months	17.50%	NA	-	-	-	55.00	No
	Aditya Birla Finance-351571	Business Loan	100.00	36 Months	16.00%	NA	100.00	71.80	38.75	-	Yes
	Clix Capital-246837	Business Loan	50.15	36 Months	14.00%	NA	50.15	28.46	9.67	-	No
	Fed Bank Financial Services Ltd	Business Loan	30.10	36 Months	15.75%	NA	30.10	21.59	11.64	6.05	No
	SMFG India Credit Company Limited	Business Loan	50.00	37 Months	14.49%	NA	50.00	35.67	19.12	9.90	No
	ICICI -119293	Business Loan	50.00	60 Months	15.00%	NA	50.00	42.86	34.41	-	No
	IDFC First Bank Ltd	Business Loan	76.50	36 Months	15.50%	NA	76.50	54.81	29.51	15.32	No
	Indusind-175785	Business Loan	50.00	36 Months	16.00%	NA	50.00	35.93	19.40	-	No
	Kisetsu Saison Finance (INDIA) Pvt Ltd	Business Loan	50.00	36 Months	16.00%	NA	50.00	35.90	19.37	10.07	No
	Kotak Mahindra Bank Ltd	Business Loan	75.00	36 Months	15.13%	NA	75.00	53.74	28.89	14.99	No
	Moneywise Financial Services Pvt Ltd	Business Loan	75.25	36 Months	16.00%	NA	74.95	55.93	31.39	17.57	No
	TATA Capital Financial Services Ltd	Business Loan	75.00	36 Months	16.00%	NA	74.37	55.75	31.28	17.51	No
	Unity Small Finance Bank	Business Loan	50.00	36 Months	15.50%	NA	50.00	35.82	19.29	10.02	No
From Corporate	SHELLZ OVERSEAS Private Limited	Business Loan	NA	NA	12.00%	NA	127.61	137.95	235.49	356.45	NA
	SKYWAY POLYMERS	Business Loan	NA	NA	12.00%	NA	30.41	32.87	-	-	NA
From Directors	Kapil Garg Loan	Business Loan	NA	NA	12.00%	NA	707.40	763.67	426.58	437.21	NA
	Shalini Garg	Business Loan	NA	NA	12.00%	NA	-	-	235.50	413.50	NA
	Varun Garg	Business Loan	NA	NA	12.00%	NA	67.29	-	-	-	NA
Bill Discounting	HIVELOOP CAPITAL PVT .LTD../MUTHOOT	Bill Discount	75.00	NA	18.00%	NA	75.38	75.06	75.58	75.00	Yes
	OXYZO FINANCIAL SERVICES Ltd	Bill Discount	175.00	NA	15.50%	NA	120.09	145.32	177.34	65.16	Yes
	EQENTIA SCF TECHNOLOGIES PVT. LTD.	Bill Discount	300.00	NA	14.75%	NA	-	297.25	304.94	-	Yes
	MIZUHO CAPSAVE FINANCE PVT LTD	Bill Discount	200.00	NA	14.75%	NA	-	-	201.37	0.95	Yes
	MAS FINANCIAL SERVICES LTD	Bill Discount	300.00	NA	15.00%	NA	-	-	303.25	150.32	Yes
	SHRI RAM FINANCE LTD	Bill Discount	300.00	NA	13.50%	NA	-	-	298.95	293.94	Yes
	TATA CAPITAL	Bill Discount	300.00	NA	13.50%	NA	-	-	69.50	-	Yes
	ADITYA BIRLA FINANCE LTD	Bill Discount	300.00	NA	13.75%	NA	-	-	300.00	300.00	Yes
	MINTIFI FINSERVE PRIVATE LIMITED - 50LAC	Bill Discount	50.00	NA	13.01%	NA	-	-	-	49.98	No
	MIZUHO CAPSAVE FINANCE PVT. LTD. -1CR - 1346	Bill Discount	100.00	NA	14.75%	NA	-	-	-	100.22	Yes
	MIZUHO CAPSAVE FINANCE PVT. LTD. - 1CR - 1347	Bill Discount	100.00	NA	14.75%	NA	-	-	-	100.07	Yes
	OXYZO FINACIAL SERVICES (OXYPF01TY051)	Bill Discount	200.00	NA	15.50%	NA	-	-	-	137.29	Yes
	HELPAGE FINLEASE LIMITED	Bill Discount	35.00	NA	17.50%	NA	-	-	-	30.34	No

Notes:

1. Business Loans (Secured) from Other than banks are taken from Non Banking Financial Institutions. These loans are secured against hypothecation of Plant & Machinery of the Company and personal guarantee of the directors.
2. Term Loan ECLGS from bank is secured against the second charge on assets already mortgage with Axis/Yes Bank . It is Further Guaranteed by NCGTC (National credit Guarantee Trustee Company Ltd.(Ministry of Finance, Government of India).
3. All machinery loans are secured against hypothecation of Plant & Machinery of the company and personal guarantee of directors
4. All Vehicle loans are secured against hypothecation of vehicle of the company.
5. Cash Credit Facility from Yes Bank and/or Axis Bank and/or Bajaj Finance is secured against the following-

1. Primary Security

- First Pari Passu Charge by way of Hypothecation on Current Assets (Current Assets excluding cash) and All movable Fixed Assets excluding vehicles/ assets (Specifically not financed by other banks/financial institutions) of the company both present and future.

2. Collateral Security

- Residential Property Located at A4, Block-A, Heritage Floresta Chalta No. 82/5 of Pt Sheet No. 10 Cunchelim, Mapusa, Barrdez , Mapusa, Goa-403115
- Three Commercial Property Located at D-3/1, Rana Pratap Bagh, Delhi, India Shop No.6 and Two Shops on ground Floor.
- Rear Basement, One Hall at Mezzanine and RHS Portion at 2" Floor and 3 Floor with roof right and Basement of D-3/1 Rana Pratap Bagh, Delhi-110007
- Plot No.20, 2nd Floor, North Avenue Road, Punjabi Bagh, New Delhi.-110026

3. Personal Guarantee

- Kapil Garg (Director)
- Shalini Garg (Director)
- Prem Lata Garg (Relative of Director)

4. Corporate Guarantee

- Shellz Overseas Pvt. Ltd.

SHELLZ INDIA LIMITED

Annexure - I.8

Restated Statement of Trade Payables **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Due to Micro and Small Enterprise	87.20	139.34	85.74	179.72
Due to Others than Micro and Small Enterprise	3,212.19	3,191.94	3,867.13	3,109.41
Total	**3,299.39**	**3,331.28**	**3,952.87**	**3,289.13**

(a) Ageing schedule:

Balance as at 30th September 2025 **(₹ in Lakhs)**

Particulars	Unbilled/ Not Due	Less than 1 Year	1-2 years	2-3 years	More then 3 years	Total
(i) MSME	-	5.19	1.56	12.98	-	19.73
(ii) Others	-	1,913.92	382.33	115.35	37.63	2,449.23
(iii) Disputed dues - MSME	-	-	-	49.78	17.69	67.47
(iv) Disputed dues - Others	-	-	78.40	444.49	240.07	762.96
Total		**1,919.11**	**462.29**	**622.60**	**295.39**	**3,299.39**

Balance as at 31st March 2025 **(₹ in Lakhs)**

Particulars	Unbilled/ Not Due	Less than 1 Year	1-2 years	2-3 years	More then 3 years	Total
(i) MSME	-	5.89	14.55	10.96	-	31.40
(ii) Others	-	1,892.77	212.60	140.72	26.68	2,272.77
(iii) Disputed dues - MSME	-	-	4.70	100.05	3.20	107.95
(iv) Disputed dues - Others	-	48.18	179.47	545.33	146.18	919.16
Total	**-**	**1,946.84**	**411.32**	**797.06**	**176.06**	**3,331.28**

Balance as at 31st March 2024 **(₹ in Lakhs)**

Particulars	Unbilled/ Not Due	Less than 1 Year	1-2 years	2-3 years	More then 3 years	Total
(i) MSME	-	6.82	2.94	-	-	9.76
(ii) Others	-	2,372.78	253.47	60.10	42.51	2,728.86
(iii) Disputed dues - MSME	-	-	72.78	3.20	-	75.98
(iv) Disputed dues - Others	-	165.73	819.91	138.79	13.84	1,138.27
Total	**-**	**2,545.33**	**1,149.10**	**202.09**	**56.35**	**3,952.87**

Balance as at 31st March 2023 **(₹ in Lakhs)**

Particulars	Unbilled/ Not Due	Less than 1 Year	1-2 years	2-3 years	More then 3 years	Total
(i) MSME	-	171.77	7.95	-	-	179.72
(ii) Others	-	2,107.72	157.60	50.82	43.26	2,359.40
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	245.91	260.98	170.86	72.26	750.01
Total	**-**	**2,525.40**	**426.53**	**221.68**	**115.52**	**3,289.13**

There are no unbilled trade payable.

(b) Dues payable to Micro and Small Enterprises: **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Principal amount remaining unpaid to any supplier as at the year end	99.10	139.34	85.74	179.72
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	64.72	57.47	28.33	6.22
Amount of the interest paid by the Company under MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSME Act	-	-	-	-
Amount of interest accrued and remain unpaid at the end of the accounting year	64.72	57.47	28.33	6.22
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-	-	-

Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

Annexure - I.9

Restated Statement of Other Current Liabilities **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Current maturities of finance lease obligation	89.82	85.03	62.02	18.19
Advance from Customers	645.25	158.46	191.47	72.34
Statutory Due	12.10	13.27	22.12	21.56
Audit Fee Payable	2.85	2.15	-	-
Expenses Payables	559.12	622.11	272.65	283.35
Interest on MSME	64.72	57.47	28.33	6.22
Total	**1,373.86**	**938.49**	**576.59**	**401.66**

SHELLZ INDIA LIMITED

Annexure - I.8

Restated Statement of Trade Payables **(₹ in Lakhs)**

Annexure - I.10

Restated Statement Short Term Provisions **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	3.55	3.33	2.42	2.49
Provision for Warranty Claim	-	-	-	-
Provision for Leave Encashment	8.00	-	-	-
Provision for CSR Expenses	16.89	-	-	-
Provision for tax	830.79	559.23	352.79	219.37
Others Provision	0.09	-	-	-
Total	**859.31**	**562.56**	**355.20**	**221.87**

SHELLZ INDIA LIMITED

Annexure - I.11

Restated Statement of Property Plant & Equipment & Intangible Assets

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2025	Purchase during the period	Disposals	As At 30-Sep-2025	Upto 1-April-25	Dep.fund Adjstmt.	For the period	Disposals	As At 30-Sep-2025	As At 30-Sep-2025	As At 31-Mar-2025
I.	**Property Plant & Equipment**											
1	Furniture & Fixtures	2.26	-	-	2.26	1.93	-	0.05	-	1.98	0.28	0.33
2	Plant & Machinery	4,710.99	121.68	-	4,832.67	3,347.17	-	132.95	-	3,480.12	1,352.55	1,363.82
3	Office Equipments	31.12	0.25	-	31.37	27.33	-	0.68	-	28.01	3.36	3.79
4	Electrical Installmention & Equipment	78.90	-	-	78.90	73.66	-	0.68	-	74.34	4.56	5.24
5	Computers	11.41	0.64	-	12.05	9.94	-	0.98	-	10.92	1.13	1.47
6	Motor Vehicles	10.16	-	-	10.16	3.64	-	0.85	-	4.49	5.67	6.52
	Total Property Plant & Equipment	**4,844.84**	**122.57**	**-**	**4,967.41**	**3,463.67**	**-**	**136.18**	**-**	**3,599.85**	**1,367.56**	**1,381.17**
	Previous Year	**4,711.41**	**133.43**	**-**	**4,844.84**	**3,171.12**	**-**	**292.55**	**-**	**3,463.67**	**1,381.17**	**1,540.29**
II.	**Leased Assets**											
	Plant & Machinery	557.60	-	-	557.60	134.76	-	38.37	-	173.13	384.47	422.84
	Temporary Building Structure	92.42	-	-	92.42	85.15	-	2.30	-	87.45	4.97	7.27
	Total	**650.02**	**-**	**-**	**650.02**	**219.91**	**-**	**40.67**	**-**	**260.58**	**389.44**	**430.11**
	Total CY	5,494.86	122.57	-	5,617.43	3,683.58	-	176.85	-	3,860.43	1,757.00	1,811.28
III.	**Capital Work In Progress**											
	Capital WIP	393.58	161.14	-	554.72	-	-	-	-	-	554.72	393.58
	Total	**393.58**	**161.14**	**-**	**554.72**	**-**	**-**	**-**	**-**	**-**	**554.72**	**393.58**
	Previous Year	5,256.16	632.28	-	5,888.44	3,299.80	-	383.78	-	3,683.58	2,204.86	1,956.36
	Total	**5,888.44**	**283.71**	**-**	**6,172.15**	**3,683.58**	**-**	**176.85**	**-**	**3,860.43**	**2,311.72**	**2,204.86**

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2024	Purchase during the period	Disposals	As At 31-Mar-2025	Upto 1-April-24	Dep.fund Adjstmt.	For the period	Disposals	As At 31-Mar-2025	As At 31-Mar-2025	As At 31-Mar-24
I.	**Property Plant & Equipment**											
1	Furniture & Fixtures	2.26	-	-	2.26	1.82	-	0.11	-	1.93	0.33	0.44
2	Plant & Machinery	4,581.07	129.92	-	4,710.99	3,059.99	-	287.18	-	3,347.17	1,363.82	1,521.08
3	Office Equipment's	28.66	2.46	-	31.12	26.80	-	0.53	-	27.33	3.79	1.86
4	Electrical Install mention & Equipment	78.90	-	-	78.90	72.22	-	1.44	-	73.66	5.24	6.68
5	Computers	10.36	1.05	-	11.41	8.93	-	1.01	-	9.94	1.47	1.43
6	Motor Vehicles	10.16	-	-	10.16	1.36	-	2.28	-	3.64	6.52	8.80
	Total Property Plant & Equipment	**4,711.41**	**133.43**	**-**	**4,844.84**	**3,171.12**	**-**	**292.55**	**-**	**3,463.67**	**1,381.17**	**1,540.29**
	Previous Year	**4,604.87**	**106.54**	**-**	**4,711.41**	**2,832.30**	**-**	**338.82**	**-**	**3,171.12**	**1,540.29**	**1,772.57**
II.	**Leased Assets**											
	Plant & Machinery	445.38	112.22	-	557.60	55.99	-	78.77	-	134.76	422.84	389.39
	Temporary Building Structure	92.42	-	-	92.42	72.69	-	12.46	-	85.15	7.27	19.73
	Total	**537.80**	**112.22**	**-**	**650.02**	**128.68**	**-**	**91.23**	**-**	**219.91**	**430.11**	**409.12**
	Total CY	5,249.21	245.65	-	5,494.86	3,299.80	-	383.78	-	3,683.58	1,811.28	1,949.41
III.	**Capital Work In Progress**											
	Capital WIP	6.95	386.63	-	393.58	-	-	-	-	-	393.58	6.95
	Total	**6.95**	**386.63**	**-**	**393.58**	**-**	**-**	**-**	**-**	**-**	**393.58**	**6.95**
	Previous Year	4,854.78	446.19	44.81	5,256.16	2,888.47	-	411.33	-	3,299.80	1,956.36	1,966.31
	Total (I+II+III)	**5,256.16**	**632.28**	**-**	**5,888.44**	**3,299.80**	**-**	**383.78**	**-**	**3,683.58**	**2,204.86**	**1,956.36**

SHELLZ INDIA LIMITED

Annexure - I.11

Restated Statement of Property Plant & Equipment & Intangible Assets

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2023	Purchase during the period	Disposals	As At 31-Mar-24	Upto 01-Apr-2023	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-24	As At 31-Mar-24	As At 31-Mar-2023
I.	**Property Plant & Equipment**											
1	Furniture & Fixtures	2.26	-	-	2.26	1.65	-	0.17	-	1.82	0.44	0.61
2	Plant & Machinery	4,485.88	95.19	-	4,581.07	2,727.38	-	332.61	-	3,059.99	1,521.08	1,758.50
3	Office Equipments	28.34	0.32	-	28.66	26.39	-	0.41	-	26.80	1.86	1.95
4	Electrical Installmention & Equipment	78.03	0.87	-	78.90	70.10	-	2.12	-	72.22	6.68	7.93
5	Computers	10.36	-	-	10.36	6.78	-	2.15	-	8.93	1.43	3.58
6	Motor Vehicles	-	10.16	-	10.16	-	-	1.36	-	1.36	8.80	-
	Total Property Plant & Equipment	**4,604.87**	**106.54**	**-**	**4,711.41**	**2,832.30**	**-**	**338.82**	**-**	**3,171.12**	**1,540.29**	**1,772.57**
	Previous Year	**4,430.86**	**177.51**	**3.48**	**4,604.89**	**2,454.53**	**-**	**378.33**		**2,832.31**	**1,772.58**	**1,976.33**
II.	**Leased Assets**											
	Plant & Machinery	123.79	321.59	-	445.38	17.31	-	38.68	-	55.99	389.39	106.48
	Temporary Building Structure	92.42	-	-	92.42	38.86	-	33.83	-	72.69	19.73	53.56
	Total	**216.21**	**321.59**	**-**	**537.80**	**56.17**	**-**	**72.51**	**-**	**128.68**	**409.12**	**160.04**
III.	**Capital Work In Progress**											
	Plant & Machinery(Capital WIP)	33.70	18.06	44.81	6.95	-	-	-	-	-	6.95	33.70
	Total	**33.70**	**18.06**	**44.81**	**6.95**	**-**	**-**	**-**	**-**	**-**	**6.95**	**33.70**
	Previous Year	92.42	33.70	92.42	33.70	-	-	-	-	-	33.70	92.42
	Total (I+II+III)	**4,854.78**	**446.19**	**44.81**	**5,256.16**	**2,888.47**	**-**	**411.33**	**-**	**3,299.80**	**1,956.36**	**1,966.31**

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2022	Purchase during the period	Disposals	As At 31-Mar-23	Upto 01-Apr-2022	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-23	As At 31-Mar-23	As At 31-Mar-2022
I.	**Property, Plant & Equipment**											
1	Furniture & Fixtures	2.17	0.09	-	2.26	1.42	-	0.24	-	1.66	0.60	0.75
2	Plant & Machinery	4,318.25	171.11	3.48	4,485.88	2,354.95	-	372.98	0.55	2,727.38	1,758.50	1,963.30
3	Office Equipments	27.66	0.69	-	28.35	26.26	-	0.13	-	26.39	1.96	1.40
4	Electrical Installmention & Equipment	77.14	0.90	-	78.04	66.97	-	3.13	-	70.10	7.94	10.17
5	Computers	5.64	4.72	-	10.36	4.93	-	1.85	-	6.78	3.58	0.71
6	Motor Vehicles	-	-	-	-	-	-	-	-	-	-	-
	Total Property Plant & Equipment	**4,430.86**	**177.51**	**3.48**	**4,604.89**	**2,454.53**	**-**	**378.33**	**0.55**	**2,832.31**	**1,772.58**	**1,976.33**
	Previous Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II.	**Leased Assets**											
	Plant & Machinery	-	123.79	-	123.79	-	-	17.31	-	17.31	106.48	-
	Temporary Building Structure	-	92.42	-	92.42	-	-	38.86	-	38.86	53.56	-
	Total	**-**	**216.21**	**-**	**216.21**	**-**	**-**	**56.17**	**-**	**56.17**	**160.04**	**-**
III.	**Capital Work In Progress**											
	Plant & Machinery(Capital WIP		33.70	-	33.70	-	-		-	-	33.70	-
	Factory Shed	92.42	-	92.42	-	-	-	-	-	-	-	92.42
	Total	**92.42**	**33.70**	**92.42**	**33.70**	**-**	**-**	**-**	**-**	**-**	**33.70**	**92.42**
	Previous Year											
	Total (I+II+III)	**4,523.28**	**427.42**	**95.90**	**4,854.80**	**2,454.53**	**-**	**434.50**	**0.55**	**2,888.48**	**1,966.32**	**2,068.75**

SHELLZ INDIA LIMITED

Annexure - I.12

Restated Statement of Non-Current Investments

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total		**-**	**-**	**-**

Annexure - I.13

Restated Statement of Long-term loans and Advances

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unsecured Considered Good				
Advance Against EMI	50.90	-	-	-
Advances Against Shares	2,497.87	2,437.09	-	-
Total	**2,548.77**	**2,437.09**	**-**	**-**

Annexure - I.14

Restated Statement of Other Non Current Assets

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Security Deposit	322.47	357.24	187.80	134.94
Fixed Deposit (FD receipts showing maturity more than 12 months)	111.80	299.79	100.67	97.55
				-
Total	**434.27**	**657.03**	**288.47**	**232.49**

Annexure - I.15

Restated Statement of Current Investments

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total	**-**	**-**	**-**	**-**

Annexure - I.16

Restated Statement of Inventories

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Raw Material	2,949.74	2,291.30	2,259.06	1,106.96
Work-in-Progress	322.20	392.24	93.44	235.08
Consumables, Stores, Spares & Packing Material	1,257.94	742.98	586.54	744.60
Finished Goods	2,558.74	3,139.36	2,541.60	1,767.14
Total	**7,088.62**	**6,565.88**	**5,480.64**	**3,853.78**

Annexure - I.17

Restated Statement of Trade Receivables

(₹ in Lakhs)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Secured, Considered Good	-	-	-	-
Unsecured, Considered Good	4,100.57	3,555.14	5,571.49	5,289.54
Doubtful Debts	-	-	-	5.43
Allowance for Doubt Receivable	-	-	-	(5.43)
Total	**4,100.57**	**3,555.14**	**5,571.49**	**5,289.54**

Aging of Receivables

As at 30/09/2025

Particulars	Unbilled	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Trade Receivables - Considered good	-	3,512.46	100.16	81.60	31.05	5.52	3,730.79
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Disputed							
Trade Receivables - Considered good	-	0.01	29.22	81.93	47.11	211.51	369.79
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
	-	**3,512.47**	**129.38**	**163.53**	**78.16**	**217.03**	**4,100.57**

As at 31/03/2025

Particulars	Unbilled	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Trade Receivables - Considered good		2,981.17	103.87	80.02	39.00	7.32	3,211.37
Trade Receivables - Doubtful Debt		-	-	-	-	-	-
Disputed		-	-	-	-	-	
Trade Receivables - Considered good	-	30.85	40.80	32.51	31.82	207.79	343.77
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
	-	**3,012.01**	**144.67**	**112.53**	**70.82**	**215.11**	**3,555.14**

SHELLZ INDIA LIMITED

Annexure - I.12

Restated Statement of Non-Current Investments

As at 31/03/2024

Particulars	Unbilled	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Trade Receivables - Considered good	-	4,029.66	993.47	195.68	47.78	41.76	5,308.35
Trade Receivables - Doubtful Debt	-	-	-	-	-		-
Disputed							
Trade Receivables - Considered good	-	-	15.26	36.11	27.72	184.05	263.14
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Total	**-**	**4,029.66**	**1,008.73**	**231.79**	**75.50**	**225.81**	**5,571.49**

As at 31/03/2023

Particulars	Unbilled	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Trade Receivables - Considered good		3,732.76	956.94	294.54	21.68	29.17	5,035.09
Trade Receivables - Doubtful Debt	-	-	-	-	-	5.43	5.43
Disputed					-	-	
Trade Receivables - Considered good	-	38.40	7.91	21.25	3.07	183.82	254.45
Trade Receivables - Doubtful Debt	-	-	-	-	-	-	-
Total	**-**	**3,771.16**	**964.85**	**315.79**	**24.75**	**218.42**	**5,294.97**

Annexure - I.18

Restated Statement of Cash and Bank Balances **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash and Bank Balances				
Cash and Cash Equivalent				
Cash on Hand	10.53	0.70	22.59	14.86
Current Bank Account Balances	-	-	-	-
Balances with bank	502.55	1.49	73.51	3.01
Fixed Deposit (having original maturity more than 3 months and remaining maturity is less than 12 months)	45.00	-	75.00	-
Total	**558.08**	**2.18**	**171.10**	**17.87**

Note 1: Cash in Hand is certified by the management

Note 2: Balances with bank includes Fixed Deposit .

Annexure - I.19

Restated Statement of Short Term Loans And Advances **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unsecured Considered Good				
Advances to employees	-	12.50	12.50	-
Advances to suppliers	2,162.37	919.49	512.87	1,029.02
Total	**2,162.37**	**931.99**	**525.37**	**1,029.02**

Annexure - I.20

Restated Statement of Other current assets **(₹ in Lakhs)**

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Claim Receivable	352.04	66.38	15.00	-
Balance with Revenue Authorities	249.65	275.50	683.20	390.27
Prepaid Expense	8.24	4.01	3.39	-
Interest Accrued on FDR	9.01	17.94	8.59	17.69
Total	**618.94**	**363.83**	**710.18**	**407.96**

SHELLZ INDIA LIMITED

Annexure - II.1

Restated Statement of Revenue from operations

(₹ in Lakhs)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Sales of Goods (Chocolate Confectionery and related items)	9,186.57	18,697.32	16,241.26	15,852.18
Other Operating Revenue	-	-	-	-
Total	**9,186.57**	**18,697.32**	**16,241.26**	**15,852.18**

Breakup of revenue from sale of Goods & services

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Domestic Sales	9,137.60	18,525.53	15,950.18	15,551.48
Export Sales	48.97	171.79	291.08	300.70
Total	**9,186.57**	**18,697.32**	**16,241.26**	**15,852.18**

Restated Statement of Other income **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Foreign Fluctuation Gain	2.16	3.41	5.02	18.08
Interest on Fixed Deposits	6.82	16.55	8.18	5.57
Reversal of Gratuity	-	-	3.74	-
Profit on Disposal of tangible of Fixed Asset	-	-	-	0.55
Other Income	14.84	21.96	22.54	0.78
Total	**23.82**	**41.93**	**39.48**	**24.98**

Annexure - II.3

Restated Statement of Cost of Raw Material Consumed **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Opening stock of Raw Material	2,291.30	2,259.06	1,106.96	1,527.77
Add : Purchases	4,966.29	10,901.10	10,500.38	7,827.12
Less: Closing Stock	2,949.74	2,291.30	2,259.06	1,106.96
Total Raw Material Consumed	**4,307.85**	**10,868.85**	**9,348.28**	**8,247.93**

Note : It includes freight charges , labour charges and other related expenses

Annexure - II.3.1

Restated Statement of Cost of Consumables, Stores, Spare Parts and Packing Materials **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Opening stock of Consumables, Spare Parts and Packing Materials	742.98	586.54	744.60	729.85
Add : Purchases	1,795.95	3,802.39	3,613.28	4,027.88
Less: Closing Stock	1,257.94	742.98	586.54	744.60
Total Stock of Consumables, Spare Parts and Packing Materials Consumed	**1,280.99**	**3,645.94**	**3,771.34**	**4,013.13**

Annexure - II.3.2

Restated Statement of Operating Expenses **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Job Work Charges	-	-	0.14	11.87
Consumables Expenses	11.66	45.37	1.80	6.11
Factory Rent	66.48	184.50	198.00	183.67
Freight and Cartage	18.42	47.96	22.53	27.42
Electricity Expense	180.88	506.80	484.13	441.28
Gas Expenses	129.85	325.47	278.96	292.68
Factory and Warehouse Rent	-	61.06	53.16	29.87
Carriage Inward	22.99	3.71	4.74	8.13
Total	**430.27**	**1,174.87**	**1,043.46**	**1,001.03**

Restated Statement of Changes in Inventories of Finished Goods **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Stock in Trade :				
Opening stock of finished Goods	3,139.36	2,541.60	1,767.14	2,230.21
Less: Closing Stock of finished Goods	2,558.74	3,139.36	2,541.60	1,767.14
Total	**580.62**	**(597.76)**	**(774.46)**	**463.07**

Annexure - II.4.1

Restated Statement of Changes in Inventories of WIP **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Stock in Process :				
Opening stock of WIP	392.24	93.44	235.08	2.42
Less: Closing Stock of WIP	322.20	392.24	93.44	235.08
Total	**70.04**	**(298.80)**	**141.64**	**(232.66)**

SHELLZ INDIA LIMITED

Annexure - II.1

Restated Statement of Revenue from operations

Annexure - II.5

Restated Statement of Employee benefits expense **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Contribution to PF/ESIC	2.67	2.66	2.05	2.97
Salaries ,Wages ,Bonus and Allowances	302.22	507.15	260.66	240.38
Staff Incentive	3.50	68.43	-	-
Directors Remuneration	7.50	3.00	3.00	3.00
Staff Welfare	32.02	31.49	11.25	9.49
Leave Encashment Expenses	8.00	15.59	14.31	6.50
Gratuity Expenses	5.53	9.35	-	5.58
Total	**361.44**	**637.67**	**291.27**	**267.92**

Annexure - II.6

Restated Statement of Finance costs **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Interest Expenses				
On Working Capital Loan	162.14	314.37	394.76	265.67
On Loan	166.16	331.18	307.92	376.11
On MSME	11.72	29.14	22.11	6.22
Bank and Financial Institution charges	87.74	175.57	102.62	136.08
Total	**427.76**	**850.26**	**827.41**	**784.08**

Annexure - II.7

Restated Statement of Depreciation & Amortization **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Depreciation Expenses	176.85	383.78	411.33	433.95
Amortization Expenses	-	-	-	-
Total	**176.85**	**383.78**	**411.33**	**433.95**

Annexure - II.8

Restated Statement of Other expenses **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Audit fees	0.70	2.15	1.25	1.25
Advertisement & Marketing Exp	-	0.18	2.13	0.93
Clearing Charges	8.47	17.68	18.10	50.73
Director's Sitting Fees	1.00	0.50	-	-
Exhibition Charges	11.43	17.68	4.84	-
Interest, TDS and Late fees of TDS	1.10	2.49	12.81	-
Insurance expenses	6.44	10.00	2.81	10.48
Insurance Keyman	-	-	23.43	23.75
CSR Expenses	16.89	-	-	-
Legal and Professional Expense	19.90	39.31	33.33	22.17
Metro and Walmart Expenses	11.64	50.03	67.67	-
Office Expense	24.03	49.82	5.50	3.36
Penalty on GST	-	-	-	3.63
Penal Charges	13.32	5.64	-	-
Processing Fee	10.37	30.45	-	-
Printing and stationery	2.71	8.86	1.27	1.28
Provision for bad and doubtful debts advances	-	-	-	5.43
Restructuring Consultancy Expenses	-	5.72	-	-
Rebate and Discount	389.33	213.74	8.75	115.15
Repair and Maintenance	15.22	61.23	0.79	5.30
Security expenses	12.97	35.17	31.01	38.50
Staff Conveyance & Travelling	57.35	37.64	-	-
Staff Placement Exp	-	0.23	-	-
Travelling Expenses	24.74	32.23	12.55	1.23
TDS Refund Written Off	-	8.52	-	-
Trade Mark Expenses	9.00	-	-	-
Business Promotion	1.00	36.56	10.11	12.32
Online Sale Charges	46.66	139.33	160.58	81.55
GST/VAT and Interest thereon	11.87	0.03	25.46	47.22
Petrol Expenses	4.63	7.07	1.06	-
Total	**700.77**	**812.26**	**423.45**	**424.28**

SHELLZ INDIA LIMITED

Annexure - II.1

Restated Statement of Revenue from operations

Annexure - II.9

Restated Statement of Deferred Tax working **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
WDV as per Companies Act, 2013 (A)	1,372.53	1,388.44	1,560.02	1,826.14
WDV as per Income tax Act, 1961 (B)	1,430.00	1,420.33	1,540.62	1,720.12
Timing difference in Net block as per books & as per Income Tax	(57.47)	(31.89)	19.40	106.02
Provision for Gratuity (1)	36.05	30.52	21.17	24.91
Provision for Leave Encashment (2)	8.00	-	-	-
Provision for CSR	16.89	-	-	-
R&D as per books (4)	-	-	-	-
Disallowance u/s 43b (6)	12.97	2.52	31.17	26.39
Timing difference in retirement and other benefits	(47.97)	(28.00)	10.00	1.48
Total Timing Difference	(118.41)	(62.41)	29.40	107.50
Deferred Tax (Asset)/ Liability '(C)	(34.48)	(18.17)	8.18	29.91
Restated Closing Balance of Deferred Tax (Asset)/ Liability	(34.48)	(18.17)	8.18	29.91
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	(18.17)	8.18	29.91	40.41
Deferred Tax (Assets)/ Liability charged to Profit & Loss	**(16.31)**	**(26.35)**	**(21.73)**	**(10.50)**

Annexure - II.10

Restated Statement of Earning Per Equity Share **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Before Exceptional Items				
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	618.55	830.20	525.45	319.30
2. Weighted Average number of equity shares used as denominator for calculating EPS	6,93,019	6,68,451	6,40,000	6,40,000
3. Weighted Average number of equity shares used as denominator for calculating EPS Post Bonus and Split	86,83,331	86,58,763	86,30,312	86,30,312
4. Basic & Diluted Earnings per Equity Share as Restated (On Face value of Rs. 10/ per share)	**89.25**	**124.20**	**82.10**	**49.89**
5. Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (On Face value of Rs. 10/ per share)	**7.12**	**9.59**	**6.09**	**3.70**

1 Background

Shellz India Limited is a public company , incorporated on 7th May 2012,and registered with the Registrar of Companies, Delhi. and having its registered office at 39/35, Main Rohtak Road, West Punjabi Bagh, New Delhi-110026. The Corporate Identification Number of the Company is (CIN:U15490DL2012PLC235397). The Company is primarily engaged in the business of manufacturing food products and beverages, with focus on confectionery and beverages segments, including chocolates, jellies and other confectionery items, and carries on its operations in domestic as well as international markets in compliance with applicable statutes.

1.1) Basis of preparation of financial statements

The Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the Period/ year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the company.Restated Financial Information have been prepared to comply in all material respect with the provisions of Part I of Chapter III of the Companies Act, 2013 ('the Act') read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018("ICDR Regulations") issued by Securities and Exchange Board of India ('SEBI') and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Notes"). Restated financial information have been prepared specifically for inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the SME platform of BSE Limited ('BSE SME') in connection with its proposed Small and Medium Enterprise initial Public Offer ('SME IPO'). The Company's management has recast the Financial Statements in the form required by Schedul III of the Companies Act, 2013 for the purpose of restated financial information. The preparation and presentation of Financial Statements in conformity with the indian GAAP, requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.The accounting policies adopted in the preparation of Financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The restated financial information has been prepared and presented under historical cost convertion on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('GAAP') and comply with the mandatory Accounting Standards ('AS') specified under section 13 of the Companies Act, 2013, read with the Rule 7 of the Companies(Accounts) rules,2014 and the relevant provisions of the Companies Act 2013 ('the Act'). The accounting policies in the preparation of the financial statements are consistent with those followed in the previous year. The company is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. It is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations. The restated financial information are presented in Indian National Rupee (INR) & all the amounts included in the restated financial information have been rounded off to the nearest Lakhs, as required by General Instructions for preparation of Financial Statements of Division I of Schedule III of the companies act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Accounting policies not specifically referred to otherwise are consistent and in criteria set out in Schedule III to the Companies Act, 2013.

The restated financial information has been prepared by the management to comply in all material respects with the requirements of:
A) Section 26 of Part I of Chapter III of the Act, 2013.
B) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ('ICDR Regulations') and
C) The Guidance Note on Reports in Company Prospectuses(Revised 2019) issued by the Institute of Chartered Accountant of India(ICAI), as amended (the 'Guidance Notes')

a. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates. The differences if any will be dealt accordingly in subsequent years.

b. Revenue Recognition

Revenue in the case of sale of goods has been recognized when property in goods has been transferred for a price or all the significant risk and reward of the ownership of goods has been transferred to the buyer and seller effectively has no control over the goods to a degree usually associated with the ownership and there is a reasonable certainty with regard to its ultimate collection.

Revenue from the interest has been recognized on time basis unless there is a significant uncertainty regarding its ultimate collection. In the case of interest on tax, duty or other sum revenue has been recognized in the year of receipt.

c. Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.
An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets/liabilities are classified as non-current.

d. Property, Plant and equipment

1. Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;
2. Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;
3. Subsequent expenditures relating to Property, Plant and Equipment are capitalized 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. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;
4. The cost and related accumulated depreciated are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;
5. Depreciation on fixed assets will be calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013. to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.
6. Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

e. Capital Work in Progress

Capital expenditure on assets under construction by the company is reflected as a distinct item in Capital work in progress till the period of completion and thereafter in the Property Plant & Equipment .

Expenditure during construction period incurred on the projects under implementation are treated as pre operative expenses pending allocation to the Property, plant & equipment, and are included under capital work in progress. These expenses are apportioned to the Property, plant & equipment on commencement of commercial production. capital work in progress is stated at the amount incurred upto the date of Balance Sheet.

f. Depreciation

Depreciation on fixed asset is provided under written down value method at the rates provided in schedule II of the companies act, 2013 and depreciation on the assets acquired during the year is provided on pro-rata basis from/to the month of addition/deduction. Estimated useful life of the assets in below table table used by company during the year.

Asset Description	Useful lives estimated by the Management (years)
Factory Building	30 Years
Plant and Machinery Other than Continuous process plant for which no special rate has been prescribed	15 Years
Computer and Data Processing Units	3 Years
Vehicle	8 Years
Electrical Installations	10 Years
Furniture and Fittings	10 Years
Office Equipment and Misc. Fixed Assets	5 Years

g. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount. An asset recoverable amount is higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. the recoverable amount is determined for and individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. in assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. After impairment, depreciation is provided and the revised carrying amount of the asset over its remaining useful life. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

h. Inventories

Raw Materials, components, stores and spares are valued at lower of cost and net realizable value.

Cost is determined on a First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories comprise of all costs of purchases, costs of conversion and other costs incurred in bringing them to their respective present location and condition. Stock of construction materials, stores, spares and oil and lubricants as certified by the management have been valued at cost.

Work in progress is valued at weighted average cost or net realisable value. Cost includes the Direct Material, Labour cost & proportion of manufacturing overheads based on the normal operating capacity.

i. Income taxes

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22).Tax expenses comprises of current and deferred tax. Current income tax has been measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

j. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

k. Provisions, Contingent Liabilities and Contingent Assets

A provision has been recognized in respect of a present obligation as a result of past event i.e. based on the probability of there being an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions have not been discounted to its present value and have been determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

l. Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprises of cash at bank and in hand and Fixed Deposits having original maturity less that 3 months, more than 3 months and remaining maturity is less than 12 months.

m. Employees Benefit

Company has recognized all such benefits like salary, wages on accrual basis i.e. in the period in which the employees renders related services and at the actual cost i.e. undiscounted basis

n. Retirement Benefits

a) Defined Contribution Plans: - A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Expenses recognised for defined contribution plan

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
(a) Company's contribution to Provident Fund	0.79	1.63	1.05	1.93
(b) Company's contribution to ESI	1.87	1.03	0.98	1.03

b) Defined Benefit Plans: - A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs.

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability.

Compensated absences can be availed within the year and un-availed balances are encashed, hence treated as short-term compensated absences. The undiscounted value of un-availed balances at the end of the year is charged to the statement of Profit & Loss.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

o. Leases

Finance lease: - Assets acquired under Finance Lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

Operating lease: - Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

a) Operating leases-

The Company has taken office premises, factory land and building etc. under cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and Lessee. The Initial tenure of the lease period is generally 1 to 11 months

Particulars	For the Period ended on	For the Year ended on		
	September 30,2025	March 31, 2025	March 31, 2024	March 31, 2023
Lease rental charges for the year	66.48	245.56	251.16	213.53
Future lease rental obligation payable (under non-cancellable	NA	NA	NA	NA

b) Finance Lease

The company has taken machinery on finance lease which has been separately disclosed under Property, Plant and Machinery from owned assets. The term of lease is 05 years at the end of which the legal title is to be passed on to the lease at salvage value. There is no sub lease in respect of such machinery.

Particulars	For the Period ended on	For the Year ended on		
	September 30,2025	March 31, 2025	March 31, 2024	March 31, 2023
Total minimum lease payment at the year end.	325.18	388.091	356.28	117
Present value of minimum Lease Payment	272.51	313.86441	285.02	93.17
Minimum lease payment not later than one year	115.36	115.36	90.31	27.53
Present value of minimum Lease Payment	89.819	85.033	62.02	18.19
Minimum lease payment later than one year but not later than five years	209.82	272.74	265.97	89.47
Present value of minimum Lease Payment	182.69	228.83	223	74.98
Minimum Lease payment later than five years	Nil	Nil	Nil	Nil
Present value of minimum Lease Payment	Nil	Nil	Nil	Nil

m. Subsidy and Incentives Received :

The government incentive if received during the year is accounted on accrual/ right to receive basis and considered as a revenue receipt

n. Foreign Currency Transactions:

The Company is exposed to foreign currency transactions including foreign currency revenues, and receivables. Foreign Currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated at the year-end exchange rates and resultant gains/ losses are recognized in the statement of profit & loss statement. The Foreign Currency Transactions are in compliance with the AS-11- The Effect of Change in foreign exchange rate.

o. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax before exceptional items is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

n. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

o. The Company has been sanctioned working capital limits in excess of Five crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets and the book debt statement filed by the company with the bank are in agreements with the books of accounts except for the statements filed for following quarters during the period/year ended September 30, 2025, March 31, 2025, March 31, 2024, March 31, 2023.

Current Asset Description	Summary of reconciliation for period/year ended			
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Stock of Q1	Excess Reporting of Rs 6.46 Lacs	Short Reporting of Rs 18.11 Lacs	Short Reporting of Rs 6.00 Lacs	Excess Reporting of Rs 96.42 Lacs
Stock of Q2	Short Reporting of Rs 95.28 Lacs	Short Reporting of Rs 1.29 Lacs	Reconciled	Excess Reporting of Rs 55.93 Lacs
Stock of Q3	NA	Short Reporting of Rs 2.36 Lacs	Short Reporting of Rs 25.00 Lacs	Excess Reporting of Rs 98.48 Lacs
Stock of Q4	NA	Excess Reporting of Rs 0.94 Lacs	Short Reporting of Rs 13.00 Lacs	Short Reporting of Rs 287.93 Lacs
Debtor of Q1	Short Reporting of Rs 26.94 Lacs	Short Reporting of Rs 0.95 Lacs	Short Reporting of Rs 8.00 Lacs	Short Reporting of Rs 17.00 Lacs
Debtor of Q2	Excess Reporting of Rs 11.99 Lacs	Short Reporting of Rs 2.35 Lacs	Short Reporting of Rs 1.00 Lacs	Excess Reporting of Rs 423.32 Lacs
Debtor of Q3	NA	Excess Reporting of Rs 2.11 Lacs	Short Reporting of Rs 15.00 Lacs	Excess Reporting of Rs 424.03 Lacs
Debtor of Q4	NA	Short Reporting of Rs 99.68 Lacs	Short Reporting of Rs 1.00 Lacs	Excess Reporting of Rs 632.32 Lacs

p. Relationship with Struck off company

Name of Struck off company	Nature of Transaction	Balance Outstanding as on September 30, 2025	Balance Outstanding as on March 31, 2025	Balance Outstanding as on March 31, 2024	Balance Outstanding as on March 31, 2023	Relationship with Struck off Company
SIS India Ltd.	Security Service Provider	-	-	6.08	5.39	Trade Receivables
Hazzel Dairy Products Pvt Ltd	Sale of Goods	0.13	0.13	0.13	0.13	Trade Payables

q. Intangible assets and intangible assets under development

Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Intangible assets having definite life are amortized on straight line method over their useful lives. If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date.

Going Concern

r. The company is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. lt is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations.

Segment Reporting

s. The Company is primarily engaged in the business of manufacturing food products and beverages, with focus on confectionery and beverages segments, including chocolates, jellies and other confectionery items, and carries on its operations in domestic as well as international markets in compliance with applicable statutes,which constitutes a single business segment.The Group's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan,preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.
In the opinion of the Board, there is only one reportable segment (“Revenue from food products”). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Group.

t. Investments

i. Long-term investments are valued at cost less provision for diminution, if any, in value of such investments.
ii. Current investments are valued at lower of cost and fair market value.

SHELLZ INDIA LIMITED
ANNEXURE –V
Notes to the Re-stated Financial Statements:

I. Additional Information to the Financial Statements:- **(₹ in Lakhs)**

Expenditure In Foreign Currency During The Financial Year As Restated

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
(a) Royalty	-	-	-	-
(b) Know- How	-	-	-	-
(c) Professional and Consultation Fee	-	-	-	-
(d) Interest	-	-	-	-
(e) Purchase of components and spare parts	-	-	-	
(f) others	17.96	4.36	-	-

% of imported & indigenous raw material & consumables

(In Percentage)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
(a) Imported	0.003	0.00021	-	0.01
(b) Indigenous	0.997	0.99979	100.00	0.990

Income In Foreign Currency During The Financial Year As Restated **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
(a) Export of goods calculated on F.O.B. Basis	48.97	171.79	291.08	300.70
(b) Royalty, Know-How, professional and consultation fee	-	-	-	-
(c) Interest and dividend	-	-	-	-
(d) Other Income	-	-	-	-

II. Restated Value of Imports Calculated on C.I.F. Basis of the Company During

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
(a) Raw Material	18.68	3.07	-	113.27
(b) Components and Spare Parts	-	-	-	-
(c) Capital Goods	104.82	44.00	3.38	46.09
(d) Advances for Capital Goods	1,850.47	-	-	-

III. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

IV. Details of CSR

(₹ in Lakhs)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
a). Amount Required to be spent during the year	16.89	NA	NA	NA
b). Amount of expenditure incurred,	NA	NA	NA	NA
c). Shortfall at the end of the year,	-	-	-	-
d). Total of previous years shortfall	-	-	-	-
e). Reasons for shortfall	-	-	-	-
f). Nature of CSR Activities	-	-	-	-
	-	-	-	-

V. Additional regulatory information

(a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31,2023. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Compliance with approved scheme of arrangements

Company is not engaged in any scheme of arrangements.

(c) Undisclosed income

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(d) Relationship with struck off companies

The Company does have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023, the same has been reported under additional notes

(e) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023.

ANNEXURE –V
Notes to the Re-stated Financial Statements:

(f) Utilisation of borrowed funds and share premium

for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023., the Company has not advanced or Loans or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

for the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023., the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(g) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(h) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

(i) The Company has not revalued its tangible & intangible assets in the period/year ended September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023.

(j) The Company does not have any intangible assets under development as on September 30, 2025, March 31, 2025, March 31, 2024 & March 31, 2023.

(k) The company does not have any Immovable Property (other than property where the company is the lessee and lease agreements are duly executed in favour of the lessee), whose title deeds are not held in the name of the company.

(l) The company has not granted loans or advances in the nature of loans are guaranteed to Promoters, Directors, KMPs and related parties (as defined under Companies Act , 2013) Either severally or jointly with any other person that are:
(a) repayable on demand
(b) without specifying any terms or period of repayment

VI. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

VII. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

VIII. Material Adjustments in Restated Profit & Loss Account:

(₹ in Lakhs)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Profit After Tax as per Books of Accounts	**626.07**	**887.71**	**497.10**	**308.20**
(Increase)/ Decrease in Gratuity Expenditure & Leave Encashment Expenditure (1)	-	2.22	22.65	(5.58)
Excess/ (Short) provision for Income Tax (2)	-	(63.69)	9.84	22.46
Excess/ (Short) provision for Deferred Tax (3)	(7.51)	(7.19)	(4.14)	(5.78)
(Increase)/ Decrease in other expenditures(4)	-	11.15	-	-
Total Adjustments	**(7.51)**	**(57.52)**	**28.35**	**11.10**
Profit After Tax as per Restated	**618.55**	**830.20**	**525.45**	**319.30**

1 Gratuity and Leave encashment expenditure has been booked as per Gratuity and Leave Encashment Reports in restated financials. The same expenditure was not considered correctly in Audited Financial Statements.

2 Appropriate adjustment has been made in Tax Provisions and excess/ short Tax Provision as compared to Audited financials.

3 Appropriate adjustment has been made in Deferred Tax Provisions and excess/ short Deferred Tax Provision as compared to Audited financial statement.

4 Expenditure for Increase in Authorised Capital has been transferred to Reserves but the same was classified as other expenditure in the Audited Financial Statement.

Reconciliation of Equity

(₹ in Lakhs)

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Balance of Equity (Net worth) as per Audited Financial Statement	**5,326.16**	**4200.09**	2,679.30	2,182.19
Add: Prior Period Adjustments C/F	**(123.83)**	**(19.33)**	**(19.33)**	-
Add: Adjustment Related to prior period Items				
Less: Adjustment Related to prior period Items	-	(104.50)	-	(19.33)
Total Adjustment related to Prior Period Item	**-**	**-**	**-**	**(19.33)**
Total Adjustments related to Profit and Loss account	(25.58)	(18.07)	39.45	11.10
Balance of Equity (Net worth) as per Restated Financial Statement	**5,176.75**	**4,058.20**	**2,699.42**	**2,173.96**

IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) and as confirmed to us there are delays in payment of dues to such enterprise during the such Years.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on September 30, 2025, March 31, 2025, March 31, 2024 & 2023 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. 163.82 Lakhs, Rs. 196.81 Lakhs, Rs. 114.07 Lakhs, Rs. 185.94 Lakhs.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II.The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

ANNEXURE –V
Notes to the Re-stated Financial Statements:

XI. Long Term Employee Benefits [AS-15]

The Company has adopted Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

Assumption used by Actuarial for Gratuity Provision

(In Lakhs)

Category	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Change in Benefit Obligations				
Present Benefit Obligations at the beginning of the year	**30.52**	**21.17**	**24.91**	**19.33**
Interest Cost	**0.99**	**1.44**	**1.75**	**1.29**
Current Service Cost	**4.97**	**8.14**	**6.02**	**5.49**
Benefits paid	-	-		-
Actuarial (Gain) / Loss	**(0.43)**	**(0.23)**	**(11.51)**	**(1.20)**
Present Benefit Obligations at the end of the year	**36.05**	**30.52**	**21.17**	**24.91**
Recognized in the Balance Sheet				
Present Value of the Defined Benefit Obligation	**36.05**	**30.52**	**21.17**	**24.91**
Liability recognised in the Balance Sheet	**36.05**	**30.52**	**21.17**	**24.91**
Cost for the year				
Current Service Cost	**4.97**	**8.14**	**6.02**	**5.49**
Interest Cost	**0.99**	**1.44**	**1.75**	**1.29**
Benefits Paid		**-**	**-**	**-**
Actuarial (Gain) / Loss	**(0.43)**	**(0.23)**	**(11.51)**	**(1.20)**
Expense Recognised in the Revenue account	**5.53**	**9.35**	**(3.74)**	**5.58**
Assumptions				
Discount Rate	6.75%	6.85%	7.20%	7.40%
Salary Growth Rate	3.00%	3.00%	3.00%	3.00%
Mortality	Age 20 & Below : 0.09 % p.a 20 to 30 : 0.10 % p.a. 30 to 40 : 0.17 % p.a 40 to 50 : 0.44 % p.a. 50 & above : 1.12 % p.a.	Age 20 & Below : 0.09 % p.a 20 to 30 : 0.10 % p.a. 30 to 40 : 0.17 % p.a 40 to 50 : 0.44 % p.a. 50 & above : 1.12 % p.a.	Age 20 & Below : 0.09 % p.a 20 to 30 : 0.10 % p.a. 30 to 40 : 0.17 % p.a 40 to 50 : 0.44 % p.a. 50 & above : 1.12 % p.a.	Age 20 & Below : 0.09 % p.a 20 to 30 : 0.10 % p.a. 30 to 40 : 0.17 % p.a 40 to 50 : 0.44 % p.a. 50 & above : 1.12 % p.a.
Withdrawal rate (Per Annum)	Age 25 & Below : 20 % p.a 25 to 35 : 15 % p.a. 35 to 45 : 10 % p.a 45 to 55 : 10 % p.a. 55 & above : 5 % p.a.	Age 25 & Below : 20 % p.a 25 to 35 : 15 % p.a. 35 to 45 : 10 % p.a 45 to 55 : 10 % p.a. 55 & above : 5 % p.a.	Age 25 & Below : 20 % p.a 25 to 35 : 15 % p.a. 35 to 45 : 10 % p.a 45 to 55 : 10 % p.a. 55 & above : 5 % p.a.	Age 25 & Below : 20 % p.a 25 to 35 : 15 % p.a. 35 to 45 : 10 % p.a 45 to 55 : 10 % p.a. 55 & above : 5 % p.a.
Normal Retirement Age	60 Years	60 Years	60 Years	60 Years
Salary	Last Drawn Basic Salary including Dearness Allowance (if any)	Last Drawn Basic Salary including Dearness Allowance (if any)	Last Drawn Basic Salary including Dearness Allowance (if any)	Last Drawn Basic Salary including Dearness Allowance (if any)
Vesting Period	5 years of continuous service (Not applicable in case of death/disability	5 years of continuous service (Not applicable in case of death/disability	5 years of continuous service (Not applicable in case of death/disability	5 years of continuous service (Not applicable in case of death/disability
Benefits on Normal Retirement	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service
Benefit on early exit due to death and disability	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service	15/ 26 × Salary × Duration of Service
Limit	Benefit ceiling of Rs. 20,00,000 was applied	Benefit ceiling of Rs. 20,00,000 was applied	Benefit ceiling of Rs. 20,00,000 was applied	Benefit ceiling of Rs. 20,00,000 was applied

(Source: Based on Valuation report of Kapadia Global Actuaries (Fellow Member of Institute of Actuaries of India -03766) dated January 7, 2026 for period up to September 30, 2025, March 31, 2025, March 31, 2024 & 2023. further the company is in the policy of valued its obligation related to gratuity on yearly basis

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, including the impact of variations in employee attrition rates, are recognized in accordance with the Company's accounting policy on employee benefits.During the financial year 2023–24, the Company experienced a higher level of employee separations, which led to significant experience adjustments in the actuarial valuation of defined benefit obligations. Consequently, this resulted in a material fluctuation in the actuarial (gain)/loss for the year.

XII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

XIII. Re-grouping/re-classification of amounts
The figures have been grouped and classified wherever they were necessary.

XIV. Examination of Books of Accounts& Contingent Liability
The list of books of accounts maintained is based on information provided by the assessed and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

XV. Director Personal Expenses
There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XVI. Deferred Tax Asset / Liability: [AS-22]
The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XVII. Pending registration / satisfaction of charges with ROC
The company has one pending charge against vehicle loan as on date of filling of DRHP.

XVIII The company has capital work-in-progress for which ageing is as follows:

As on 30.09.2025 **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of			
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in process	161.14	393.58	-	-
Project Temporarily Suspended			-	-

As on 31.03.2025 **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of			
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in process	386.63	6.95	-	-
Project Temporarily Suspended	-	-	-	-

As on 31.03.2024 **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of			
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in process	6.95	-	-	-
Project Temporarily Suspended	-	-	-	-

As on 31.03.2023 **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of			
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in process	33.70	-	-	-
Project Temporarily Suspended	-	-	-	-

XIX Remuneration to Auditors **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Audit Fees	0.70	1.40	0.75	0.75
Tax Audit Fees	-	0.750	0.50	0.50
Company Law & Other Matter	-	-	-	-
Total	**0.70**	**2.15**	**1.25**	**1.25**

SHELLZ INDIA LIMITED
ANNEXURE –VI

Restated Statement of Accounting & Other Ratios, As Restated **(₹ in Lakhs)**

Particulars		September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Net Profit as Restated	(A)	618.55	830.20	525.45	319.30
Add: Depreciation		176.85	383.78	411.33	433.95
Add: Finance Cost		340.02	674.69	724.79	648.00
Add: Income Tax/ Deferred Tax		255.25	431.96	271.57	155.13
Less: Other Income		(23.82)	(41.93)	(39.48)	(24.98)
Less: Extra Ordinary Income					
EBITDA		1,366.84	2,278.70	1,893.66	1,531.40
EBITDA Margin (%)		14.88%	12.19%	11.66%	9.66%
Net Worth as Restated	(B)	5,176.75	4,058.20	2,699.41	2,173.96
Return on Net worth (%) as Restated	**(A/B)**	11.95%	20.46%	19.47%	14.69%
Equity Share at the end of year (in Nos.)(C)		7,26,392	6,92,835	6,40,000	6,40,000
Weighted No. of Equity Shares (in Nos.)(D)		6,93,019	6,68,451	6,40,000	6,40,000
Weighted No. of Equity Shares after Considering Bonus impact with retrospective effect (E)		86,83,331	86,58,763	86,30,312	86,30,312
(Post Bonus after restated period with retrospective effect)					
Basic & Diluted Earnings per Equity Share as Restated	**(A/D)**	89.25	124.20	82.10	49.89
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect	**(A/E)**	7.12	9.59	6.09	3.70
Net Asset Value per Equity share as Restated (B/C)		712.67	585.74	421.78	339.68
Net Asset Value per Equity share as Restated after considering Bonus with retrospective effect	**(B/E)**	59.62	46.87	31.28	25.19

Note:-

EBITDA Margin = EBITDA/Total Revenue From Operations

Net worth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

As per Accounting Standard 20 (AS - 20), in case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in reserves. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

Accounting Ratio

Sr. No.	Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023	Comments
1	Current Assets	14,528.58	11,419.03	12,458.78	10,598.17	NA
	Current Liabilities	10,737.72	10,533.77	9,342.22	8,100.92	
	Current Ratio (In Times)	**1.35**	**1.08**	**1.33**	**1.31**	
	Variation	**24.81%**	**-18.71%**	**1.94%**		
2	Net Profits after taxes – Preference Dividend (if any)	1,237.10	830.20	525.45	319.30	The change is due to the Increase in Average Shareholder's Equity and increase in Profits
	Average Shareholder's Equity	4,617.47	3,378.80	2,436.69	2,023.98	
	Annualized Return on Equity (ROE):	**26.79%**	**24.57%**	**21.56%**	**15.78%**	
	Variation	**9.04%**	**13.94%**	**36.69%**		
3	Net Sales	9,186.57	18,697.32	16,241.26	15,852.18	The change is due to Decrease in Trade Receivables
	Average Accounts Receivable	3,827.86	4,563.32	5,430.52	4,985.73	
	Trade receivables turnover ratio	**2.40**	**4.10**	**2.99**	**3.18**	
	Variation	**-41.43%**	**37.00%**	**-5.94%**		
4	Cost of Goods Sold + Change in Inventories	6,669.78	14,793.11	13,530.26	13,492.50	The change is due to Increase in Trade Payables and Decrease in Purchases
	Average Trade Payables	3,202.07	3,529.54	3,488.27	3,318.73	
	Trade payables turnover ratio	**2.08**	**4.19**	**3.88**	**4.07**	
	Variation	**-50.30%**	**8.06%**	**-4.59%**		
5	Net Sales	9,186.57	18,697.32	16,241.26	15,852.18	The change is due to Increase in sales
	Average Working Capital	2,338.06	2,000.91	2,806.90	2,423.11	
	Net capital turnover ratio	**3.93**	**9.34**	**5.79**	**6.54**	
	Variation	**-57.95%**	**61.50%**	**-11.55%**		
6	Net Profit	618.55	830.20	525.45	319.30	The change Is due to Increase in Sales
	Net Sales	9,186.57	18,697.32	16,241.26	15,852.18	
	Net profit ratio	**6.73%**	**4.44%**	**3.24%**	**2.01%**	
	Variation	**51.64%**	**37.24%**	**60.62%**		
7	**Debt-Equity Ratio**					The change is due to Increase in Debt
	Debt	9,116.00	7,818.47	7,092.61	6,658.05	
	Equity	5,176.75	4,058.20	2,699.41	2,173.96	
	DEBT-EQUITY RATIO	**1.76**	**1.93**	**2.63**	**3.06**	
	Variation	**-8.60%**	**-26.68%**	**-14.21%**		
8	**Debt Service Coverage Ratio**					The change is due to increase in Debt
	EBITDA	1,366.84	2,278.70	1,893.66	1,531.40	
	Total Debt Services	9,282.16	8,149.65	7,400.53	7,034.16	
	Debt Service Coverage Ratio	**0.15**	**0.28**	**0.26**	**0.22**	
	Variation	**-47.34%**	**9.27%**	**17.53%**		
9	**Inventory Turnover Ratio**					The change is due to increase in Inventory
	Cost of Goods Sold + Change in Inventories	6,669.78	14,793.11	13,530.26	13,492.50	
	Average Inventory	6,827.25	6,023.26	4,667.21	4,172.02	
	Inventory Turnover Ratio	**0.98**	**2.46**	**2.90**	**3.23**	
	Variation	**-60.22%**	**-15.28%**	**-10.36%**		
10	**Return on Investment**	NA	NA	NA	NA	
11	Earning before interest and taxes (EBIT)	2,379.98	1,894.92	1,482.33	1,097.45	NA
	Average Capital Employed	13,058.38	10,829.35	9,331.06	8,371.24	
	Return on capital employed (ROCE)	**18.23%**	**17.50%**	**15.89%**	**13.11%**	
	Variation	**4.16%**	**10.15%**	**21.18%**		

ROE and ROCE to be annualized as – "For better comparability with the previous year, the Net Profit After Taxes (after deducting preference dividend) used for calculating Return on Equity, as well as the Earnings Before Interest and Tax (EBIT) used for Return on Capital Employed, have been annualized on the assumption that the company has uniform revenue growth throughout the year

ANNEXURE –VI

In Annexure VI 'Accounting Ratio', include the following description of formulas also. Ensure we have used the formulas for calculation.

S.No	Ratios
a.	**Current Ratio**
	Current Assets / Current liabilities
	(Current Assets-Current Investments, Inventories, Trade Receivables, Cash and Bank Balances, Short Term Loans and Advances, Other Current Assets
	Current Liabilities-Short Term Borrowings, Trade Payables, Other Current Liabilities, Short term Provisions)
b.	**Debt-Equity Ratio**
	Total Debt / Shareholder's Equity
	(Total Debt-Long Term Debt + Short Term Debt Shareholder's Equity-Share Capital, Reserves and Surplus)
c.	**Debt Service Coverage Ratio**
	Earnings available for debt service / Debt Service
	(Earnings available for debt service-Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.,
	Debt Service-Interest & Lease Payments + Principal Repayments)
d.	****Return on Equity Ratio *****
	(Net Profit After Taxes - Preference Dividend if any) / Average Shareholder's Equity
	Average Shareholder's Equity-(Opening Share Capital+Opening Reserves and Surplus+Closing Share Capital+Closing Reserves and Surplus)/2
e.	**Inventory Turnover Ratio**
	Cost of Goods Sold (or) Sales / Average Inventory
	Sales-Revenue from operations Average Inventory-(Opening Inventory+Closing Inventory)/2
f.	**Trade Receivables Turnover Ratio**
	Net Credit Sales / Average Trade Receivables
	Net Credit Sales -Gross Credit Sales - Sales Return Average Trade Receivables-(Opening Trade Receivables + Closing Trade Receivables)/2
h.	**Net Capital Turnover Ratio**
	Net Sales / Average Working Capital
	Net Sales-Total Sales-Sales Return
	Average Working Capital-((Opening Current Assets - Opening Current Liabilities)+(Closing Current Assets - Closing Current Liabilities))/2
i.	**Net Profit Ratio**
	Net Profit / Net Sales
	Net Profit- Profit after tax
	Net Sales-Total Sales-Sales Return
j.	**Return on Capital Employed ***
	(Earning before interest and taxes / Average Capital Employed) * 100
	Earning before interest and taxes-Profit before Taxes + Interest
	Average Capital Employed= (Closing Tangible Net Worth + Closing Total Debt +/- Closing Deferred Tax Liability/Asset+ Opening Tangible Net Worth + Opening Total Debt +/- Opening Deferred Tax Liability/Asset)/2

SHELLZ INDIA LIMITED
ANNEXURE –VII

Restated Statement of Capitalization, As Restated

(₹ in Lakhs)

Particulars	Pre-Issue 30.09.2025	Post Issue
Debt :		
Long Term Debt	3,910.84	
Short Term Debt	5,205.16	
Total Debt	**9,116.00**	**-**
Shareholders Funds		
Equity Share Capital[#]	72.64	
Reserves and Surplus[#]	5,104.11	-
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	**5,176.75**	**-**
Long Term Debt/ Shareholders' Funds	***0.76***	
Total Debt / Shareholders Fund	***1.76***	

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes instalment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes instalment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2025

SHELLZ INDIA LIMITED
ANNEXURE –VIII
Restated Statement of Tax Shelter, As Restated **(₹ in Lakhs)**

Particulars	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Profit Before Tax as per books of accounts (A)	**873.80**	**1,262.16**	**797.02**	**474.43**
-- Normal Tax rate	29.12%	29.12%	27.82%	27.82%
-- Minimum Alternative Tax rate	17.28%	17.28%	17.28%	17.28%
Permanent differences				
Other adjustments	-	-	2.95	2.00
Interest on TDS/GST/TDS Written Off	12.97	2.52	31.17	26.39
Total (B)	**12.97**	**2.52**	**34.12**	**28.39**
Timing Differences				
Depreciation as per Books of Accounts	176.85	383.78	411.33	433.95
Depreciation as per Income Tax	118.90	253.73	286.03	340.81
Difference between tax depreciation and book depreciation	57.96	130.05	125.30	93.14
Bonus / Gratuity Provision/Reversal in Books/ Leave Encashme	13.53	9.35	(3.74)	5.58
Provision for CSR	16.89	-	-	-
Bonus Gratuity Actually Paid	-	-	-	-
Disallowance u/s 43b	-	-	-	-
Interest on MSME	11.72	29.14	22.11	6.22
Interest paid on lease	16.32	31.73	25.81	8.26
Lease payment made	57.68	98.66	69.38	20.65
Total (C)	**58.74**	**101.61**	**100.09**	**92.55**
Net Adjustments (D = B+C)	**71.71**	**104.13**	**134.21**	**120.94**
Total Income (E = A+D)	**932.54**	**1,366.29**	**931.24**	**595.37**
Brought forward losses set off	-	-	-	-
Taxable Income/ (Loss) for the year/period (E+F)	**932.54**	**1,366.29**	**931.24**	**595.37**
Tax Payable for the year	271.55	397.86	259.07	165.63
Interest Expenses	-	60.45	34.23	-
Total Tax Expense	271.55	458.31	293.30	165.63
Tax payable as per MAT	161.00	236.00	161.00	81.99
Tax payable as per normal rates or MAT (whichever is higher)	**Income Tax**	**Income Tax**	**Income Tax**	**Income Tax**

SHELLZ INDIA LIMITED
ANNEXURE –IX

Restated Statement of Related Party & Transactions :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship	
1	Kapil Garg	Chairman & Managing Director	Key Managerial Personnel
2	Shalini Garg	Director	Key Managerial Personnel
3	Prem Lata Garg	Relative of Director	Relative of Key Managerial Personnel
4	Shellz Overseas Private Limited	Common Director	Enterprise owned or significantly influenced by Key Management Personnel
5	Skyway Polymers Private Limited	Relative of Director	Enterprise owned or significantly influenced by Key Management Personnel
6	Winola India Private Limited	Common Director	Enterprise owned or significantly influenced by Key Management Personnel
7	Euroville Private Limited	Relative of Director	Enterprise owned or significantly influenced by Key Management Personnel
8	Pavil Garg	Relative of Director	Relative of Key Managerial Personnel
9	Sumit Kumar	Company secretary	Key Managerial Personnel
10	Sangeeta Thakur	Chief Financial Officer	Key Managerial Personnel
11	Narinder Sethi	Independent Director	Key Managerial Personnel
12	Sapna Tomar	Independent Director	Key Managerial Personnel
13	Sunbeen Impex Pvt Ltd	Relative of Director	Relative of Key Managerial Personnel

(₹ in Lakhs)

Transactions during the year:	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Director Remuneration				
Kapil Garg	7.50	3.00	3.00	3.00
Sitting Fee				
Narinder Sethi	0.50	0.50	-	-
Sapna Tomar	0.50	-	-	-
Salary Paid to Relative of Director				
Pavil Garg	6.00	12.00	12.00	6.00
Salary Expenses				
Sumit Kumar	5.31	11.18	1.88	-
Sangeeta Thakur	5.45	10.08	10.88	9.47
Purchase of Goods/ Services				
Winola India Private Limited	-	126.89	4.64	21.08
Shellz Overseas Private Limited	-	-	18.11	20.48
Skyway Polymers Private Limited	228.64	464.68	616.80	715.53
Euroville Private Limited	1.78	-	-	0.45
Sunbeen Impex Pvt Ltd	-	-	2.02	-
Sale of Goods/ Services				
Winola India Private Limited	11.84	64.95	100.44	214.79
Shellz Overseas Private Limited	-	411.15	676.21	220.49
Skyway Polymers Private Limited	54.53	501.84	465.99	149.81
Euroville Private Limited	-	0.05	-	55.18
Unsecured Loans Received				
Kapil Garg	10.64	-	17.86	-
Shalini Garg	178.00	235.50	-	-
Interest Paid				
Shellz Overseas Private Limited	15.51	12.42	11.49	10.62
Kapil Garg	-	-	42.68	-
Skyway Polymers Private Limited	-	1.48	2.74	2.53

Outstanding Balance (Receivables)/Payable	For the Period ended on	For the Year ended on		
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Remuneration/ Salary Payable				
Kapil Garg	7.50	0.48	-	-
Shalini Garg	-	-	-	-
Prem Lata Garg	-	-	-	-
Unsecured Loans Payable				
Kapil Garg	437.21	426.58	763.67	707.40
Shalini Garg	413.50	235.50	-	-
Prem Lata Garg		-	-	-
Shellz Overseas	356.45	235.49	137.95	127.61
Skyway Polymers Private Limited	-	-	32.87	30.41
Payable/ (Receivables) to Related Party				
Winola India Private Limited	272.10	39.03	0.05	(21.13)
Shellz Overseas Private Limited	221.02	34.03	89.25	(96.83)
Skyway Polymers Private Limited	(125.54)	9.11	(70.03)	(28.55)
Euroville Private Limited	6.06	-	-	(69.91)
Sunbeen Impex Pvt Ltd	0.14	0.14	0.14	

ANNEXURE –X

Restated Statement of Dividends

Company has not Paid Dividend in all the three financials year

ANNEXURE –XI

Changes in the Significant Accounting Policies

There has been no change in significant accounting policies in last 3 years

Impact on Profit and loss account due to change in accounting

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Reduction in Profits to the extent of	-	-	-	-

ANNEXURE –XII

Restated Statement of Contingent Liabilities:

A.Claims against the Company (including unasserted claims) not acknowledged as debt:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Claims against the company not acknowledged as debts	348.56	348.56	152.93	791.17
Disputed Statutory Demand	-	-	107.23	107.23
Guarantees	85.24	106.53	100.67	402.55

* Claims against the Company not acknowledged as debts comprise solely the interest component of such obligations, whereas the principal amount has been accounted for under creditors.

UNAUDITED PROFORMA CONSOLIDATED FINANCIAL INFORMATION

Sr No.	Particulars	Page No
1.	Unaudited Proforma Consolidated Financial Information	P-1 to P-9

The remainder of this page has intentionally been left blank

PRO FORMA FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION IN CONNECTION WITH PROPOSED INITIAL PUBLIC OFFERING OF SHELLZ INDIA LIMITED

The Board of Directors
Shellz India Limited
39/35, West Punjabi Bagh,
Main Rohtak road,
New Delhi - 110026

Dear Sir,

1. We have completed our assurance engagement to report on the compilation of Unaudited Pro forma consolidated Financial Information of Shellz India Limited. The Unaudited Pro forma Consolidated Financial Information consists of the Unaudited Pro forma consolidated statement of Assets and Liabilities as at September 30, 2025 and March 31, 2025, the Unaudited Pro forma consolidated statement of profit and loss for the period/year ended September 30, 2025 and March 31, 2025, and related notes thereon (hereinafter referred as 'Pro forma Consolidated Financial Information') as approved by the Board of Directors of the company at their meeting held on March 25, 2026. The applicable criteria on the basis of which the management has compiled the Pro forma Consolidated Financial Information are specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), as amended from time to time.

2. The Pro forma Consolidated Financial Information has been compiled by Management to show the effect of investment in Shellz Overseas Private Limited and its financial performance for the period/year ended September 30, 2025 and March 31, 2025 as if the acquisition had taken place at the beginning of the earliest reported year presented i.e., April 01, 2024.

3. The Information about the Group's financial position and financial performance is compiled from:

    i) The Restated Standalone Financial Statement of Assets and Liabilities as at September 30, 2025 and March 31, 2024, and Restated Standalone Financial Statement of Profit and Loss for the period/year ended September 30, 2025 and March 31, 2025.

    ii) The audited financial statements of M/s Shellz Overseas Private Limited as at and for the period/year ended September 30, 2025 and March 31, 2025 on which Kumar V & Associates, Chartered Accountants have issued unmodified audit opinion vide their audit report dated March 02,2026 and dated December 31, 2025.

Emphasis of Matter

Basis of Accounting and Restriction on Distribution and Use:

4. We draw attention to Note 2 to the Special Purpose Proforma Consolidated Financial Information, which describes the purpose and basis of preparation of such information. The Proforma Consolidated Financial Information has been prepared by the management of the Holding Company solely for the purpose of inclusion in the Restated Financial Information to be incorporated in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”), and the Prospectus of the Holding Company, in connection with its proposed initial public offering of equity shares. This preparation is in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, the relevant SEBI communications, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

5. Accordingly, the Unaudited Proforma Consolidated Financial Information may not be suitable for any purpose other than that stated above. Our report is addressed solely to the Board of Directors of the Holding Company for the aforesaid purpose and should not be distributed to or relied upon by any other parties.

6. RSAV & Co. shall not be liable to the Company or to any other person for any claims, liabilities, or expenses arising out of or in connection with this assignment. Accordingly, we do not accept or assume any responsibility or duty of care to any person other than those to whom this report is addressed, without our prior written consent.

7. Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Pro forma Consolidated Financial Information

8. The Management is responsible for compiling the Pro forma Consolidated Financial Information on the basis stated in Note 2 to the Pro forma Consolidated Financial Information and the same has been approved by the Board of Directors of the Company. The Management's responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro forma Consolidated Financial Information on the basis stated in Note 2 to the Pro forma Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Group complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro forma Consolidated Financial Information.

Auditor's Responsibilities

9. Our responsibility is to express an opinion, about whether the Pro forma Consolidated Financial Information of the Group has been compiled, in all material respects, by the Management on the basis stated in Note 2 to the Pro forma Consolidated Financial Information.

10. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Pro forma Consolidated Financial Information on the basis stated in Note 2 to the Pro forma Consolidated Financial Information.

11. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the Financial Information used in compiling the Pro forma Consolidated Financial Information.

12. The purpose of Pro forma Consolidated Financial Information included in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Draft Offer Document/Offer Document") is solely to illustrate the impact of combining the financial information of the Group as at September 30,2025 and March 31, 2025 as if these entities had been undertaken at an earlier date. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at September 30, 2025 and March 31, 2025 would have been, as presented.

13. A reasonable assurance engagement to report on whether the Pro forma Consolidated Financial Information has been compiled, in all material respects, on the basis of stated in note 2 to the Pro forma Consolidated Financial Information, involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Pro forma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

    a The related Pro forma adjustments give appropriate effect to those applicable criteria; and

14. The procedures selected depend on the Auditor's judgment, having regard to the Auditor's understanding of the nature of the group, the event or transaction in respect of which the Pro forma financial information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro forma Consolidated Financial Information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

15. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

16. In our opinion, the Pro forma Consolidated Financial Information has been compiled, in all material respects, on the basis stated in Note 2 to the Pro forma Consolidated Financial Information.

Restrictions on Use

17. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by us or other Auditors. There is no responsibility to update the report for events and circumstances occurring after the date of the report.
18. The report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Draft Offer Document/Offer Document") to be filed with the National Stock Exchange of India Limited and the Registrar of Companies, Haryana & New Delhi in connection with the proposed initial public offering of the Company. The report should not be used, referred to, or distributed for any other purpose except with prior consent in writing. Accordingly, no liability or duty of care is accepted or assumed for any other purpose or to any other person to whom this report is shown or into whose hands it may come without prior consent in writing.

For **RSAV & COMPANY**
Chartered Accountants
FRN: 022058N
Peer Review no.

SD/-
Abhinaya Verma
Partner
M.no. 511290
UDIN: 26511290RIGYDA1590
Date: 25thMarch, 2026
Place: New Delhi

Shellz India Limited
Formerly known as Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

Unaudited Proforma Consolidated Statement of Asset and Liabilities

(All Amount are in Lakhs, Unless Otherwise Stated)

Particulars	As at September 30, 2025			
	Financial information of Shellz India Limited	Financial information of Shellz Overseas Private Limited	Proforma Adjustment	Proforma Consolidated Financial Information of Shellz India Limited
A) EQUITY AND LIABILITIES				
1) Shareholders' funds				
(a) Share Capital	72.64	185.77	(185.77)	72.64
(b) Reserves and Surplus	5,104.11	90.54	(90.54)	5,104.11
	5,176.75	**276.31**	**(276.31)**	**5,176.75**
2) Minority interest	-	-	-	-
3) Non-current liabilities				
(a) Long-term borrowings	3,910.84	24.17	(356.45)	3,578.56
(b) Deferred tax liability (Net)	-	-	-	-
(c) Other long term liabilities	-	-	-	-
(d) Long-term provisions	32.50	-	-	32.50
	3,943.34	**24.17**	**(356.45)**	**3,611.06**
4) Current liabilities				
(a) Short-term borrowings	5,205.16	321.47	-	5,526.63
(b) Trade Payables				
i) total outstanding dues of micro enterprises and small enterprises	87.20	1.46	-	88.66
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,212.19	157.14	-	3,369.33
(c) Other current liabilities	1,373.86	38.35	(221.02)	1,191.19
(d) Short-term provisions	859.31	-	-	859.31
	10,737.72	**518.41**	**(221.02)**	**11,035.11**
TOTAL	**19,857.81**	**818.89**	**(853.78)**	**19,822.93**
(B) ASSETS				
1) Non-current assets				
(a) Property, plant and equipment & Intangible assets				
i) Property, Plant & Equipment	1,757.00	35.73	-	1,792.73
ii) Intangible assets	-	-	-	-
iii) Goodwill	-	-	2,221.56	2,221.56
iv) Capital Work-in-Progress	554.72	-	-	554.72
(b) Non-current investments	-			-
(c) Long-term loans & advances	2,548.77	272.05	(2,854.32)	(33.50)
(d) Deferred tax assets (Net)	34.48	21.11	-	55.59
(e) Other non-current assets	434.27	3.95	-	438.22
	5,329.24	**332.84**	**(632.76)**	**5,029.31**
(2) Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	7,088.62	1.53	-	7,090.15
(c) Trade receivable	4,100.57	120.77	-	4,221.34
(d) Cash and cash equivalents	558.08	14.25	-	572.33
(e) Short-term loans & advances	2,162.37	348.15	(221.02)	2,289.50
(f) Other current assets	618.94	1.35	-	620.29
	14,528.58	**486.05**	**(221.02)**	**14,793.61**
TOTAL	**19,857.81**	**818.89**	**(853.78)**	**19,822.93**

The above statement should be read with notes to unaudited pro forma consolidated financial statements.

As per our report of even date

RSAV & COMPANY
Chartered Accountants
Firm Registration Number - 022058N

For and on behalf of the Board of Directors of
Shellz India Limited
(Formerly Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

SD/-
Abhinaya Verma
Partner
Membership No: 511290
UDIN: 26511290RIGYDA1590
Date: 25th March, 2026
Place: Delhi

SD/-
Kapil Garg
Chairman & Managing Director
DIN: 00006050

SD/-
Shalini Garg
Director
DIN: 00006159

SD/-
Sumit Kumar
Company Secretary
M.No 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

Shellz India Limited
Formerly known as Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

Unaudited Proforma Consolidated Statement of Profit and Loss

(All Amount are in Lakhs, Unless otherwise Stated)

Particulars	As at September 30, 2025			
	Financial information of Shellz India Limited	Financial information of Shellz Overseas Private Limited	Proforma Adjustment	Proforma Consolidated Financial Information of Shellz India Limited
1) Revenue from operations	9,186.57	26.51	-	9,213.08
2) Other income	23.82	30.70	(15.51)	39.01
Total revenue	**9,210.39**	**57.22**	**(15.51)**	**9,252.10**
3) Expenses				
(a) Cost of Material Consumed	6,019.12	-	-	6,019.12
(b) Purchase of stock-in-trade	650.66	-	-	650.66
(e) Employee benefits expense	361.44	2.58	-	364.02
(f) Finance costs	427.76	6.90	(15.51)	419.15
(g) Depreciation expense	176.85	5.77	-	182.62
(h) Other expenses	700.77	39.16	-	739.93
Total expense	**8,336.59**	**54.41**	**(15.51)**	**8,375.50**
4) Profit/(Loss) before exceptional and extraordinary items and tax	**873.80**	**2.81**	**-**	**876.60**
Exceptional items	-	**-**	**-**	**-**
5) Profit/(Loss) before extraordinary items and tax	**873.80**	**2.81**	**-**	**876.61**
Extraordinary items	-		-	-
6) Profit before Tax	**873.80**	**2.81**	**-**	**876.61**
7) Tax expenses				
(a) Current tax	271.55	-	-	271.55
(b) Adjustment.	-	-	-	-
(c) Deferred tax	(16.31)	0.99	-	(15.32)
(d) Mat Credit entitlements	-	-	-	-
Total tax expense	**255.24**	**0.99**	**-**	**256.23**
8) Profit after tax before minority interest and share of profit of associates	**618.56**	**1.82**	**-**	**620.38**
a) Share of Minority	-	-	-	-
b) Share of profit/(loss) of associate	-	-	-	-
9) Share of profit/(loss) after tax, minority interest and share of profit of associates	**618.56**	**1.82**	**-**	**620.38**
Earnings/(loss) per equity share [nominal value of ₹10]	89.25	-	-	89.25
Basic and diluted (in ₹)	89.25	-	-	89.25
Basic after considering bonus issue from retrospective effect(in ₹)	7.12	**-**	**-**	7.12

The above statement should be read with notes to unaudited pro forma consolidated financial statements.

As per our report of even date

RSAV & COMPANY
Chartered Accountants
Firm Registration Number - 022058N

SD/-
Abhinaya Verma
Partner
Membership No: 511290
UDIN: 26511290RIGYDA1590
Date: 25th March, 2026
Place: Delhi

For and on behalf of the Board of Directors of
Shellz India Limited
(Formerly Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

SD/-
Kapil Garg
Chairman & Managing Director
DIN: 00006050

SD/-
Shalini Garg
Director
DIN: 00006159

SD/-
Sumit Kumar
Company Secretary
M.No 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

Notes to Pro Forma Consolidated Financial Information:

1 Background

Shellz India Limited (CIN: U15490DL2012PLC235397) is an active public company incorporated on 07 May 2012 and registered with the Registrar of Companies, Delhi. The company is engaged in the manufacture of food products and beverages, with a primary focus on the confectionery and beverages segment. It operates a diverse portfolio of products including chocolates, jellies, beverages, and other confectionery items. The Company operates in the domestic as well as international markets and carries on its business in accordance with applicable laws and regulations.

2 Basis of Preparation

The Unaudited Pro Forma Consolidated Financial Information, comprising the Pro Forma Consolidated Balance Sheet as at September 30, 2025 ,and the Pro Forma Consolidated Statement of Profit and Loss for the year ended September 30, 2025, read together with the notes thereto (collectively referred to as the "Unaudited Pro Forma Consolidated Financial Information"), has been prepared by the Management of the Company.

This has been prepared in accordance with the requirements of Clause (11)(I)(B)(iii) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "SEBI ICDR Regulations"), issued by the Securities and Exchange Board of India ("SEBI"), to illustrate the impact of the acquisitions of the acquired entities, as mentioned in paragraph 1 above, on the Company's financial position as at September 30, 2025.

The Unaudited Pro Forma Condensed Combined Financial Information has been prepared for the purpose of inclusion in the Offer Document to be filed by the Company with SEBI in connection with the proposed Initial Public Offering ("IPO"), which includes an offer in jurisdictions outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act of 1933, as amended.

These Pro forma Consolidated Financial Information have been prepared by the management of the Company for the purpose of inclusion in offer document based on the following criteria:

a) Illustrate the impact that Shellz India Limited has acquired Investment in Shellz Oversseas Private Limited by acquisition of 100% holding of the above company.

b) By making a line-by-line consolidation of the financial information as at and for the year ended September 30, 2025.

c) Using accounting policies as adopted by the Company for the preparation of restated Financial Statement for like transactions and other events in similar circumstances. If a member of the group used accounting policies other than those adopted in the restated financial information for like transactions and events in similar circumstances, appropriate adjustments have been made to that group member's financial statements in preparing the Pro Forma Consolidated Financial Information to ensure conformity with the Group's accounting policies.

d) Combine like items of assets, equity, liabilities, income and expenses.

e) Eliminating in full intra group assets and liabilities, income and expenses relating to transactions among entities of the Group.

The Pro Forma Consolidated Financial Information is based on:

a) The Restated Standalone Financial Statement of Assets and Liabilities as at September 30, 2025, and Restated Standalone Financial Statement of Profit and Loss for the year ended September 30, 2025 on AS basis of the Company;

These Pro Forma Consolidated Financial Information illustrate the results of operations that would have resulted in the financial statements of the Company pursuant to its investment in Shellz Overseas Private Limited, The Pro Forma adjustments are based upon available information and assumptions that the management of the Group believes to be reasonable. Such Pro Forma Consolidated Financial Information has not been prepared in accordance with generally accepted accounting principles including accounting standards and accordingly should not be relied upon as if it had been carried out in accordance with those principles, standards and practices.

In addition, the rules and regulations related to the preparation of Pro Forma Consolidated Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Pro Forma Consolidated Financial Information.

Accordingly, the degree of reliance placed by anyone in other jurisdictions on such Pro Forma Consolidated Financial Information should be limited.

The adjustments made to the Pro Forma Consolidated Financial Information are included in the following section:

3 Intercompany Elimination:

Intragroup eliminations have been made in respect of transactions and balances of Shellz India Limited and Shellz Overseas Private Limited in the preparation of these Pro Forma Consolidated Financial Information..

Eliminations on account of intragroup balances in the Pro Forma Consolidated Statement of Assets and Liabilities and Pro Forma Consolidated Statement of Profit & Loss as at September 30, 2025 are as follows:

Intercompany Transactions as on 30.09.2025 **(₹ In Lakhs)**

Particulars	Shellz India Limited	Shellz Overseas Private Limited	Total
Elimination of Sales	-	-	-
Elimination in Purchase	-	-	-
Interest Income		15.51	15.51
Interest Expenses	15.51	-	15.51
Loan Given	-	2,497.87	2,497.87
Loan Taken	356.45	-	356.45
Advance to supplier	-	221.02	221.02
Advances from Customer	221.02	-	221.02

4 Other Adjustment/Working of Minority Interest: **(₹ In Lakhs)**

Particulars	Amount
Value of assets acquired	818.89
Less - Liabilities acquired	542.57
Net assets as on September 30, 2025	**276.31**
Add - Additional shares issued	-
Net assets post allotment of shares	**276.31**
Share of net assets acquired	276.31
Less - Purchase consideration	2,497.87
Goodwill recognized on acquisition	**2,221.56**
Share of Minority	**-**

Shellz India Limited
Formerly known as Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

Unaudited Proforma Consolidated Statement of Asset and Liabilities

(All Amount are in Lakhs, Unless Otherwise Stated)

Particulars	As at March 31, 2025			
	Financial information of Shellz India Limited	Financial information of Shellz Overseas Private Limited	Proforma Adjustment	Proforma Consolidated Financial Information of Shellz India Limited
A) EQUITY AND LIABILITIES				
1) Shareholders' funds				
(a) Share Capital	69.28	185.77	(185.77)	69.28
(b) Reserves and Surplus	3,988.91	88.72	(88.72)	3,988.91
	4,058.20	**274.49**	**(274.49)**	**4,058.19**
2) Minority interest	-	-	-	-
3) Non-current liabilities				
(a) Long-term borrowings	2,117.04	29.97	(235.49)	1,911.52
(b) Deferred tax liability (Net)	-	-	-	-
(c) Other long term liabilities	-	-	-	-
(d) Long-term provisions	27.19	-	-	27.19
	2,144.23	**29.97**	**(235.49)**	**1,938.71**
4) Current liabilities				
(a) Short-term borrowings	5,701.43	15.34	-	5,716.77
(b) Trade Payables				
i) total outstanding dues of micro enterprises and small enterprises	139.34	1.08	-	140.42
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,191.94	209.94	-	3,401.88
(c) Other current liabilities	938.49	13.92	(34.03)	918.38
(d) Short-term provisions	562.56	2.40	-	564.96
	10,533.77	**242.67**	**(34.03)**	**10,742.41**
TOTAL	**16,736.20**	**547.13**	**(544.01)**	**16,739.32**
(B) ASSETS				
1) Non-current assets				
(a) Property, plant and equipment & Intangible assets				
i) Property, Plant & Equipment	1,811.28	41.49	-	1,852.77
ii) Intangible assets	-	-	-	-
iii) Goodwill	-	-	2,162.60	2,162.60
iv) Capital Work-in-Progress	393.58	-	-	393.58
(b) Non-current investments	-	-	-	-
(c) Long-term loans & advances	2,437.09	261.45	(2,672.58)	25.96
(d) Deferred tax assets (Net)	18.17	22.10	-	40.27
(e) Other non-current assets	657.03	3.95	-	660.98
	5,317.15	**328.99**	**(509.98)**	**5,136.17**
(2) Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	6,565.88	1.53	-	6,567.41
(c) Trade receivable	3,555.14	141.35	-	3,696.49
(d) Cash and cash equivalents	2.18	14.57	-	16.75
(e) Short-term loans & advances	931.99	59.16	(34.03)	957.12
(f) Other current assets	363.83	1.53	-	365.36
	11,419.03	**218.14**	**(34.03)**	**11,603.14**
TOTAL	**16,736.20**	**547.13**	**(544.01)**	**16,739.32**

The above statement should be read with notes to unaudited pro forma consolidated financial statements.

As per our report of even date

RSAV & COMPANY
Chartered Accountants
Firm Registration Number - 022058N

SD/-
Abhinaya Verma
Partner
Membership No: 511290
UDIN: 26511290RIGYDA1590
Date: 25th March, 2026
Place: Delhi

For and on behalf of the Board of Directors of
Shellz India Limited
(Formerly Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

SD/-
Kapil Garg
Chairman & Managing Director
DIN: 00006050

SD/-
Shalini Garg
Director
DIN: 00006159

SD/-
Sumit Kumar
Company Secretary
M.No 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

Shellz India Limited
Formerly known as Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

Unaudited Proforma Consolidated Statement of Profit and Loss

(All Amount are in Lakhs, Unless otherwise Stated)

Particulars	As at March 31, 2025			
	Financial information of Shellz India Limited	Financial information of Shellz Overseas Private Limited	Proforma Adjustment	Proforma Consolidated Financial Information of Shellz India Limited
1) Revenue from operations	18,697.32	1,603.35	(411.15)	19,889.52
2) Other income	41.93	150.72	(12.42)	180.23
Total revenue	**18,739.24**	**1,754.08**	**(423.56)**	**20,069.76**
3) Expenses				
(a) Cost of Material Consumed	15,689.67	-	-	15,689.67
(b) Purchase of stock-in-trade	(896.56)	1,764.74	(411.15)	457.03
(e) Employee benefits expense	637.67	31.02	-	668.69
(f) Finance costs	850.26	10.62	(12.42)	848.47
(g) Depreciation expense	383.78	17.08	-	400.86
(h) Other expenses	812.26	166.48	-	978.74
Total expense	**17,477.08**	**1,989.95**	**(423.56)**	**19,043.46**
4) Profit/(Loss) before exceptional and extraordinary items and tax	**1,262.16**	**(235.87)**	**-**	**1,026.29**
Exceptional items	-	**-**	**-**	-
5) Profit/(Loss) before extraordinary items and tax	**1,262.16**	**(235.87)**	**-**	**1,026.29**
Extraordinary items	-	250.80	-	250.80
6) Profit before Tax	**1,262.16**	**14.93**	**-**	**1,277.09**
7) Tax expenses				
(a) Current tax	458.31	10.02	-	468.33
(b) Adjustment.	-	-	-	-
(c) Deferred tax	(26.35)	1.49	-	(24.86)
(d) Mat Credit entitlements	-	-	-	-
Total tax expense	**431.96**	**11.51**	**-**	**443.47**
8) Profit after tax before minority interest and share of profit of associates	**830.20**	**3.42**	**-**	**833.63**
a) Share of Minority	-	-	-	-
b) Share of profit/(loss) of associate	-	-	-	-
9) Share of profit/(loss) after tax, minority interest and share of profit of associates	**830.20**	**3.42**	**-**	**833.63**
Earnings/(loss) per equity share [nominal value of ₹10]	124.20	-	-	124.20
Basic and diluted (in ₹)	124.20	-	-	124.20
Basic after considering bonus issue from retrospective effect(in ₹)	9.59	**-**	**-**	9.59

The above statement should be read with notes to unaudited pro forma consolidated financial statements.

As per our report of even date

RSAV & COMPANY
Chartered Accountants
Firm Registration Number - 022058N

SD/-
Abhinaya Verma
Partner
Membership No: 511290
UDIN: 26511290RIGYDA1590
Date: 25th March, 2026
Place: Delhi

For and on behalf of the Board of Directors of
Shellz India Limited
(Formerly Shellz India Private Limited
CIN No.: U15490DL2012PLC235397

SD/-
Kapil Garg
Chairman & Managing Director
DIN: 00006050

SD/-
Shalini Garg
Director
DIN: 00006159

SD/-
Sumit Kumar
Company Secretary
M.No 51236

SD/-
Sangeeta Thakur
Chief Financial Officer

Notes to Pro Forma Consolidated Financial Information:

1 Background

Shellz India Limited (CIN: U15490DL2012PLC235397) is an active public company incorporated on 07 May 2012 and registered with the Registrar of Companies, Delhi. The company is engaged in the manufacture of food products and beverages, with a primary focus on the confectionery and beverages segment. It operates a diverse portfolio of products including chocolates, jellies, beverages, and other confectionery items. The Company operates in the domestic as well as international markets and carries on its business in accordance with applicable laws and regulations.

2 Basis of Preparation

The Unaudited Pro Forma Consolidated Financial Information, comprising the Pro Forma Consolidated Balance Sheet as at March 31, 2025 ,and the Pro Forma Consolidated Statement of Profit and Loss for the year ended March 31, 2025, read together with the notes thereto (collectively referred to as the "Unaudited Pro Forma Consolidated Financial Information"), has been prepared by the Management of the Company.

This has been prepared in accordance with the requirements of Clause (11)(I)(B)(iii) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "SEBI ICDR Regulations"), issued by the Securities and Exchange Board of India ("SEBI"), to illustrate the impact of the acquisitions of the acquired entities, as mentioned in paragraph 1 above, on the Company's financial position as at March 31, 2025.

The Unaudited Pro Forma Condensed Combined Financial Information has been prepared for the purpose of inclusion in the Offer Document to be filed by the Company with SEBI in connection with the proposed Initial Public Offering ("IPO"), which includes an offer in jurisdictions outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act of 1933, as amended.

These Pro forma Consolidated Financial Information have been prepared by the management of the Company for the purpose of inclusion in offer document based on the following criteria:

a) Illustrate the impact that Shellz India Limited has acquired Investment in Shellz Oversseas Private Limited by acquisition of 100% holding of the above company.

b) By making a line-by-line consolidation of the financial information as at and for the year ended March 31, 2025.

c) Using accounting policies as adopted by the Company for the preparation of restated Financial Statement for like transactions and other events in similar circumstances. If a member of the group used accounting policies other than those adopted in the restated financial information for like transactions and events in similar circumstances, appropriate adjustments have been made to that group member's financial statements in preparing the Pro Forma Consolidated Financial Information to ensure conformity with the Group's accounting policies.

d) Combine like items of assets, equity, liabilities, income and expenses.

e) Eliminating in full intra group assets and liabilities, income and expenses relating to transactions among entities of the Group.

f) Company has made Investment in Shellz Overseas Private Limited on various dates during the period April 01, 2024 to March 31,2025.

The Pro Forma Consolidated Financial Information is based on:

a) The Restated Standalone Financial Statement of Assets and Liabilities as at March 31, 2025, and Restated Standalone Financial Statement of Profit and Loss for the year ended March 31, 2025 on AS basis of the Company;

These Pro Forma Consolidated Financial Information illustrate the results of operations that would have resulted in the financial statements of the Company pursuant to its investment in Shellz Overseas Private Limited, The Pro Forma adjustments are based upon available information and assumptions that the management of the Group believes to be reasonable. Such Pro Forma Consolidated Financial Information has not been prepared in accordance with generally accepted accounting principles including accounting standards and accordingly should not be relied upon as if it had been carried out in accordance with those principles, standards and practices.

In addition, the rules and regulations related to the preparation of Pro Forma Consolidated Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Pro Forma Consolidated Financial Information.

Accordingly, the degree of reliance placed by anyone in other jurisdictions on such Pro Forma Consolidated Financial Information should be limited.

The adjustments made to the Pro Forma Consolidated Financial Information are included in the following section:

3 Intercompany Elimination:

Intragroup eliminations have been made in respect of transactions and balances of Shellz India Limited and Shellz Overseas Private Limited in the preparation of these Pro Forma Consolidated Financial Information..

Eliminations on account of intragroup balances in the Pro Forma Consolidated Statement of Assets and Liabilities and Pro Forma Consolidated Statement of Profit & Loss as at March 31, 2025 are as follows:

Intercompany Transactions as on 31.03.2025 **(₹ In Lakhs)**

Particulars	Shellz India Limited	Shellz Overseas Private Limited	Total
Elimination of Sales	-	411.15	411.15
Elimination in Purchase	411.15	-	411.15
Interest Income	-	12.42	12.42
Interest Expenses	12.42	-	12.42
Loan Given	-	2,437.09	2,437.09
Loan Taken	235.49	-	235.49
Advance to supplier	-	34.03	34.03
Advances from Customer	34.03	-	34.03

4 Other Adjustment/Working of Minority Interest: **(₹ In Lakhs)**

Particulars	Amount
Value of assets acquired	547.13
Less - Liabilities acquired	272.64
Net assets as on March 31, 2025	**274.49**
Add - Additional shares issued	-
Net assets post allotment of shares	**274.49**
Share of net assets acquired	274.49
Less - Purchase consideration	2,437.09
Goodwill recognized on acquisition	**2,162.60**
Share of Minority	**-**

OTHER FINANCIAL INFORMATION

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*", "*Other Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 26, 242 and 245, respectively:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended September 30, 2025	As at 31st March		
		2025	2024	2023
Earnings per Equity Share (basic)[1] (in ₹)	89.25	124.20	82.10	49.89
Earnings per Equity Share (diluted)[2] (in ₹)	89.25	124.20	82.10	49.89
Basic Earnings per Equity Share after considering bonus issue from retrospective effect (basic)[3] (in ₹)	7.12	9.59	6.09	3.70
Basic Earnings per Equity Share after considering bonus issue from retrospective effect (diluted)[4] (in ₹)	7.12	9.59	6.09	3.70
Return on Net worth[5] (in %)	11.95%	20.46%	19.47%	14.69%
Net Asset Value per Equity Share[6] (in ₹)	712.67	585.74	421.78	339.68
Net Asset Value per Equity share as Restated after considering Bonus with retrospective effect[7] (in ₹)	59.62	46.87	31.28	25.19
EBITDA[8] (in ₹ Lakhs)	1,366.84	2,278.70	1,893.66	1,531.40

Earnings per share (basic) and Earnings per share (diluted) for the period ended September 30, 2025 is not annualised

Notes:

1. *Basis EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.*
2. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders 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 year.*
3. *Basis EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year after considering the retrospective effect of bonus shares. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.*
4. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders 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 year. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported*
5. *Calculated as profit for the period/year divided by net worth.*
6. *Net asset value per equity share means total equity divided by weighted average number of equity shares.*
7. *Net asset value per equity share means total equity divided by weighted average number of equity shares. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported*
8. *EBITDA is calculated as restated profit or loss for the year plus total tax expense, plus depreciation and amortization expense, plus finance costs excluding bank charges and minus other income.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company as at and for Fiscals 2025, 2024 and 2023 (the "**Audited Financial Statements**") are available on our website at https://www.shellz.in/investor-relations/.

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 and the reports thereon 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, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon should not be considered as part of information that any Bidder should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor Book Running Lead Manager or 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.

Reconciliation of Non-GAAP Measures

Reconciliation of Total Asset to Net Asset Value per Equity Share:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Net Asset Value per Equity Share				

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Total assets (I)	19,857.81	16,736.20	14,703.61	12,796.99
Total non – current and current liabilities (II)	14,681.07	12,678.00	12,004.20	10,623.03
Net assets (III) = (I – II)	**5,176.75**	**4,058.20**	**2,699.41**	**2,173.96**
Total weighted average number of Equity Shares (IV)	7,26,392	6,92,835	6,40,000	6,40,000
Weighted No. of Equity Shares after Considering Bonus impact with retrospective effect (V)	86,83,331	86,58,763	86,30,312	86,30,312
Net Asset Value per Equity Share (in ₹) (III / IV)	**712.67**	**585.74**	**421.78**	**339.68**
Net Asset Value per Equity share as Restated after considering Bonus with retrospective effect (III/V)	**59.62**	**46.87**	**31.28**	**25.19**

Reconciliation of Restated Profit before taxes to EBITDA and EBITDA margin:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Restated profit before taxes (I)	873.80	1,262.16	797.02	474.43
Interest (II)	340.02	674.69	724.79	648.00
Depreciation and Amortisation expense (III)	176.85	383.78	411.33	433.95
Other income (IV)	(23.82)	(41.93)	(39.48)	(24.98)
EBITDA (V) (I + II + III - IV)	**1,366.84**	**2,278.70**	**1,893.66**	**1,531.40**
Revenue from Operations (VI)	9,186.57	18,697.32	16,241.26	15,852.18
EBITDA Margin (%) (VII) (V / VI)	**14.88%**	**12.19%**	**11.66%**	**9.66%**

Reconciliation of Total Equity to Capital Employed:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Total Equity (I)	5,176.75	4,058.20	2,699.41	2,173.96
Long Term Borrowings (II)	3,910.84	2,117.04	2,635.05	2,469.78
Deferred Tax Liability (III)	-	-	8.18	29.91
Short Term Borrowings (IV)	5,205.16	5,701.43	4,457.56	4,188.27
Deferred Tax Assets (V)	34.48	18.17	-	-
Total Capital Employed (VI) (I + II + III + IV - V)	**14,258.26**	**11,858.50**	**9,800.20**	**8,861.92**
[(Opening Capital Employed + Closing Capital Employed) / 2] (VII)	**13,058.38**	**10,829.35**	**9,331.06**	**8,371.24**

Reconciliation of EBIT to Return on Capital Employed (ROCE):

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Restated profit before taxes (I)	873.80	1,262.16	797.02	474.43
Interest (II)	340.02	674.69	724.79	648.00
Other income (III)	23.82	41.93	39.48	24.98
EBIT (IV) (I + II - III)	**1,190.00**	**1,894.92**	**1,482.33**	**1,097.45**
Annualized EBIT	**2,379.98**	**1,894.92**	**1,482.33**	**1,097.45**
Capital Employed (V)	14,258.26	11,858.50	9,800.20	8,861.92
Average Capital Employed (VI)	13,058.38	10,829.35	9,331.06	8,371.24
ROCE (%) (VII) (IV / VI)	**18.23%**	**17.50%**	**15.89%**	**13.11%**

Reconciliation of Total Borrowing to Debt-to-Equity Ratio:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Long term borrowings (I)	3,910.84	2,117.04	2,635.05	2,469.78
Short term borrowings (II)	5,205.16	5,701.43	4,457.56	4,188.27
Total borrowings (III) (I+II)	**9,116.00**	**7,818.47**	**7,092.61**	**6,658.05**
Total Equity (IV)	5,176.75	4,058.20	2,699.41	2,173.96
Debt to Equity Ratio (in times) (V) (III /IV)	**1.76**	**1.93**	**2.63**	**3.06**

Reconciliation of Total Borrowing to Net Debt and Net Debt to Equity Ratio:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Long term borrowings (I)	3,910.84	2,117.04	2,635.05	2,469.78
Short term borrowings (II)	5,205.16	5,701.43	4,457.56	4,188.27
Cash and cash equivalents (III)	558.08	2.18	171.10	17.87
Net Debt (IV) (I + II – III)	**8,557.92**	**7,816.29**	**6,921.51**	**6,640.18**
Total Equity (V)	5,176.75	4,058.20	2,699.41	2,173.96
Net Debt to Equity Ratio (in times) (VI) (IV /V)	**1.65**	**1.93**	**2.56**	**3.05**

Reconciliation of Equity Share Capital to Net Worth and Return on Net Worth:

(in ₹ Lakhs, unless otherwise stated)

Particulars	For the period ended	As at 31st March		
	September 30, 2025	2025	2024	2023
Equity Share capital (I)	72.64	69.28	64.00	64.00
Reserves and Surplus (II)	5,104.11	3,988.91	2,635.41	2,109.96
Net Worth (III) (I + II)	**5,176.75**	**4,058.20**	**2,699.41**	**2,173.96**
Restated profit after tax for the year (IV)	618.55	830.20	525.45	319.30
Return on Net Worth (%) (V) (IV / III)	**11.95%**	**20.46%**	**19.47%**	**14.69%**

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. AS 18 'Related Party Disclosures' for period ended on September 30, 2025 and for Fiscals 2025, 2024 and 2023, read with the SEBI ICDR Regulations, and as reported in the Restated Financial Information, see "*Restated Financial Information*" on page 240.

The remainder of this page has intentionally been left blank

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the Fiscals 2025, 2024 and 2023. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Restated Financial Information as of and for Fiscals 2025, 2024 and 2023, including the related annexures.

Unless otherwise indicated or context otherwise requires, the financial information for Fiscals 2025, 2024 and 2023, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" and "Summary of Financial Information" on pages 240 and 79.

Our Fiscal year ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12-month period ended March 31 of that year. The financial information for the period ended September 30, 2025, has not been annualized, unless otherwise specified. The financial information for the period ended September 30, 2025 is not comparable with financial information for Fiscals 2025, 2024 and 2023.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward Looking Statements" and "Risk Factors" on pages 24 and 26, respectively.

Overview

We are engaged in the manufacturing and marketing of confectionery products in India, with a diversified product portfolio comprising over 250+ SKUs across multiple categories, including choco delights, jellies, baked treats and other confectionery formats. We also manufacture and supply food and bakery ingredients. We focus on developing confectionery products at accessible price points and distributing them across a wide geographic footprint, including urban and semi-urban markets, as well as smaller towns and rural areas.

According to Ken Report, the Indian confectionery market size was INR 93.1 thousand crore in FY'25 and is projected to grow to INR 125.8 thousand crore by FY'30, at a CAGR of 6.3%. The market has demonstrated robust growth, expanding at a CAGR of 9.1% between FY'19 and FY'25, driven by rising consumer demand for affordable indulgences, increased frequency of festive consumption, and deeper penetration of packaged chocolate and sugar confectionery across both urban and rural markets. Confectionery items priced between INR 1–10 accounted for the highest purchase intent at 86%, indicating their dominant role in daily consumption patterns. The Indian confectionery market has seen a significant transformation, driven by the shift in tastes of urban and semi-urban consumers. Small-pack, low-cost options priced under INR 10 have penetrated Tier 2/3 cities, making innovative flavors and textures more accessible. India's economy confectionery market was valued at INR 50.5 thousand crores in FY'25, reflecting the continued relevance among price-sensitive consumers, particularly in Tier 2–3 cities and rural areas. India consumed 523.0 million kg of confectionery, with a per capita consumption of 0.37 kg in FY'23, which reached 0.39 kg by FY'25, substantially lower than countries like Germany (14.4), USA (9.1), and Japan (3.2). Despite the low per capita figure, India's absolute population base is driving total consumption reaching 576 million kg in FY'25, positioning it as a high-volume yet under-penetrated market. India's low per capita base presents significant room for expansion, with consumption projected to rise to 0.5 kg by FY'30E, growing at a CAGR of ~4.6%. This growth is being driven by urbanization, rising incomes, a young population, and increasing access to affordable SKUs.

We market our consumer products under two brands, "*Hugs*" and "*Tosca*". Under our flagship "*Hugs*" brand, we offer products across four categories, including baked treats, choco delights, jellies, and panned and sugar confectionery. The "*Hugs*" portfolio is largely positioned at mass-market price points, with a majority of products priced at ₹10 or below. According to the Ken Report, 68% of non-adult consumers opt for confectionery, including chocolate, at price points of ₹10 or below. Confectionery products are typically impulse-driven purchases, and sales are influenced by product availability and visibility at retail points. According to the Ken Report, 92% of grocery consumption in India continues to occur through Kirana stores. As on September 30, 2025, our products are distributed through a network of over 200 super stockists and are available across *kirana* outlets in around 24 states in India. Our distribution model is focused on driving volumes through repeat purchase-driven SKUs and wide retail penetration.

Under our "*Tosca*" brand, we offer products with a relatively higher unit selling price, positioned towards mass-premium segments. The brand is currently being developed with a focus on e-commerce and quick commerce channels. The "*Tosca*" portfolio comprises products with differentiated formats and packaging targeted at urban consumers. We are also expanding the "*Tosca*" portfolio to include products incorporating cereal-based ingredients, aligned with evolving consumer preferences for differentiated snacking options. As part of this portfolio, we formulated "*Tosca Oat Choco*", an oat and cereal-based bar positioned as an alternative to traditional confectionery formats, containing approximately 33% less sugar than certain leading chocolate bars, based on internal product comparisons.

In addition to marketing and sales of consumer products under our own brands, we also undertake private label manufacturing for third-party customers. We also export our products to international markets, including countries in the Middle East, South East Asia and Spain. These channels complement our core consumer business and support diversification across customers, product formats and routes to market.

Set out below is our revenue from operations, based on our Restated Financial Information, from various Brands in India and overseas for period ended September 30, 2025 and the Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

Channel	**Period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Hugs	8,418.06	*91.63%*	17,119.03	*91.56%*	15,345.10	*94.48%*	14,928.59	*94.17%*
Tosca	59.97	*0.65%*	166.19	*0.89%*	148.42	*0.91%*	118.05	*0.74%*
Food & Bakery Ingredients (non-branded) including Private Labelling	708.53	*7.71%*	1,412.10	*7.55%*	747.75	*4.60%*	805.54	*5.08%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

We focus on product development and innovation as part of our business operations. In the confectionery industry, the introduction of new products and variants is an important aspect of maintaining relevance with evolving consumer preferences. We have a team of over 10 food and packaging technologists engaged in developing new products, improving existing formulations and working on packaging formats. Our product development efforts are aligned with market requirements and informed by consumer preferences across different age groups and consumption occasions. This supports the introduction of products across multiple price points. We continuously introduce new variants, flavours and packaging formats across our portfolio, including products incorporating different ingredient combinations.

Our manufacturing operations are supported by production facilities located in Delhi and Sonipat, Haryana. The Sonipat facility is being developed as part of the consolidation and expansion of our existing Delhi operations, with the objective of increasing production capacity and supporting future growth. All our consumer products are manufactured in-house, enabling us to maintain control over product quality, processes and timelines. Our operations are supported by machinery sourced from multiple countries, including Turkey, China and Indonesia, along with ancillary equipment from domestic suppliers, enabling us to support production across a wide range of SKUs. We follow defined processes across procurement, production and packaging, supported by quality assurance systems aimed at maintaining consistency in product quality.

For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, our revenue from operations was ₹9,186.57 lakhs, ₹18,697.32 lakhs, ₹16,241.26 lakhs and ₹15,852.16 lakhs, respectively. Our CAGR for revenue from operations is 8.60% from Fiscal 2023 to Fiscal 2025. For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, we recorded EBITDA of ₹1,366.84 lakhs, ₹2,278.70 lakhs, ₹1,893.66 lakhs and ₹1,531.40 lakhs, respectively. Our CAGR for EBITDA is 21.98% from Fiscal 2023 to Fiscal 2025. For the period ended September 30, 2025 and for the Financial Years 2025, 2024 and 2023, our net profit was ₹618.55 lakhs, ₹830.20 lakhs, ₹525.45 lakhs and ₹319.30 lakhs, respectively. Our CAGR for net profit is 61.25% from Fiscal 2023 to Fiscal 2025.

We are led by an experienced promoter–management team with domain knowledge in the food processing industry. Our Promoter, Kapil Garg, has over two decades of experience in the consumer-packaged food industry and has been associated

with our business since inception. Under his leadership, our Company has scaled its operations and expanded its product portfolio and distribution network across India. He is involved in overseeing the overall strategy of the Company, including business development, product portfolio expansion and operational planning.

The following table sets forth certain key financial and operational indicators for our Company as at/for the periods indicated:

Based on Restated Financial Information:

c) Key financial indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations (₹ in Lakhs) (1)	9,186.57	18,697.32	16,241.26	15,852.18
EBITDA (₹ in Lakhs) (2)	1,366.84	2,278.70	1,893.66	1,531.40
EBITDA Margin (%) (3)	14.88%	12.19%	11.66%	9.66%
PAT (₹ in Lakhs) (4)	618.55	830.20	525.45	319.30
PAT Margin (%) (5)	6.73%	4.44%	3.24%	2.01%
Annualized Return on equity (%) (6)	26.79%	24.57%	21.56%	15.78%
Annualized Return on capital employed (%) (7)	18.23%	17.50%	15.89%	13.11%
Debt-Equity Ratio (times) (8)	1.76	1.93	2.63	3.06
Inventory (Days) (9)	187*	149	126	113
Trade Receivables (days) (10)	76*	89	122	115
Trade Payables (days) (11)	91*	90	98	94
Working Capital Cycle (days) (12)	172*	148	150	134

Notes:

(1) Revenue from operations is calculated as revenue from sale of manufactured products and services.

(2) EBITDA is calculated as restated profit before tax, extraordinary and exceptional items plus finance costs, depreciation and amortisation expense minus other income.

(3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations.

(4) PAT represents total profit after tax for the year/period.

(5) PAT margin is calculated as a percentage of PAT divided by revenue from operations.

(6) Return on Equity (ROE%) is calculated as a percentage of PAT divided by average total equity at the end of the year /period, whereas total equity is calculated as average of opening equity share capital and reserves and surplus and closing of equity share capital and reserves and surplus.

(7) Return on Capital Employed (ROCE%) is calculated as a percentage of EBIT divided by average capital employed at the end of the year /period, whereas average capital employed is calculated as average of opening capital employed and closing capital employed. EBIT is calculated as restated profit before tax plus finance costs minus other income. capital employed is calculated as total equity minus DTA plus DTL, long term borrowings and short-term borrowings.

(8) Debt to Equity ratio is calculated as total borrowings divided by total equity.

(9) Inventory cycle (days) is calculated as average Inventory divided by cost of material consumed plus changes in inventories of finished goods and work in progress multiplied by 365. Average Investment is calculated as average of opening Inventory and closing Inventory.

(10) Trade Receivables (days) is calculated as average trade receivables divided by revenue from operations multiplied by 365. Average trade receivables are calculated as average of opening trade receivables and closing trade receivables.

(11) Trade Payables (days) is calculated as average trade payables divided by cost of material consumed plus changes in inventories of finished goods and work in progress. Average trade payables is calculated as average of opening trade payables and closing trade payables.

(12) Working capital cycle (days) is calculated trade receivables days plus inventory cycle days minus trade payables days.

**Inventory, Trade Receivable and Trade Payable days have been calculated using 183 days for September 30, 2025.*

d) Key operational indicators

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
No. of SKUs (1)	**345**	**356**	**361**	**326**
-Baked Treats	109	92	123	103
-Choco Delights	144	130	101	68
-Jellies	58	44	42	37
-Panned and Sugar candies	12	23	37	47
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	22	67	58	71
No. of Products (2)	**111**	**107**	**108**	**94**
-Baked Treats	22	30	30	29
-Choco Delights	42	37	33	19
-Jellies	30	18	15	19
-Panned and Sugar candies	8	12	19	17
-Non-Hugs/Tosca (Private Labelling and Food Ingredients)	9	10	11	10
No. of Super Stockist (3)	**246**	**364**	**370**	**455**
-North India	124	187	172	195
-East India	37	27	32	38
-South India	50	87	85	101

Indicator	Period ended September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
-West India	32	79	89	137
-Export	3	8	6	12
No. of Fulfilled Orders [4]	**2,664**	**5,268**	**4,682**	**5,104**

Notes:

(1) SKUs refers to Stock Keeping Units and represents the total number of distinct product variants offered by the Company across its product categories. Each SKU corresponds to a unique product configuration based on factors such as flavour, packaging type, pack size or formulation within a particular product category.

(2) Products refers to the number of product types offered by the Company across its various categories. Unlike SKUs, this metric represents the base product offerings without distinguishing between variations in pack size, flavour or packaging format.

(3) Super Stockists refers to the number of Super Stockist who procure products in bulk from the Company and supply them to distributors, Wholesalers, Intermediaries and Kirana Stores within designated regions.

(4) Fulfilled Order refers to the number of orders processed and dispatched by the Company during the relevant period through its distribution and supply chain network. This metric includes orders received from both new and existing customers and may include multiple or repeat orders placed by the same customer during the relevant period.

Significant Factors affecting our Financial Condition and Results of Operations

Our results of operations, financial condition, and cash flows are subject to various factors, many of which are beyond our control. Management believes that the following key factors have materially influenced our performance in the past and are expected to continue to do so in the future:

Product mix

Our revenue and profit margins are impacted by our product mix. Our product offerings through sale of our products to consumers primarily include a wide variety confectionery item. As on September 30, 2025, our diversified product portfolio consists of more than 300 SKUs across all our product segments.

The success of our business depends upon our ability to identify emerging market trends and offer differentiated product offerings to our customers. As we continue to increase our focus on growing our retail consumer business in India and globally, we expect the relative proportion of revenue contribution from sales of premium and high margin products to increase in the future. While we believe that we are well placed to capitalize on the growing consumer demand for premium and higher margin confectionery products, however, if we are unable to continue and/or expand our product range, we may lose market share to our competitors and that may adversely impact our results of operations.

Availability and price of raw materials

Our business operations are primarily dependent on availability of wheat flour, oil and fats, sugar and packaging material used in the production of the majority of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. Our cost of materials consumed accounted for 65.52%, 83.91%, 87.20% and 83.66% of our total revenue from operations for September 30, 2025 and Financial years 2025, 2024 and 2023 respectively. We have long standing relationships with certain of our suppliers although we do not have any long term contracts with such third parties. We procure all of our raw materials by way of purchase orders on an on-going basis and therefore, are required to pay the market rate of such products.

The availability and price of raw materials is subject to a number of factors beyond our control including overall climatic and economic conditions, production levels, market demand and competition for such materials, production and transportation cost, labour costs, labour unrest and natural disasters. Interruption of, or a shortage in the supply of, raw materials may result in our inability to operate our production facilities at optimal capacities, leading to a decline in production and sales. In addition, while competition for procuring raw material may result in an increase in raw material prices, our ability to pass on such increases in overall operational costs may be limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of our products, may reduce demand for our products and thereby affect our margins and profitability.

Additionally, considering the seasonal nature of some of our raw materials, we are required to procure and warehouse such raw materials for our production activities throughout the year. However, if such warehoused raw materials get spoilt, it may affect production levels, consequently impacting our results of operations and financial conditions.

Geographic expansion in India and distribution network

Our revenues are impacted by our geographic presence and the scale and growth of our distribution network. While historically we have had a strong presence in North India (74.69%, 72.66%, 71.47% and 68.18% of our total revenue for the period ended September 30, 2025 and financial years ended 2025, 2024 and 2023 respectively), we intend to leverage our brands and expand our presence in the other regions of India by expanding our manufacturing capacity and by leveraging our already established institutional customer relationships. Through commissioning of new technologies, we intend to create a seamless capability to manufacture various bakery and frozen products at all our manufacturing facilities.

We seek to increase our presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. As we propose to expand our geographic reach, we may incur additional capital expenditure for setting up our new manufacturing facilities. We will also be required to incur additional operational and marketing expenses as we enter new markets. Our ability to expand and grow our product reach significantly also depends on the reach and effective management of our distribution network. We rely largely on third-party super stockists and distributors to sell our products to retailers who place our products in the market. (97.44%, 96.32%, 94.39%, and 94.70% of our total revenue for the period ended September 30, 2025 and financial years ended 2025, 2024 and 2023 respectively). We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions. We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. The super stockists place bulk orders with us after aggregating orders from various distributors. In the event our super stockists and distributors are unable to accurately predict the demand for our products or if they are delayed in placing orders with us or if they do not effectively market our products or market the products of our competitors, our business and results of operations may be adversely affected. Our inability to maintain our existing distribution network of such super stockists and distributors or to expand it proportionately with the proposed increase in our manufacturing facilities, can adversely affect our sales, results of operation and business.

Competition

International and domestic competition may adversely affect our business and results of operations. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior manufacturing facilities than we have. Competition emerges not only from the branded sector but also from the unorganized sector and from both small and big players. In the confectionery segment, we face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us.

Working Capital Requirements

Our business requires significant working capital to finance the procurement of raw materials, maintain inventory levels, support manufacturing operations, and extend credit to our distribution partners and customers. The adequacy of our working capital is influenced by factors such as inventory holding periods, credit terms extended to customers, payment cycles with suppliers, seasonal demand patterns and growth in our operations.

Any increase in raw material prices, expansion of our product portfolio, entry into new markets or changes in credit terms with customers and suppliers may lead to higher working capital requirements. In addition, delays in collection of receivables or an increase in inventory levels may affect our cash flows and liquidity position. Our ability to efficiently manage working capital, including inventory management and receivable collections, may therefore impact our results of operations and financial condition.

Our working capital requirements are projected to be ₹ 9,514.51 lakhs in Fiscal 2027 and ₹ 11,542.06 lakhs in Fiscal 2028, compared with the current estimated requirement of ₹ 6,807.86 lakhs in Fiscal 2026. Historically, our working capital requirements were ₹ 6,648.55 lakhs in Fiscal 2025, ₹ 7,532.95 lakhs in Fiscal 2024, and ₹ 6,871.50 lakhs in Fiscal 2023.

Regulatory and Compliance Requirements

Our operations are subject to various laws and regulations in India and other jurisdictions in which we operate, including regulations relating to food safety, quality standards, labelling requirements, environmental compliance and import/export regulations. Changes in regulatory frameworks or failure to comply with applicable laws and regulations may result in penalties, operational restrictions or increased compliance costs.

Brand Recognition and Marketing Initiatives

Brand perception and marketing effectiveness influence consumer purchasing decisions in the confectionery and beverage segments. Our ability to strengthen brand recognition through advertising, promotional activities and product positioning plays a key role in driving demand and sustaining revenue growth. Hugs brand contributes significant % of our revenue from Operations (91.63%, 91.56%, 94.48% and 94.17% of our total revenue for the period ended September,2025 and financial years ended 2025,2024 and 2023 respectively).

Economic Conditions and Consumer Spending

Our business performance is influenced by general economic conditions, including inflation, employment levels, consumer confidence and disposable income. Economic slowdowns or reduced consumer spending may negatively impact demand for discretionary food products such as confectionery.

Significant Accounting Policies and Significant Judgments and Estimates

The preparation of our financial statements in conformity with Indian GAAP requires management to make estimates, assumptions, and judgements that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting periods. While these estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, actual results may differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the results are known. We consider an accounting policy to be critical if it requires management to make assumptions that are highly uncertain at the time the judgement is made, and where different estimates could reasonably have a material impact on our financial condition or results of operations. Our significant accounting policies, as per our restated financial information, are as follows:

1. Background

Shellz India Limited is a public company, incorporated on 7th May 2012,and registered with the Registrar of Companies, Delhi. and having its registered office at 39/35, Main Rohtak Road, West Punjabi Bagh, New Delhi-110026. The Corporate Identification Number of the Company is (CIN: U15490DL2012PLC235397). The Company is primarily engaged in the business of manufacturing food products and beverages, with focus on confectionery and beverages segments, including chocolates, jellies and other confectionery items, and carries on its operations in domestic as well as international markets in compliance with applicable statutes.

2. Basis of preparation of financial statements

The Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the Period/ year ended September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the company. Restated Financial Information have been prepared to comply in all material respect with the provisions of Part I of Chapter III of the Companies Act, 2013 ('the Act') read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018("ICDR Regulations") issued by Securities and Exchange Board of India ('SEBI') and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Notes"). Restated financial information have been prepared specifically for inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the SME platform of BSE Limited ('BSE SME') in connection with its proposed Small and Medium Enterprise initial Public Offer ('SME IPO'). The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated financial information. The preparation and presentation of Financial Statements in conformity with the Indian GAAP, requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. The restated financial information has been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('GAAP') and comply with the mandatory Accounting Standards ('AS') specified under section 13 of the Companies Act, 2013, read with the Rule 7 of the Companies (Accounts) rules,2014 and the relevant provisions of the Companies Act 2013 ('the Act'). The accounting policies in the preparation of the financial statements are consistent with those followed in the previous year. The company is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. It is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations. The restated financial information are presented in Indian National Rupee (INR) & all the amounts included in the restated financial information have been rounded off to the nearest Lakhs, as required by General Instructions for preparation of Financial Statements of Division I of Schedule III of the companies act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Accounting policies not specifically referred to otherwise are consistent and in criteria set out in Schedule III to the Companies Act, 2013.

The restated financial information has been prepared by the management to comply in all material respects with the requirements of:

A) Section 26 of Part I of Chapter III of the Act, 2013.
B) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ('ICDR Regulations') and
C) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountant of India (ICAI), as amended (the 'Guidance Notes')

3. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates. The differences if any will be dealt accordingly in subsequent years.

4. Revenue Recognition

Revenue in the case of sale of goods has been recognized when property in goods has been transferred for a price or all the significant risk and reward of the ownership of goods has been transferred to the buyer and seller effectively has no control over the goods to a degree usually associated with the ownership and there is a reasonable certainty with regard to its ultimate collection.
Revenue from the interest has been recognized on time basis unless there is a significant uncertainty regarding its ultimate collection. In the case of interest on tax, duty or other sum revenue has been recognized in the year of receipt.

5. Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

6. Property, Plant and equipment

a. Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;

b. Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;

c. Subsequent expenditures relating to Property, Plant and Equipment are capitalized 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. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;

d. 4. The cost and related accumulated depreciated are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;

e. Depreciation on fixed assets will be calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013. to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.

f. Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

7. Capital Work in Progress

Capital expenditure on assets under construction by the company is reflected as a distinct item in Capital work in progress till the period of completion and thereafter in the Property Plant & Equipment. Expenditure during construction period incurred on the projects under implementation are treated as pre operative expenses pending allocation to the Property, plant & equipment, and are included under capital work in progress. These expenses are apportioned to the Property, plant & equipment on commencement of commercial production. capital work in progress is stated at the amount incurred up to the date of Balance Sheet.

8. Depreciation

Depreciation on fixed asset is provided under written down value method at the rates provided in schedule II of the Companies act, 2013 and depreciation on the assets acquired during the year is provided on pro-rata basis from/to the month of addition/deduction. Estimated useful life of the assets in below table used by company during the year.

Asset Description	Useful lives estimated by the Management (years)
Factory Building	30 Years
Plant and Machinery Other than Continuous process plant for which no special rate has been prescribed	15 Years
Computer and Data Processing Units	3 Years
Vehicle	8 Years
Electrical Installations	10 Years
Furniture and Fittings	10 Years
Office Equipment and Misc. Fixed Assets	5 Years

9. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount. An asset recoverable amount is higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. the recoverable amount is determined for and individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. in assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. After impairment, depreciation is provided and the revised carrying amount of the asset over its remaining useful life. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

10. Inventories

Raw Materials, components, stores and spares are valued at lower of cost and net realizable value. Cost is determined on a First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories comprise of all costs of purchases, costs of conversion and other costs incurred in bringing them to their respective present location and condition. Stock of construction materials, stores, spares and oil and lubricants as certified by the management have been valued at cost.

Work in progress is valued at weighted average cost or net realizable value. Cost includes the Direct Material, Labour cost & proportion of manufacturing overheads based on the normal operating capacity.

11. Income taxes

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22).Tax expenses comprises of current and deferred tax. Current income tax has been measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

12. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

13. Provisions, Contingent Liabilities and Contingent Assets

A provision has been recognized in respect of a present obligation as a result of past event i.e. based on the probability of there being an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions have not been discounted to its present value and have been determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

14. Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprises of cash at bank and in hand and Fixed Deposits having original maturity less that 3 months, more than 3 months and remaining maturity is less than 12 months.

15. Employees Benefit

Company has recognized all such benefits like salary, wages on accrual basis i.e. in the period in which the employees renders related services and at the actual cost i.e. undiscounted basis.

16. Retirement Benefits

a) Defined Contribution Plans: - A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Expenses recognised for defined contribution plan

Particulars	September 30, 2025	For the Year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
(a) Company's contribution to Provident Fund	0.79	1.63	1.05	1.93
(b) Company's contribution to ESI	1.87	1.03	0.98	1.03

b) Defined Benefit Plans: - A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs.

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability.

Compensated absences can be availed within the year and un-availed balances are encashed, hence treated as short-term compensated absences. The undiscounted value of un-availed balances at the end of the year is charged to the statement of Profit & Loss.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

17. Leases

Finance lease: - Assets acquired under Finance Lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

Operating lease: - Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

a) Operating leases-

The Company has taken office premises, factory land and building etc. under cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and Lessee. The Initial tenure of the lease period is generally 1 to 11 months

Particulars	For the Period ended on		For the Year ended on	
	September 30,2025	March 31, 2025	March 31, 2024	March 31, 2023
Lease rental charges for the year	66.48	245.56	251.16	213.53
Future lease rental obligation payable (under non-cancellable lease)	NA	NA	NA	NA

b) Finance Lease

The company has taken machinery on finance lease which has been separately disclosed under Property, Plant and Machinery from owned assets. The term of lease is 05 years at the end of which the legal title is to be passed on to the lease at salvage value. There is no sub lease in respect of such machinery.

Particulars	For the Period ended on		For the Year ended on	
	September 30,2025	March 31, 2025	March 31, 2024	March 31, 2023
Total minimum lease payment at the year end.	325.18	388.091	356.28	117
Present value of minimum Lease Payment	272.51	313.86441	285.02	93.17
Minimum lease payment not later than one year	115.36	115.36	90.31	27.53
Present value of minimum Lease Payment	89.819	85.033	62.02	18.19
Minimum lease payment later than one year but not later than five years	209.82	272.74	265.97	89.47
Present value of minimum Lease Payment	182.69	228.83	223	74.98
Minimum Lease payment later than five years	Nil	Nil	Nil	Nil
Present value of minimum Lease Payment	Nil	Nil	Nil	Nil

18. Subsidy and Incentives Received :

The government incentive if received during the year is accounted on accrual/ right to receive basis and considered as a revenue receipt

19. Foreign Currency Transactions:

The Company is exposed to foreign currency transactions including foreign currency revenues, and receivables. Foreign Currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated at the year-end exchange rates and resultant gains/ losses are recognized in the statement of profit & loss statement. The Foreign Currency Transactions are in compliance with the AS-11- The Effect of Change in foreign exchange rate.

20. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax before exceptional items is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments

and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

21. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

The Company has been sanctioned working capital limits in excess of Five crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets and the book debt statement filed by the company with the bank are in agreements with the books of accounts except for the statements filed for following quarters during the period/year ended September 30, 2025, March 31, 2025, March 31, 2024, March 31, 2023.

Current Asset Description	**Summary of reconciliation for period/year ended**			
	September 30, 2025	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
Stock of Q1	Excess Reporting of Rs 6.46 Lacs	Short Reporting of Rs 18.11 Lacs	Short Reporting of Rs 6.00 Lacs	Excess Reporting of Rs 96.42 Lacs
Stock of Q2	Short Reporting of Rs 95.28 Lacs	Short Reporting of Rs 1.29 Lacs	Reconciled	Excess Reporting of Rs 55.93 Lacs
Stock of Q3	NA	Short Reporting of Rs 2.36 Lacs	Short Reporting of Rs 25.00 Lacs	Excess Reporting of Rs 98.48 Lacs
Stock of Q4	NA	Excess Reporting of Rs 0.94 Lacs	Short Reporting of Rs 13.00 Lacs	Short Reporting of Rs 287.93 Lacs
Debtor of Q1	Short Reporting of Rs 26.94 Lacs	Short Reporting of Rs 0.95 Lacs	Short Reporting of Rs 8.00 Lacs	Short Reporting of Rs 17.00 Lacs
Debtor of Q2	Excess Reporting of Rs 11.99 Lacs	Short Reporting of Rs 2.35 Lacs	Short Reporting of Rs 1.00 Lacs	Excess Reporting of Rs 423.32 Lacs
Debtor of Q3	NA	Excess Reporting of Rs 2.11 Lacs	Short Reporting of Rs 15.00 Lacs	Excess Reporting of Rs 424.03 Lacs
Debtor of Q4	NA	Short Reporting of Rs 99.68 Lacs	Short Reporting of Rs 1.00 Lacs	Excess Reporting of Rs 632.32 Lacs

22. Relationship with Struck off company

Name of Struck off company	**Nature of Transaction**	**Balance Outstanding as on September 30, 2025**	**Balance Outstanding as on March 31, 2025**	**Balance Outstanding as on March 31, 2024**	**Balance Outstanding as on March 31, 2023**	**Relationship with Struck off Company**
SIS India Ltd.	Security Service Provider	-	-	6.08	5.39	Trade Receivables
Hazzel Dairy Products Pvt Ltd	Sale of Goods	0.13	0.13	0.13	0.13	Trade Payables

23. Intangible assets and intangible assets under development

Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss."

Amortization

Intangible assets having definite life are amortized on straight line method over their useful lives. If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date."

24. Going Concern

The company is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. lt is assumed that the enterprise has neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations.

25. Segment Reporting

The Company is primarily engaged in the business of manufacturing food products and beverages, with focus on confectionery and beverages segments, including chocolates, jellies and other confectionery items, and carries on its operations in domestic as well as international markets in compliance with applicable statutes, which constitutes a single business segment. The Group's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, alliance, merger and acquisition, and expansion of any new facility.

In the opinion of the Board, there is only one reportable segment ("Revenue from food products"). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Group."

26. Investments

i. Long-term investments are valued at cost less provision for diminution, if any, in value of such investments.

ii. Current investments are valued at lower of cost and fair market value.

Segment Information

There is no reportable segment identified on the basis of which segment information is required to be disclosed.

Information about Revenue split by geographical area

Set out below is our revenue from operations, based on our Restated Financial Information, from various states in India and overseas for period ended September 30, 2025 and the Fiscals 2025, 2024 and 2023:

(₹ in Lakhs)

State	**Period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue from operations	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***	**Revenue from operations**	***% of Revenue from operations***
Delhi NCR	3,685.19	*40.11%*	6,731.42	*36.00%*	6,223.66	*38.32%*	6,316.05	*39.84%*
Haryana	1,715.80	*18.68%*	2,742.59	*14.67%*	1,995.59	*12.29%*	1,518.54	*9.58%*

Assam	551.21	*6.00%*	1,038.46	*5.55%*	787.01	*4.85%*	719.71	*4.54%*
Uttar Pradesh	493.35	*5.37%*	1,517.59	*8.12%*	1,230.97	*7.58%*	1,001.16	*6.32%*
West Bengal	449.92	*4.90%*	1,078.32	*5.77%*	699.87	*4.31%*	819.56	*5.17%*
Jammu & Kashmir	374.48	*4.08%*	658.67	*3.52%*	359.72	*2.21%*	253.97	*1.60%*
Tamil Nadu	306.61	*3.34%*	449.85	*2.41%*	388.60	*2.39%*	496.36	*3.13%*
Bihar	263.09	*2.86%*	766.40	*4.10%*	891.04	*5.49%*	856.39	*5.40%*
Karnataka	224.91	*2.45%*	480.49	*2.57%*	554.88	*3.42%*	484.79	*3.06%*
Andhra Pradesh	157.33	*1.71%*	397.47	*2.13%*	359.82	*2.22%*	311.15	*1.96%*
Kerala	153.31	*1.67%*	267.92	*1.43%*	170.76	*1.05%*	137.22	*0.87%*
Punjab	149.33	*1.63%*	590.11	*3.16%*	579.53	*3.57%*	468.22	*2.95%*
Export	48.97	*0.53%*	171.79	*0.92%*	291.08	*1.79%*	300.70	*1.90%*
Other States	613.07	*6.67%*	1,806.25	*9.66%*	1,708.75	*10.52%*	2,168.35	*13.68%*
Total	**9,186.57**	***100.00%***	**18,697.32**	***100.00%***	**16,241.26**	***100.00%***	**15,852.18**	***100.00%***

As certified by M/s. RSAV & Co., Chartered Accountants by way of their certificate dated March 25, 2026.

Key Components of Assets and Liabilities

For the period ended September 30, 2025

Property, Plant and Equipment

As at September 30, 2025, the written down value (WDV) of property, plant and equipment and leased assets amounted to ₹1,757.00 lakhs. These assets primarily support the Company's manufacturing and operational activities for the production and distribution of confectionery and beverage products.

The component-wise WDV of property, plant and equipment and leased assets was as follows:

1. Plant and Machinery: ₹1,352.55 lakhs. This represents the largest portion of the Company's asset base and primarily comprises manufacturing machinery and production equipment used in the preparation and processing of confectionery products.
2. Leased Plant and Machinery: ₹384.47 lakhs. These assets relate to plant and machinery obtained under lease arrangements and are used to support the Company's production capacity and operational requirements.
3. Motor Vehicles: ₹5.67 lakhs. These vehicles are primarily used for operational and administrative purposes, including business travel and logistics support.
4. Temporary Building Structure: ₹4.97 lakhs. This represents leased building structures used for operational and facility-related purposes.
5. Electrical Installation and Equipment: ₹4.56 lakhs. These assets include electrical infrastructure and related installations required to support manufacturing operations.
6. Office Equipment: ₹3.36 lakhs. These assets primarily consist of office equipment used in administrative and operational functions.
7. Computers: ₹1.13 lakhs. These assets comprise IT infrastructure used for operational, accounting and administrative purposes.
8. Furniture and Fixtures: ₹0.28 lakhs. These assets primarily include furniture installed in office premises.

Capital Work-in-Progress (CWIP)

As at September 30, 2025, capital work-in-progress amounted to ₹554.72 lakhs. CWIP primarily represents capital expenditure incurred towards assets under installation that are not yet ready for their intended use, mainly relating to expansion and enhancement of the Company's manufacturing infrastructure.

Long term loans and advances

Long term loans and advances majorly is towards amount paid by SIL to shareholders of SOPL for purchase of equity shares as at September, 2025.

Inventories

As at September 30, 2025, inventories amounted to ₹7,088.62 lakhs, compared to ₹6,565.88 lakhs as at March 31, 2025.

The composition of inventories was as follows:

- Raw materials: ₹2,949.74 lakhs. Raw materials primarily comprise ingredients used in the manufacturing of confectionery and beverage products.
- Work-in-progress: ₹322.20 lakhs, representing partially processed goods under production.
- Consumables, stores, spares and packing materials: ₹1,257.94 lakhs, mainly comprising packaging materials and other consumables used in the production process.
- Finished goods: ₹2,558.74 lakhs, representing completed products ready for sale and distribution.

The increase in inventory levels during the period primarily reflects procurement and production undertaken to support ongoing sales and operational requirements. The inventory turnover ratio for the six months ended September 30, 2025 was 0.98 times, compared to 2.46 times in Fiscal 2025. The lower ratio during the period primarily reflects higher average inventory levels maintained during the period relative to the cost of goods sold.

Trade Receivables

As at September 30, 2025, total trade receivables amounted to ₹4,100.57 lakhs.

Aging of Receivables

The aging profile of receivables as at September 30, 2025 indicates that the majority of receivables fall within the normal credit period.

1. Less than 6 months: ₹3,512.47 lakhs
2. 6 months – 1 year: ₹129.38 lakhs
3. 1–2 years: ₹163.53 lakhs
4. 2–3 years: ₹78.16 lakhs
5. More than 3 years: ₹217.03 lakhs

The receivables outstanding for less than six months constituted the largest portion of total receivables (85.66%), reflecting the regular collection cycle associated with the Company's sales. The trade receivables turnover ratio was 2.40 times, reflecting the level of receivables outstanding relative to sales during the period.

Disputed and Undisputed Receivables

Receivables are categorized as undisputed and disputed based on whether the amounts are subject to disagreement with customers regarding payment obligations.

1. Undisputed receivables (90.98%) represent amounts acknowledged by customers and considered recoverable in the normal course of business. As at September 30, 2025, undisputed receivables amounted to ₹3,730.79 lakhs.
2. Disputed receivables (9.02%) represent amounts where recovery is subject to ongoing discussions or disputes with customers. As at September 30, 2025, disputed receivables amounted to ₹369.79 lakhs. The disputed receivables primarily relate to certain long-outstanding balances under reconciliation with customers.

Short-Term Loans and Advances

As at September 30, 2025, short-term loans and advances amounted to ₹2,162.37 lakhs, compared to ₹931.99 lakhs as at March 31, 2025.

The entire balance represents advances to suppliers, which amounted to ₹2,162.37 lakhs and constituted 100% of total short-term loans and advances. These advances were primarily made in connection with the purchase of capital expenditure equipment.

No advances to employees were outstanding as at September 30, 2025.

Long-term borrowings

Total long-term borrowings stood at ₹3,910.84 lakhs as at September 30, 2025.

Secured Loans

Term Loan – From Bank

Bank term loans amounted to ₹32.14 lakhs as at September 30, 2025.

Term Loan – From NBFC

Borrowings from NBFCs stood at ₹2,095.23 lakhs as at September 30, 2025 and constituted the major portion of the secured borrowings.

Vehicle Loan – From Bank

Vehicle loans amounted to ₹6.64 lakhs as at September 30, 2025.

Unsecured Loans

Loans from Others

Borrowings from others stood at ₹386.98 lakhs as at September 30, 2025.

Loans from Corporate

Corporate borrowings amounted to ₹356.45 lakhs as at September 30, 2025.

Loans from Directors and Shareholders

Loans from directors and shareholders stood at ₹850.71 lakhs as at September 30, 2025, reflecting promoter funding support for the Company.

Finance Lease Obligations

Long-term maturities of finance lease obligations amounted to ₹182.69 lakhs as at September 30, 2025, representing lease liabilities relating to assets used in operations.

Short-term borrowings

Total short-term borrowings stood at ₹5,205.16 lakhs as at September 30, 2025.

Secured – Loans Repayable on Demand from Banks

Axis Bank Cash Credit amounted to ₹1,980.41 lakhs as at September 30, 2025, representing working capital facilities utilized by the Company.

Bajaj Finance Ltd – New Loan stood at ₹1,000.00 lakhs as at September 30, 2025.

Current Maturities of Long-Term Debt

Current maturities of term loans from banks amounted to ₹38.57 lakhs as at September 30, 2025.

Current maturities of NBFC borrowings stood at ₹683.19 lakhs.

Vehicle loan current maturities amounted to ₹1.29 lakhs.

Unsecured loan from others – current maturities amounted to ₹198.44 lakhs.

Other Borrowings

Bill Discounting (Purchase Invoice Discounting – PID) amounted to ₹1,303.26 lakhs as at September 30, 2025.

These facilities represent financing arrangements against purchase invoices raised by suppliers, enabling the Company to manage its working capital requirements efficiently.

Trade Payables

Total trade payables stood at ₹3,299.39 lakhs as at September 30, 2025.

Payables to MSME and Others

Trade payables due to Micro and Small Enterprises (MSME) amounted to ₹87.20 lakhs. (2.64%)

Trade payables due to other than MSME amounted to ₹3,212.19 lakhs, constituting the majority of the Company's trade payables. (97.36%)

Ageing Analysis

The ageing profile of trade payables as at September 30, 2025 was as follows:

1. ₹1,919.11 lakhs (58.17%) were outstanding for less than one year, representing payables within the normal operating cycle.
2. ₹462.29 lakhs (14.01%) were outstanding for 1–2 years.
3. ₹622.60 lakhs (18.87%) were outstanding for 2–3 years.
4. ₹295.39 lakhs (8.95%) were outstanding for more than 3 years.

Composition of Payables

1. Undisputed dues – Others: ₹2,449.23 lakhs
2. Undisputed dues – MSME: ₹19.73 lakhs
3. Disputed dues – MSME: ₹67.47 lakhs
4. Disputed dues – Others: ₹762.96 lakhs

The majority of trade payables relate to regular operational purchases. Certain balances outstanding for longer periods primarily relate to amounts under dispute or pending settlement with suppliers.

Contingent Liabilities

As of September 30, 2025, the Company had contingent liabilities primarily comprising claims against the Company not acknowledged as debts amounting to ₹348.56 lakhs and guarantees amounting to ₹85.24 lakhs. There were no disputed statutory demands outstanding as of September 30, 2025. Claims against the Company represent matters under litigation or assessment proceedings which, based on management's assessment and legal advice where applicable, are not expected to result in a material liability. Guarantees have been provided in the normal course of business.

Fiscal 2025 compared to Fiscal 2024

Property, Plant and Equipment

The written down value of property, plant and equipment and leased assets decreased from ₹1,949.41 lakhs as at March 31, 2024 to ₹1,811.28 lakhs as at March 31, 2025, primarily on account of depreciation during the year, partly offset by additions in certain asset categories.

The component-wise movement was as follows:

1. Plant and machinery decreased from ₹1,521.08 lakhs as at March 31, 2024 to ₹1,363.82 lakhs as at March 31, 2025, primarily due to depreciation charged during the year, partially offset by additions to manufacturing machinery.
2. Furniture and fixtures decreased from ₹0.44 lakhs to ₹0.33 lakhs, mainly due to depreciation during the year.
3. Office equipment increased from ₹1.86 lakhs to ₹3.79 lakhs, primarily due to additions made during the year.
4. Electrical installation and equipment decreased from ₹6.68 lakhs to ₹5.24 lakhs, mainly due to depreciation.
5. Computers increased marginally from ₹1.43 lakhs to ₹1.47 lakhs, reflecting additions during the year, largely offset by depreciation.
6. Motor vehicles decreased from ₹8.80 lakhs to ₹6.52 lakhs, primarily due to depreciation charged during the year.
7. Leased plant and machinery increased from ₹389.39 lakhs to ₹422.84 lakhs, primarily due to additional leased machinery obtained during the year.
8. Temporary building structure decreased from ₹19.73 lakhs to ₹7.27 lakhs, mainly due to depreciation recognized during the year.

Capital Work-in-Progress (CWIP)

Capital work-in-progress increased from ₹6.95 lakhs as at March 31, 2024 to ₹393.58 lakhs as at March 31, 2025. The increase was primarily attributable to additional capital expenditure incurred during the year towards assets under installation, primarily relating to expansion and improvement of manufacturing facilities.

Long term loans and advances

Long term loans and advances majorly is towards amount paid by SIL to shareholders of SOPL for purchase of equity shares as at March 2025.

Inventories

Total inventories increased from ₹5,480.64 lakhs as at March 31, 2024 to ₹6,565.88 lakhs as at March 31, 2025.

The movement in inventory components was as follows:

1. **Raw materials** increased from ₹2,259.06 lakhs to ₹2,291.30 lakhs, primarily due to procurement of inputs required for manufacturing operations.
2. **Work-in-progress** increased significantly from ₹93.44 lakhs to ₹392.24 lakhs, reflecting higher production activities and timing differences between production and completion of finished goods.
3. **Consumables, stores, spares and packing materials** increased from ₹586.54 lakhs to ₹742.98 lakhs, mainly due to higher procurement of packaging materials and consumables used in production.
4. **Finished goods** increased from ₹2,541.60 lakhs to ₹3,139.36 lakhs, reflecting higher production levels and inventory maintained to support sales demand.

The inventory turnover ratio decreased from 2.90 times in Fiscal 2024 to 2.46 times in Fiscal 2025.
This decrease was primarily due to higher inventory levels maintained during Fiscal 2025, particularly in finished goods and work-in-progress, relative to the cost of goods sold during the year.

Trade Receivables

Total trade receivables decreased from ₹5,571.49 lakhs as at March 31, 2024 to ₹3,555.14 lakhs as at March 31, 2025, primarily due to improved collections and reduction in outstanding balances.

Aging Analysis

The aging profile of receivables as at March 31, 2025 was as follows:

1. Less than 6 months: ₹3,012.01 lakhs
2. 6 months – 1 year: ₹144.67 lakhs
3. 1–2 years: ₹112.53 lakhs
4. 2–3 years: ₹70.82 lakhs
5. More than 3 years: ₹215.11 lakhs

The reduction in receivables during the year reflects improved collection efforts and lower outstanding balances compared to the previous year. The trade receivables turnover ratio increased from 2.99 times in Fiscal 2024 to 4.10 times in Fiscal 2025, indicating improved collection efficiency and lower average receivable balances during Fiscal 2025.

Disputed and Undisputed Receivables

As at March 31, 2025:

1. Undisputed receivables amounted to ₹3,211.37 lakhs. (90.33%)
2. Disputed receivables amounted to ₹343.77 lakhs. (9.67%)

Short-Term Loans and Advances

Short-term loans and advances increased from ₹525.37 lakhs as at March 31, 2024 to ₹931.99 lakhs as at March 31, 2025. Advances to suppliers increased from ₹512.87 lakhs to ₹919.49 lakhs, primarily due to higher advances provided to vendors for procurement of materials and other operational requirements. Advances to employees remained unchanged at ₹12.50 lakhs during the year.

Long term borrowings

Total long-term borrowings decreased to ₹2,117.04 lakhs in FY25 from ₹2,635.05 lakhs in FY24, reflecting a decrease of ₹518.01 lakhs (19.66%), primarily due to repayment of unsecured borrowings and reduction in NBFC term loans.

Secured Loans

Term Loan – From Bank

Bank term loans decreased to ₹51.42 lakhs in FY25 from ₹89.99 lakhs in FY24, representing a reduction of ₹38.57 lakhs (42.86%), primarily due to scheduled repayments.

Term Loan – From NBFC

Borrowings from NBFCs decreased to ₹902.10 lakhs in FY25 from ₹1,086.33 lakhs in FY24, representing a decline of ₹184.23 lakhs (16.96%), mainly due to repayment of outstanding borrowings.

Vehicle Loan – From Bank

Vehicle loans decreased to ₹7.30 lakhs in FY25 from ₹8.53 lakhs in FY24, representing a reduction of ₹1.23 lakhs (14.42%) due to repayment of loan instalments.

Unsecured Loans

Loans from Others

Borrowings from others declined significantly to ₹29.82 lakhs in FY25 from ₹292.71 lakhs in FY24, representing a decrease of ₹262.89 lakhs (89.82%), mainly due to repayment of unsecured borrowings.

Loans from Corporate

Corporate borrowings increased to ₹235.49 lakhs in FY25 from ₹170.82 lakhs in FY24, representing an increase of ₹64.67 lakhs (37.86%).

Loans from Directors and Shareholders

Loans from directors and shareholders decreased to ₹662.08 lakhs in FY25 from ₹763.67 lakhs in FY24, reflecting a decline of ₹101.59 lakhs (13.30%).

Short-term borrowings

Total short-term borrowings increased to ₹5,701.43 lakhs in FY25 from ₹4,457.56 lakhs in FY24, reflecting an increase of ₹1,243.87 lakhs (27.91%), primarily due to higher utilization of purchase invoice discounting facilities and working capital borrowings.

Secured – Loans Repayable on Demand from Banks

Axis Bank Cash Credit decreased to ₹1,621.39 lakhs in FY25 from ₹2,029.15 lakhs in FY24, representing a decline of ₹407.76 lakhs (20.10%).

Bajaj Finance Ltd – New Loan amounted to ₹1,000.00 lakhs in FY25, compared to Nil in FY24, representing a new facility availed during the year.
Yes Bank Working Capital Loan, which stood at ₹1,300.00 lakhs in FY24, was Nil in FY25, indicating repayment or closure of the facility.

Yes Bank – 0068 and Yes Bank – 0625 Current Account facilities amounted to ₹348.99 lakhs and ₹341.41 lakhs, respectively, in FY25.

Current Maturities of Long-Term Debt

1. From Bank: decreased by ₹19.97 lakhs (34.11%) to ₹38.57 lakhs
2. From NBFC: increased by ₹40.46 lakhs (12.82%) to ₹356.03 lakhs
3. Vehicle Loan: increased by ₹0.11 lakhs (9.82%) to ₹1.23 lakhs

4. Unsecured Loans from Others: increased by ₹27.35 lakhs (11.61%) to ₹262.90 lakhs

Other Borrowings

Bill Discounting (Purchase Invoice Discounting – PID) increased significantly to ₹1,730.92 lakhs in FY25 from ₹517.63 lakhs in FY24, representing an increase of ₹1,213.29 lakhs (234.38%), reflecting higher utilization of supplier invoice financing arrangements.

Trade Payables

Total trade payables decreased to ₹3,331.28 lakhs in FY25 from ₹3,952.87 lakhs in FY24, representing a decrease of ₹621.59 lakhs (15.73%), primarily due to settlement of outstanding vendor balances.

Trade payables due to MSME increased to ₹139.34 lakhs in FY25 from ₹85.74 lakhs in FY24, representing an increase of ₹53.60 lakhs (62.51%).

Trade payables due to other than MSME decreased to ₹3,191.94 lakhs in FY25 from ₹3,867.13 lakhs in FY24, representing a decrease of ₹675.19 lakhs (17.46%).

Ageing Movement

In FY25, payables outstanding for less than one year stood at ₹1,946.84 lakhs, compared to ₹2,545.33 lakhs in FY24, reflecting a decline in current trade liabilities.

Balances in the 1–2 year ageing bucket decreased to ₹411.32 lakhs from ₹1,149.10 lakhs, primarily due to settlement of outstanding dues.

Payables in the 2–3 year category increased to ₹797.06 lakhs from ₹202.09 lakhs, largely due to reclassification of older balances.

Balances outstanding for more than 3 years increased to ₹176.06 lakhs from ₹56.35 lakhs, primarily relating to disputed vendor balances pending resolution.

Contingent Liabilities

Contingent liability amounts to ₹ 455.09 lakhs as at March 2025 vis a vis ₹360.83 lakhs as at March 2024. Claims against the Company not acknowledged as debts increased to ₹348.56 lakhs as of March 31, 2025 from ₹152.93 lakhs as of March 31, 2024, representing an increase, primarily attributable to additional claims raised during the year which are currently under evaluation.

Disputed statutory demands decreased to nil as of March 31, 2025 from ₹107.23 lakhs as of March 31, 2024, representing a decrease of ₹107.23 lakhs, primarily due to resolution and settlement of the demands during the year.

Guarantees increased to ₹106.53 lakhs as of March 31, 2025 from ₹100.67 lakhs as of March 31, 2024, representing an increase of ₹5.86 lakhs, primarily due to guarantees issued in the normal course of business.

Fiscal 2024 compared to Fiscal 2023

Property, Plant and Equipment

The written down value ("WDV") of property, plant and equipment and leased assets increased from ₹1,932.61 lakhs as at March 31, 2023 to ₹1,949.41 lakhs as at March 31, 2024, primarily due to additions to leased plant and machinery and motor vehicles during the year, partially offset by depreciation charged on existing assets.

The component-wise movement was as follows:

1. Plant and Machinery: WDV decreased from ₹1,758.50 lakhs as at March 31, 2023 to ₹1,521.08 lakhs as at March 31, 2024, primarily due to depreciation charged during the year.
2. Furniture and Fixtures: WDV decreased from ₹0.60 lakhs to ₹0.44 lakhs, mainly due to depreciation during the year.
3. Office Equipment: WDV decreased from ₹1.96 lakhs to ₹1.86 lakhs, primarily due to depreciation charged during the year.

4. Electrical Installation and Equipment: WDV decreased from ₹7.94 lakhs to ₹6.68 lakhs, reflecting depreciation on these assets.
5. Computers: WDV decreased from ₹3.58 lakhs to ₹1.43 lakhs, mainly due to depreciation during the year.
6. Motor Vehicles: WDV increased from nil as at March 31, 2023 to ₹8.80 lakhs as at March 31, 2024, due to acquisition of motor vehicles during the year.
7. Leased Plant and Machinery: WDV increased significantly from ₹106.48 lakhs to ₹389.39 lakhs, primarily due to additions of leased machinery to support manufacturing operations.
8. Temporary Building Structure (Leased): WDV decreased from ₹53.56 lakhs to ₹19.73 lakhs, mainly due to depreciation recognized during the year.

Capital Work-in-Progress (CWIP)

Capital work-in-progress decreased from ₹33.70 lakhs as at March 31, 2023 to ₹6.95 lakhs as at March 31, 2024, primarily due to capitalization of assets during the year as projects under installation were completed and transferred to property, plant and equipment.

Inventories

Total inventories increased from ₹3,853.78 lakhs as at March 31, 2023 to ₹5,480.64 lakhs as at March 31, 2024.

The movement in inventory components was as follows:

1. **Raw materials** increased significantly from ₹1,106.96 lakhs to ₹2,259.06 lakhs, mainly due to higher procurement of production inputs.
2. **Work-in-progress** decreased from ₹235.08 lakhs to ₹93.44 lakhs, primarily due to completion of production processes and transfer of inventory to finished goods.
3. **Consumables, stores, spares and packing materials** decreased from ₹744.60 lakhs to ₹586.54 lakhs, reflecting changes in procurement and utilization patterns.
4. **Finished goods** increased from ₹1,767.14 lakhs to ₹2,541.60 lakhs, primarily due to higher production levels during the year.

The inventory turnover ratio decreased from 3.23 times in Fiscal 2023 to 2.90 times in Fiscal 2024.

The decrease was mainly attributable to higher inventory levels, particularly in raw materials and finished goods, maintained during Fiscal 2024 relative to the cost of goods sold.

Trade Receivables

Total trade receivables increased from ₹5,289.54 lakhs as at March 31, 2023 to ₹5,571.49 lakhs as at March 31, 2024.

Aging Analysis

The aging profile as at March 31, 2024 was as follows:

1. Less than 6 months: ₹4,029.66 lakhs
2. 6 months – 1 year: ₹1,008.73 lakhs
3. 1–2 years: ₹231.79 lakhs
4. 2–3 years: ₹75.50 lakhs
5. More than 3 years: ₹225.81 lakhs

The increase in receivables was primarily attributable to higher credit sales during the year. The trade receivables turnover ratio decreased from 3.18 times in Fiscal 2023 to 2.99 times in Fiscal 2024, primarily due to higher average receivable balances relative to sales during Fiscal 2024.

Disputed and Undisputed Receivables

As at March 31, 2024:

1. Undisputed receivables amounted to ₹5,308.35 lakhs. (95.28%)
2. Disputed receivables amounted to ₹263.14 lakhs. (4.72%)

Short-Term Loans and Advances

Short-term loans and advances decreased from ₹1,029.02 lakhs as at March 31, 2023 to ₹525.37 lakhs as at March 31, 2024. This decrease was primarily attributable to a reduction in advances to suppliers, which decreased from ₹1,029.02 lakhs to ₹512.87 lakhs, mainly due to adjustment of advances against supplies received during the year.

In addition, advances to employees amounting to ₹12.50 lakhs were recorded as at March 31, 2024, which were not present as at March 31, 2023.

Long term borrowings

Total long-term borrowings increased to ₹2,635.05 lakhs in FY24 from ₹2,469.78 lakhs in FY23, reflecting an increase of ₹165.27 lakhs (6.69%), primarily driven by higher borrowings from NBFCs and increased finance lease obligations.

Secured Loans

Term Loan – From Bank

Bank term loans decreased to ₹89.99 lakhs in FY24 from ₹312.03 lakhs in FY23, representing a decline of ₹222.04 lakhs (71.16%), mainly due to repayment of bank borrowings.

Term Loan – From NBFC

Borrowings from NBFCs increased to ₹1,086.33 lakhs in FY24 from ₹621.80 lakhs in FY23, representing an increase of ₹464.53 lakhs (74.71%), reflecting additional borrowings raised during the year.

Vehicle Loan – From Bank

Vehicle loans increased to ₹8.53 lakhs in FY24 from Nil in FY23, primarily due to financing of vehicles during FY24.

Unsecured Loans

Loans from Others

Borrowings from others decreased to ₹292.71 lakhs in FY24 from ₹528.26 lakhs in FY23, representing a decline of ₹235.55 lakhs (44.59%), mainly due to repayment of such borrowings.

Loans from Corporate

Corporate borrowings increased to ₹170.82 lakhs in FY24 from ₹158.02 lakhs in FY23, representing an increase of ₹12.80 lakhs (8.10%).

Loans from Directors and Shareholders

Loans from directors and shareholders decreased marginally to ₹763.67 lakhs in FY24 from ₹774.68 lakhs in FY23, reflecting a decline of ₹11.01 lakhs (1.42%).

Finance Lease Obligations
Long-term maturities of finance lease obligations increased significantly to ₹223.00 lakhs in FY24 from ₹74.99 lakhs in FY23, representing an increase of ₹148.01 lakhs (197.37%), primarily due to additional lease liabilities recognised during the year.

Short Term Borrowings

Total short-term borrowings increased to ₹4,457.56 lakhs in FY24 from ₹4,188.27 lakhs in FY23, representing an increase of ₹269.29 lakhs (6.43%).

Secured – Loans Repayable on Demand from Banks

Axis Bank Cash Credit increased to ₹2,029.15 lakhs in FY24 from ₹1,828.45 lakhs in FY23, representing an increase of ₹200.70 lakhs (10.98%).

Yes Bank Working Capital Loan amounted to ₹1,300.00 lakhs in FY24, compared to Nil in FY23, reflecting additional working capital financing.

Yes Bank Cash Credit, which stood at ₹1,352.12 lakhs in FY23, was Nil in FY24, indicating repayment or restructuring of the facility.

Current Maturities of Long-Term Debt

1. From Bank: decreased by ₹132.26 lakhs (69.32%) to ₹58.54 lakhs
2. From NBFC: decreased by ₹103.05 lakhs (24.62%) to ₹315.57 lakhs
3. Vehicle Loan: amounted to ₹1.12 lakhs in FY24, compared to Nil in FY23
4. Unsecured Loans from Others: increased by ₹32.74 lakhs (16.14%) to ₹235.55 lakhs

Other Borrowings

Bill Discounting (Purchase Invoice Discounting – PID) increased to ₹517.63 lakhs in FY24 from ₹195.47 lakhs in FY23, representing an increase of ₹322.16 lakhs (164.81%), reflecting greater utilization of supplier invoice discounting arrangements to support procurement activities.

Trade Payables

Total trade payables increased to ₹3,952.87 lakhs in FY24 from ₹3,289.13 lakhs in FY23, representing an increase of ₹663.74 lakhs (20.18%), primarily due to higher procurement of goods and services during the year.

Trade payables due to MSME decreased to ₹85.74 lakhs in FY24 from ₹179.72 lakhs in FY23, representing a decrease of ₹93.98 lakhs (52.29%).

Trade payables due to other than MSME increased to ₹3,867.13 lakhs in FY24 from ₹3,109.41 lakhs in FY23, representing an increase of ₹757.72 lakhs (24.37%), reflecting higher purchases from vendors.

Ageing Movement

Payables less than one year increased slightly to ₹2,545.33 lakhs in FY24 from ₹2,525.40 lakhs in FY23, indicating growth in operational vendor liabilities.

Balances in the 1–2 year ageing bucket increased to ₹1,149.10 lakhs from ₹426.53 lakhs, primarily due to timing of vendor settlements.

Payables in the 2–3 year category decreased to ₹202.09 lakhs from ₹221.68 lakhs.

Balances outstanding for more than 3 years decreased to ₹56.35 lakhs from ₹115.52 lakhs, reflecting settlement of certain long-pending balances.

Contingent Liabilities

Contingent liability amounts to ₹360.83 lakhs as at March 2025 vis a vis ₹ 1,300.95 lakhs as at March 2023. Claims against the Company not acknowledged as debts decreased to ₹152.93 lakhs as of March 31, 2024 from ₹791.17 lakhs as of March 31, 2023, representing a decrease of ₹638.24 lakhs, primarily due to resolution or disposal of certain matters during the year.

Disputed statutory demands remained unchanged at ₹107.23 lakhs as of March 31, 2024 and March 31, 2023.

Guarantees decreased to ₹100.67 lakhs as of March 31, 2024 from ₹402.55 lakhs as of March 31, 2023, representing a decrease of ₹301.88 lakhs, primarily due to expiry and release of guarantees previously issued.

Key Components of Income and Expenses

We report our income and expenditure in the following manner:

Total Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations: Revenue from operations primarily comprises income generated from the sale of the Company's confectionery products, including chocolates, jellies and other confectionery items. Such revenue is derived from sales made in domestic as well as international markets through the Company's distribution network. Revenue is recognized from the sale of these products in the ordinary course of the Company's business operations.

Other Income: Our other income primarily comprises foreign exchange fluctuation gains, interest on fixed deposits, reversal of gratuity provisions, profit on disposal of tangible fixed assets and other miscellaneous income.

Total Expenses

Our total expenses comprise cost of materials consumed, changes in inventories of finished goods and work-in-progress, employee benefits expenses, finance costs, depreciation and amortization expenses, and other expenses.

Cost of Material Consumed: Cost of materials consumed consists of 3 components – Raw Materials consumed, Cost of Consumables, Stores, Spare Parts and Packing Materials and other direct operating expenses.

- *Cost of Raw Material Consumed:* Raw materials constitute a significant portion of our total expenses as we are engaged in the manufacturing of confectionery and beverage products including chocolates, jellies and other confectionery items. Our raw materials primarily include sugar, cocoa-based inputs, flavors, food ingredients and other related materials required for production. Raw material consumed is calculated as opening stock plus purchases during the period less closing stock and includes freight charges, labour charges and other related expenses.

- *Cost of Consumables, Spare Parts and Packing Materials Consumed:* Consumables, spare parts and packing materials are used in the manufacturing and packaging of our confectionery and beverage products. Packing materials primarily include wrappers, laminates, containers and other packaging components used for finished products.

- *Operating Expenses:* Operating expenses primarily comprise job work charges, consumables expenses, factory rent, freight and cartage, electricity expenses, gas expenses, factory and warehouse rent and carriage inward. These expenses are incurred in connection with our manufacturing operations for confectionery and beverage products, including chocolates, jellies and other confectionery items.

Changes in Inventories of Finished Goods and Work-in-Progress: Changes in inventories of finished goods and work-in-progress represent the difference between opening and closing inventory levels of finished goods and semi-processed products. These changes are influenced by production volumes, sales demand, inventory management policies and timing differences between production and sales of our confectionery and beverage products including chocolates, jellies and other confectionery items.

Employee Benefits Expense: Employee benefits expense primarily comprises salaries, wages, bonuses and allowances paid to employees, contributions to provident fund and ESIC, staff incentives, directors' remuneration, staff welfare expenses, leave encashment expenses and gratuity expenses. These expenses are incurred in connection with our manufacturing, administrative and operational workforce engaged in the production and distribution of our confectionery and beverage products, including chocolates, jellies and other confectionery items.

Finance Costs: Finance costs primarily comprise interest expenses on working capital loans, term loans and borrowings from MSMEs, as well as bank and financial institution charges. These costs arise from borrowings utilized to fund working capital requirements and capital expenditure in connection with our manufacturing operations.

Depreciation and Amortisation Expense: Depreciation is charged on our tangible fixed assets including Plant and Machinery, Furniture and Fixtures, Office Equipment, Electrical Installations and Equipment, Computers, Motor Vehicles and Leased Assets. Depreciation on fixed assets will be calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013 to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged. Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end.

Other Expenses: Other expenses primarily comprise logistics and distribution costs, rebates and discounts, online sales charges, legal and professional expenses, business promotion expenses, security expenses, office expenses and other administrative and operational costs incurred in connection with our manufacturing and distribution of confectionery and beverage products including chocolates, jellies and other confectionery items.

Our Results of Operations

The following table sets forth select financial data derived from our restated statement of profit and loss for the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 and we have expressed the components of select financial data as a percentage of total income for such years:

(₹ in Lakhs)

Particulars	**September 30, 2025**		**Fiscal**					
			2025		2024		2023	
	(₹ in Lakhs)	***(% of total income)***	**(₹ in Lakhs)**	***(% of total income)***	**(₹ in Lakhs)**	***(% of total income)***	**(₹ in Lakhs)**	***(% of total income)***
Revenue from Operations	9,186.57	*99.74%*	18,697.32	*99.78%*	16,241.26	*99.76%*	15,852.18	*99.84%*
Other income	23.82	*0.26%*	41.93	*0.22%*	39.48	*0.24%*	24.98	*0.16%*
Total Income	**9,210.39**	***100.00%***	**3,459.84**	***100.00%***	**16,280.74**	***100.00%***	**15,877.16**	***100.00%***
Expenses								
Cost of materials consumed	6,019.12	*65.35%*	15,689.67	*83.73%*	14,163.08	*86.99%*	13,262.09	*83.53%*
Changes in Inventories of Work-in-Progress	650.66	*7.06%*	(896.56)	*(4.78) %*	(632.82)	*(3.89) %*	230.41	*1.45%*
Employees Benefit Expenses	361.44	*3.92%*	637.67	*3.40%*	291.27	*1.79%*	267.92	*1.69%*
Finance Costs	427.76	*4.64%*	850.26	*4.54%*	827.41	*5.08%*	784.08	*4.94%*
Depreciation and Amortization	176.85	*1.92%*	383.78	*2.05%*	411.33	*2.53%*	433.95	*2.73%*
Other expenses	700.77	*7.61%*	812.26	*4.33%*	423.45	*2.60%*	424.28	*2.67%*
Total Expenses	**8,336.60**	***90.51%***	**17,477.08**	***93.26%***	**15,483.72**	***95.10%***	**15,402.73**	***97.01%***
Restated profit/ (loss) before tax	**873.80**	***9.49%***	**1,262.16**	***6.74%***	**797.02**	***4.90%***	**474.43**	***2.99%***
Tax Expenses	255.25	*2.77%*	431.96	*2.31%*	271.57	*1.67%*	155.13	*0.98%*
Restated profit/ (loss) for the year / period	**618.55**	***6.72%***	**830.20**	***4.43%***	**525.45**	***3.23%***	**319.30**	***2.01%***

Period ended September 30, 2025

Total Income

Our total income for the period ended September 30, 2025, were ₹9,210.39 lakhs based on Restated Financial Information. This income was primarily driven by our revenue from operations, generated from four principal product categories and food and bakery ingredients. For further details, please see "*Period ended September 30, 2025 – Revenue from operations*" and "*Period ended September 30, 2025 – Other income*" below.

Revenue from Operations: We reported revenue from operations of ₹9,186.57 lakhs. The Company's revenue was primarily driven by Choco Delights and Baked Treats, which contributed 44.1% (₹4,054.54 lakhs) and 40.2% (₹3,693.64 lakhs) of total revenue, respectively. Food and Bakery Ingredients contributed ₹708.53 lakhs (7.7%), while Jellies generated ₹547.69 lakhs (6.0%). Revenue from Panned and Sugar Candies amounted to ₹182.17 lakhs, accounting for 2.0% of total revenue. These categories reflect the Company's focus on confectionery and bakery-based product offerings.

The Company distributes its products through multiple channels, with the super stockist channel accounting for the majority of revenue. In H1 FY26, sales through super stockists amounted to ₹8,951.18 lakhs, representing 97.4% of total revenue. Revenue from online platforms was ₹119.95 lakhs, while exports and modern trade contributed ₹48.97 lakhs and ₹38.14 lakhs, respectively.

Other Income: For the period ended September 30, 2025, our other income was ₹23.82 lakhs, primarily comprising other income of ₹14.84 lakhs, interest on fixed deposits of ₹6.82 lakhs, and foreign exchange fluctuation gain of ₹2.16 lakhs.

Total Expenses

Cost of Raw Material Consumed: Cost of materials consumed consists of 3 components – Raw Materials consumed, Cost of Consumables, Stores, Spare Parts and Packing Materials and other direct operating expenses.

- *Cost of raw materials consumed:* Cost of raw material consumed for the six months ended September 30, 2025 was ₹4,307.85 lakhs, which primarily comprised opening inventory of ₹2,291.30 lakhs, purchases of ₹4,966.29 lakhs, partially offset by closing inventory of ₹2,949.74 lakhs. The level of raw material consumption during the period reflects procurement aligned with production requirements for confectionery and beverage products and maintenance of adequate inventory levels to support ongoing manufacturing operations.

- *Consumables, Spare Parts and Packing Materials Consumed:* Total stock of consumables, spare parts and packing materials consumed for the six months ended September 30, 2025 was ₹1,280.99 lakhs, comprising opening inventory of ₹742.98 lakhs, purchases of ₹1,795.95 lakhs, partially offset by closing inventory of ₹1,257.94 lakhs. The consumption reflects the packaging requirements associated with production and sale of our confectionery and beverage products.

- *Operating Expenses:* Operating expenses for the period ended September 30, 2025 were ₹430.27 lakhs. The breakdown of operating expenses is as follows:

    - Electricity Expenses: ₹180.88 lakhs (42.04% of total operating expenses) and Gas Expenses: ₹129.85 lakhs (30.18%): Electricity and gas expenses together constituted approximately 72.22% of our total operating expenses for the six months ended September 30, 2025. These expenses primarily relate to utilities required for operating production machinery and processing equipment used in the manufacture of confectionery and beverage products, including heating, mixing, processing and packaging activities.

    - Factory Rent: ₹66.48 lakhs (15.45%): Factory rent accounted for 15.45% of total operating expenses, representing lease rentals paid for premises used for manufacturing operations.

    - Carriage Inward: ₹22.99 lakhs (5.34%): Carriage inward expenses accounted for 5.34% of total operating expenses and represent costs incurred for transporting raw materials, packaging materials and other inputs to our manufacturing facilities.

    - Freight and Cartage: ₹18.42 lakhs (4.28%): Freight and cartage expenses, representing 4.28% of total operating expenses, relate to transportation and distribution costs associated with the movement of goods within our logistics network.

    - Consumables Expenses: ₹11.66 lakhs (2.71%): Consumables expenses accounted for 2.71% of total operating expenses, representing minor production-related consumables and materials used in manufacturing and maintenance of production processes.

Changes in Inventories of Finished Goods and Work-in-Progress: Changes in inventories of finished goods and work-in-progress for the period ended September 30, 2025 amounted to ₹650.66 lakhs, representing 7.08% of revenue from operations. This primarily comprised:

1. Increase in finished goods inventory of ₹580.62 lakhs, arising from opening inventory of ₹3,139.36 lakhs and closing inventory of ₹2,558.74 lakhs.

2. Increase in work-in-progress inventory of ₹70.04 lakhs, with opening inventory of ₹392.24 lakhs and closing inventory of ₹322.20 lakhs.

The increase in inventory levels was primarily attributable to production carried out during the period to meet anticipated sales demand and to maintain adequate stock levels for distribution across markets.

Employee Benefits Expense: Employee benefits expense for the period ended September 30, 2025 was ₹361.44 lakhs, representing 3.93% of revenue from operations. The major components of employee benefits expense included:

1. Salaries, wages, bonus and allowances: ₹302.22 lakhs (83.61% of total employee benefits expense)
2. Staff welfare expenses: ₹32.02 lakhs (8.86%)
3. Leave encashment expenses: ₹8.00 lakhs (2.21%)
4. Directors' remuneration: ₹7.50 lakhs (2.07%)
5. Gratuity expenses: ₹5.53 lakhs (1.53%)
6. Staff incentive: ₹3.50 lakhs (0.97%)
7. Contribution to PF/ESIC: ₹2.67 lakhs (0.74%)

Salaries, wages, bonuses and allowances constituted the largest portion of employee benefits expense, reflecting compensation paid to personnel engaged in manufacturing, quality control, administration and distribution functions. Staff welfare expenses include employee welfare initiatives and related benefits. Leave encashment and gratuity expenses represent provisions for employee retirement and leave benefits in accordance with applicable regulations.

Finance Costs: Finance costs for the period ended September 30, 2025 were ₹427.76 lakhs, representing 4.66% of revenue from operations. The components included:

- Interest on loans: ₹166.16 lakhs (38.84%)
- Interest on working capital loans: ₹162.14 lakhs (37.90%)
- Bank and financial institution charges: ₹87.74 lakhs (20.51%)
- Interest on MSME dues: ₹11.72 lakhs (2.74%)

Depreciation and Amortisation Expense: Depreciation and amortisation expense for the period ended September 30, 2025 amounted to ₹176.85 lakhs, representing 1.92% of revenue from operations. Depreciation is charged on property, plant and equipment and leased assets in accordance with the useful lives prescribed under applicable accounting standards. The component-wise depreciation recognised during the period was as follows:

1. Plant and Machinery: Depreciation of ₹132.95 lakhs was recorded during the period. Plant and machinery constitute the largest portion of the Company's asset base and primarily relates to machinery and equipment used in the manufacturing of confectionery and beverage products. Depreciation reflects continued utilization of these assets in production activities.
2. Office Equipment: Depreciation of ₹0.68 lakhs was recorded during the period. These assets include office equipment used for administrative and operational support functions.
3. Electrical Installation and Equipment: Depreciation of ₹0.68 lakhs was recognised during the period. These assets primarily relate to electrical infrastructure supporting manufacturing operations and facility utilities.
4. Computers: Depreciation of ₹0.98 lakhs was recognised during the period in respect of computer systems used for administrative, operational and information technology purposes.
5. Motor Vehicles: Depreciation of ₹0.85 lakhs was recorded during the period. These vehicles are primarily used for business travel and operational activities.
6. Furniture and Fixtures: Depreciation of ₹0.05 lakhs was recognised during the period in respect of furniture and fixtures used in office and operational premises.
7. Leased Plant and Machinery: Depreciation of ₹38.37 lakhs was recognised during the period on leased plant and machinery used in manufacturing operations.
8. Temporary Building Structure: Depreciation of ₹2.30 lakhs was recognised during the period on temporary building structures used for operational and facility-related purposes.

Plant and machinery accounted for the largest share of depreciation expense, reflecting the capital-intensive nature of the Company's manufacturing operations. Depreciation on leased plant and machinery also represents a significant component, as such assets are utilized to support production capacity and operational requirements.

Other Expenses: Other expenses for the period ended September 30, 2025 were ₹700.77 lakhs, representing 7.63% of revenue from operations. The major components of other expenses exceeding ₹10 lakhs during the period were as follows:

1. Rebate and discount: ₹389.33 lakhs (55.56%). This represents trade discounts, promotional rebates and sales incentives offered to distributors and customers to support sales volumes and enhance market penetration of our confectionery and beverage products.
2. Staff conveyance and travelling: ₹57.35 lakhs (8.19%). These expenses primarily relate to employee conveyance reimbursements and travel costs incurred for operational activities, sales visits and distribution coordination.
3. Online sale charges: ₹46.66 lakhs (6.57%). These charges primarily comprise commissions, platform service fees and transaction charges paid to e-commerce marketplaces through which our products are sold.

4. Travelling expenses: ₹24.74 lakhs (3.53%). These expenses mainly relate to travel undertaken by management and employees for business development, vendor meetings, operational supervision and market expansion activities.
5. Office expenses: ₹24.03 lakhs (3.43%). These expenses primarily include general administrative expenses such as office utilities, communication costs and other operational office-related expenditures.
6. Legal and professional expenses: ₹19.90 lakhs (2.84%). These expenses relate to professional advisory services including legal, regulatory, consultancy and compliance-related services obtained during the course of business.
7. CSR expenses: ₹16.89 lakhs (2.41%). These expenses were incurred towards corporate social responsibility initiatives undertaken by the Company in accordance with applicable statutory requirements.
8. Repair and maintenance: ₹15.22 lakhs (2.17%). These expenses primarily relate to maintenance and servicing of manufacturing equipment, machinery and factory infrastructure to ensure efficient production operations.
9. Penal charges: ₹13.32 lakhs (1.90%). These charges primarily represent penalties and related charges incurred during the course of business operations.
10. Security expenses: ₹12.97 lakhs (1.85%). These expenses relate to security services provided at our manufacturing facilities, warehouses and office premises.
11. Metro and Walmart expenses: ₹11.64 lakhs (1.66%). These expenses primarily relate to costs incurred for sales and distribution through organized retail channels including large retail chains.
12. Exhibition charges: ₹11.43 lakhs (1.63%). These expenses were incurred for participation in trade exhibitions, promotional events and industry trade fairs to enhance brand visibility and market outreach.
13. Processing fees: ₹10.37 lakhs (1.48%). These expenses primarily comprise processing and transaction charges incurred in connection with various financial and operational services.

Tax Expenses

Our total tax expense stood at ₹255.25 lakhs for period ended on September 30, 2025. This comprised: Current tax expenses of ₹271.55 lakhs; Deferred tax credits of ₹16.31 lakhs. The deferred tax credits primarily arose on account of timing differences in the treatment of depreciation on fixed assets and recognition of employee benefit obligations under accounting standards vis-à-vis tax records.

Restated profit after tax for the period ended September 30, 2025

Due to the foregoing, we incurred a profit of ₹618.55 lakhs during the period ended September 30, 2025.

Fiscal 2025 compared to Fiscal 2024

Total Income

Our total income increased by 15.10% to ₹18,739.24 lakhs in Fiscal 2025 from ₹16,280.74 lakhs in Fiscal 2024, based on the Restated Financial Information. This increase was primarily driven by growth in key product categories, with Baked Treats increasing by 6.10% to ₹8,803.55 lakhs from ₹8,297.52 lakhs, Choco Delights increasing by 20.95% to ₹6,240.31 lakhs from ₹5,159.22 lakhs, and Jellies increasing by 52.69% to ₹1,867.36 lakhs from ₹1,223.00 lakhs in Fiscal 2025 compared to Fiscal 2024, while revenues from other product categories contributed to the overall growth. For further details, please see "*– Fiscal 2025 compared to Fiscal 2024 – Total Income – Revenue from operations*" and "*– Fiscal 2025 compared to Fiscal 2024 – Total Income – Other income*" below.

Revenue from operations: Revenue from operations increased by 15.1%, from ₹16,241.26 lakhs in FY24 to ₹18,697.32 lakhs in FY25, primarily driven by higher sales across key product categories. Revenue from Baked Treats increased by 6.1%, from ₹8,297.52 lakhs in FY24 to ₹8,803.55 lakhs in FY25, while revenue from Choco Delights increased by 20.9%, from ₹5,159.22 lakhs to ₹6,240.31 lakhs during the same period. Revenue from Jellies increased by 52.8%, from ₹1,222.99 lakhs in FY24 to ₹1,867.36 lakhs in FY25. Food and Bakery Ingredients increased by 88.8%, from ₹747.75 lakhs in FY24 to ₹1,412.10 lakhs in FY25. In contrast, revenue from Panned and Sugar Candies declined by 54.2%, from ₹813.78 lakhs in FY24 to ₹373.99 lakhs in FY25.The overall increase in revenue in FY25 compared to FY24 was primarily attributable to higher sales in Choco Delights, Jellies, and Food and Bakery Ingredients, partially offset by a decline in Panned and Sugar Candies.

Revenue generated through the super stockist channel increased by 17.4%, from ₹15,330.40 lakhs in FY24 to ₹18,000.97 lakhs in FY25 and continued to account for the majority of the Company's revenue. Revenue from online platforms increased by 12.0%, from ₹296.84 lakhs in FY24 to ₹332.37 lakhs in FY25, while export sales declined by 41.0%, from ₹291.08 lakhs in FY24 to ₹171.79 lakhs in FY25. Revenue from modern trade declined from ₹322.94 lakhs in FY24 to ₹146.73 lakhs in FY25. Additionally, the Company generated ₹73.76 lakhs from private labelling arrangements in FY25. The increase in revenue in FY25 compared to FY24 was primarily driven by higher sales through the Company's super stockist network and growth in online platform sales, partially offset by a decline in exports and modern trade channels.

Other Income: Our other income increased by ₹2.45 lakhs (6.21%), from ₹39.48 lakhs in Fiscal 2024 to ₹41.93 lakhs in Fiscal 2025. The increase was primarily attributable to:

1. Higher interest on fixed deposits, which increased from ₹8.18 lakhs in Fiscal 2024 to ₹16.55 lakhs in Fiscal 2025, mainly due to higher surplus funds placed in bank deposits.
2. Stable contribution from other income, amounting to ₹21.96 lakhs in Fiscal 2025 compared to ₹22.54 lakhs in Fiscal 2024.

The increase was partially offset by:

1. Lower foreign exchange fluctuation gain, which declined from ₹5.02 lakhs in Fiscal 2024 to ₹3.41 lakhs in Fiscal 2025.
2. Absence of reversal of gratuity provision, which amounted to ₹3.74 lakhs in Fiscal 2024 but did not recur in Fiscal 2025.

Cost of Materials consumed: Cost of materials consumed consists of 3 components – Raw Materials consumed, Cost of Consumables, Stores, Spare Parts and Packing Materials and other direct operating expenses.

- *Cost of raw material consumed* increased by ₹1,540.57 lakhs (16.48%), from ₹9,348.28 lakhs in Fiscal 2024 to ₹10,868.85 lakhs in Fiscal 2025, The increase was primarily attributable to:

  - Higher procurement of raw materials to support increased production volumes of confectionery and beverage products.
  - Increase in purchases, which rose from ₹10,500.38 lakhs in Fiscal 2024 to ₹10,901.10 lakhs in Fiscal 2025.
  - Changes in inventory levels in line with operational requirements.

- *Consumables, Spare Parts and Packing Materials Consumed:* Consumption of consumables, spare parts and packing materials decreased by ₹125.40 lakhs (3.32%), from ₹3,771.34 lakhs in Fiscal 2024 to ₹3,645.94 lakhs in Fiscal 2025. The decrease was primarily due to:

  - Optimization in procurement and utilization of packaging materials and consumables.
  - Inventory adjustments during the year.

- *Operating Expenses:* Operating expenses increased by ₹131.41 lakhs (12.59%), from ₹1,043.46 lakhs in Fiscal 2024 to ₹1,174.87 lakhs in Fiscal 2025. The increase was primarily due to:

  - Electricity expenses increased from ₹484.13 lakhs in Fiscal 2024 to ₹506.80 lakhs in Fiscal 2025, reflecting higher electricity consumption attributable to increased manufacturing activity and operation of production equipment used in the preparation, processing and packaging of confectionery products.
  - Gas expenses increased from ₹278.96 lakhs in Fiscal 2024 to ₹325.47 lakhs in Fiscal 2025. Gas is used in certain stages of the production process including heating and processing of ingredients. The increase was primarily due to higher production volumes and fluctuations in fuel prices.
  - Factory rent decreased from ₹198.00 lakhs in Fiscal 2024 to ₹184.50 lakhs in Fiscal 2025. The decrease was primarily attributable to renegotiation of lease terms and efficient utilization of manufacturing facilities.
  - Freight and cartage expenses increased from ₹22.53 lakhs in Fiscal 2024 to ₹47.96 lakhs in Fiscal 2025. This increase was mainly due to higher dispatch volumes of finished goods and expansion of distribution activities in domestic markets.
  - Factory and warehouse rent increased from ₹53.16 lakhs in Fiscal 2024 to ₹61.06 lakhs in Fiscal 2025, primarily due to additional storage requirements for finished goods and raw materials in line with business growth.
  - Consumables expenses increased from ₹1.80 lakhs in Fiscal 2024 to ₹45.37 lakhs in Fiscal 2025, primarily due to higher usage of production-related consumables and certain maintenance materials required in manufacturing operations.
  - Job work charges decreased from ₹0.14 lakhs in Fiscal 2024 to nil in Fiscal 2025, as most manufacturing activities during Fiscal 2025 were carried out in-house.
  - Carriage inward decreased marginally from ₹4.74 lakhs in Fiscal 2024 to ₹3.71 lakhs in Fiscal 2025, primarily due to optimization of inbound logistics arrangements with suppliers.

Changes in Inventories of Finished Goods and Work-in-Progress: Changes in inventories of finished goods and work-in-progress increased by ₹263.74 lakhs, from ₹(632.82) lakhs in Fiscal 2024 to ₹(896.56) lakhs in Fiscal 2025.

- Changes in finished goods inventory amounted to ₹(597.76) lakhs in Fiscal 2025 compared with ₹(774.46) lakhs in Fiscal 2024. The negative balance indicates that closing inventory of finished goods exceeded opening inventory, reflecting higher production levels during the year to support anticipated sales growth and distribution requirements.
- Changes in work-in-progress amounted to ₹(298.80) lakhs in Fiscal 2025, compared with ₹141.64 lakhs in Fiscal 2024. The increase in work-in-progress inventory was primarily attributable to production activities undertaken towards the end of the financial year, resulting in higher semi-processed inventory.

Overall, the movement in inventories during Fiscal 2025 reflects production planning aligned with expected demand for confectionery products and maintenance of adequate inventory levels.

Employee Benefits Expense: Employee benefits expense increased by ₹346.40 lakhs, from ₹291.27 lakhs in Fiscal 2024 to ₹637.67 lakhs in Fiscal 2025. The changes in each component were as follows:

1. Contribution to PF/ESIC increased from ₹2.05 lakhs in Fiscal 2024 to ₹2.66 lakhs in Fiscal 2025, primarily due to an increase in the number of employees and statutory contributions linked to employee compensation.
2. Salaries, wages, bonus and allowances increased from ₹260.66 lakhs in Fiscal 2024 to ₹507.15 lakhs in Fiscal 2025, reflecting expansion of the workforce and increments in employee compensation in line with growth in manufacturing and operational activities.
3. Staff incentives increased from nil in Fiscal 2024 to ₹68.43 lakhs in Fiscal 2025, primarily due to introduction of performance-linked incentive structures for employees during the year.
4. Directors' remuneration remained stable at ₹3.00 lakhs in both Fiscal 2024 and Fiscal 2025.
5. Staff welfare expenses increased from ₹11.25 lakhs in Fiscal 2024 to ₹31.49 lakhs in Fiscal 2025, reflecting enhanced employee welfare initiatives and related benefits.
6. Leave encashment expenses increased from ₹14.31 lakhs in Fiscal 2024 to ₹15.59 lakhs in Fiscal 2025, mainly due to changes in employee leave provisions and accumulation of leave balances.
7. Gratuity expenses increased from nil in Fiscal 2024 to ₹9.35 lakhs in Fiscal 2025. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, including the impact of variations in employee attrition rates, are recognized in accordance with the Company's accounting policy on employee benefits. During the financial year 2023–24, the Company experienced a higher level of employee separations, which led to significant experience adjustments in the actuarial valuation of defined benefit obligations. Consequently, this resulted in a material fluctuation in the actuarial (gain)/loss for the year. The company had made sufficient provision in FY23. Hence gratuity expense was nil in FY24. Reversal of gratuity expense of 3.74 lakhs was accordingly recognized in FY24.

Finance Costs: Finance costs increased by ₹22.85 lakhs, from ₹827.41 lakhs in Fiscal 2024 to ₹850.26 lakhs in Fiscal 2025. The changes in each component were as follows:

1. Interest on working capital loans decreased from ₹394.76 lakhs in Fiscal 2024 to ₹314.37 lakhs in Fiscal 2025, primarily due to reduced utilization of working capital borrowings and improved cash flow management.
2. Interest on loans increased from ₹307.92 lakhs in Fiscal 2024 to ₹331.18 lakhs in Fiscal 2025, reflecting borrowings utilized for business operations and capital requirements.
3. Interest on MSME dues increased from ₹22.11 lakhs in Fiscal 2024 to ₹29.14 lakhs in Fiscal 2025, primarily due to timing differences in payments to MSME suppliers.
4. Bank and financial institution charges increased from ₹102.62 lakhs in Fiscal 2024 to ₹175.57 lakhs in Fiscal 2025, mainly due to higher utilization of banking facilities and related processing charges.

Depreciation and Amortisation Expense: Depreciation expense decreased from ₹411.33 lakhs in Fiscal 2024 to ₹383.78 lakhs in Fiscal 2025. The component-wise depreciation movement was as follows:

1. Plant and Machinery: Depreciation decreased from ₹332.61 lakhs in Fiscal 2024 to ₹287.18 lakhs in Fiscal 2025, primarily due to the ageing profile of certain assets and changes in depreciation base.
2. Furniture and Fixtures: Depreciation decreased from ₹0.17 lakhs to ₹0.11 lakhs.
3. Office Equipment: Depreciation increased from ₹0.41 lakhs to ₹0.53 lakhs, reflecting additions during the year.
4. Electrical Installation and Equipment: Depreciation decreased from ₹2.12 lakhs to ₹1.44 lakhs.
5. Computers: Depreciation decreased from ₹2.15 lakhs to ₹1.01 lakhs.
6. Motor Vehicles: Depreciation increased from ₹1.36 lakhs to ₹2.28 lakhs.

7. Leased Plant and Machinery: Depreciation increased from ₹38.68 lakhs to ₹78.77 lakhs, reflecting additional leased machinery during the year.
8. Temporary Building Structure: Depreciation decreased from ₹33.83 lakhs to ₹12.46 lakhs.

Other Expenses: Other expenses increased by ₹388.81 lakhs (91.82%), from ₹423.45 lakhs in Fiscal 2024 to ₹812.26 lakhs in Fiscal 2025. The movement in major items exceeding ₹10 lakhs was as follows:

1. Rebate and discount, Metro and Walmart expenses and online sale charges collectively increased from ₹236.99 lakhs in Fiscal 2024 to ₹403.10 lakhs in Fiscal 2025. The increase was primarily attributable to a significant rise in rebate and discount, which increased from ₹8.75 lakhs in Fiscal 2024 to ₹213.74 lakhs in Fiscal 2025, mainly due to the Company recognizing discounts as a reduction from revenue during Fiscal 2025.This was partially offset by a decrease in online sale charges, which declined from ₹160.58 lakhs in Fiscal 2024 to ₹139.33 lakhs in Fiscal 2025, and a decrease in Metro and Walmart expenses, which reduced from ₹67.67 lakhs in Fiscal 2024 to ₹50.03 lakhs in Fiscal 2025, primarily due to changes in the mix of sales across distribution channels.
2. Office expenses increased from ₹5.50 lakhs in Fiscal 2024 to ₹49.82 lakhs in Fiscal 2025, mainly due to increased administrative and operational activities during the year.
3. Security expenses increased from ₹31.01 lakhs in Fiscal 2024 to ₹35.17 lakhs in Fiscal 2025, primarily due to higher security costs for manufacturing facilities and warehouses.
4. Legal and professional expenses increased from ₹33.33 lakhs in Fiscal 2024 to ₹39.31 lakhs in Fiscal 2025, mainly due to higher professional advisory services obtained during the year.
5. Repair and maintenance expenses increased significantly from ₹0.79 lakhs in Fiscal 2024 to ₹61.23 lakhs in Fiscal 2025, primarily due to maintenance and servicing of manufacturing machinery and facilities.
6. Travelling expenses increased from ₹12.55 lakhs in Fiscal 2024 to ₹32.23 lakhs in Fiscal 2025, reflecting increased travel associated with business development and operational activities.
7. Business promotion expenses increased from ₹10.11 lakhs in Fiscal 2024 to ₹36.56 lakhs in Fiscal 2025, primarily due to promotional activities undertaken to enhance brand visibility.
8. Clearing charges remained relatively stable at ₹18.10 lakhs in Fiscal 2024 compared with ₹17.68 lakhs in Fiscal 2025.
9. Exhibition charges increased from ₹4.84 lakhs in Fiscal 2024 to ₹17.68 lakhs in Fiscal 2025, mainly due to participation in trade exhibitions and marketing events.

Tax Expenses

Tax expense increased to ₹431.96 lakhs in Fiscal 2025 from ₹271.57 lakhs in Fiscal 2024, primarily due to higher profit before tax during Fiscal 2025. The tax expense in Fiscal 2025 comprised current tax expense of ₹458.31 lakhs, partially offset by a deferred tax credit of ₹26.35 lakhs.

Restated profit after tax for the year

Restated consolidated profit after tax increased to ₹830.20 lakhs in Fiscal 2025 from ₹525.45 lakhs in Fiscal 2024, primarily due to higher profit before tax during Fiscal 2025. Revenue from operations increased from ₹16,241.26 lakhs in Fiscal 2024 to ₹18,697.32 lakhs in Fiscal 2025, representing a growth of 15.12%, primarily attributable to higher sales volumes and the expansion of the Company's product portfolio. EBITDA increased from ₹1,893.66 lakhs in Fiscal 2024 to ₹2,278.70 lakhs in Fiscal 2025, reflecting an increase of 22.33%. Consequently, profit after tax increased from ₹525.45 lakhs in Fiscal 2024 to ₹830.20 lakhs in Fiscal 2025, representing an increase of 58%, driven primarily by the introduction and expansion of higher margin product SKUs, improved operating leverage, favorable product mix and continued operational efficiencies.

Fiscal 2024 compared to Fiscal 2023

Total Income

Our total income increased by 2.54% to ₹16,280.74 lakhs in Fiscal 2024 from ₹15,877.16 lakhs in Fiscal 2023, based on the Restated Financial Information. This increase was primarily driven by growth in key product categories, with Choco Delights increasing by 2.45% to ₹5,159.22 lakhs from ₹5,035.74 lakhs and Jellies increasing by 50.93% to ₹1,223.00 lakhs from ₹810.33 lakhs in Fiscal 2024 compared to Fiscal 2023, while Baked Treats decreased by 2.82% to ₹8,297.52 lakhs from ₹8,538.44 lakhs and revenues from other product categories contributed to the overall performance. For further details, please see "*– Fiscal 2024 compared to Fiscal 2023 – Total Income – Revenue from operations*" and "*– Fiscal 2024 compared to Fiscal 2023 – Total Income – Other income*" below.

Revenue from operations: increased by 2.5%, from ₹15,852.18 lakhs in FY23 to ₹16,241.26 lakhs in FY24. Revenue from Choco Delights increased by 2.5%, from ₹5,035.74 lakhs in FY23 to ₹5,159.22 lakhs in FY24. Revenue from Jellies increased by 50.9%, from ₹810.33 lakhs in FY23 to ₹1,222.99 lakhs in FY24, reflecting higher sales in this category.

Revenue from Panned and Sugar Candies increased by 22.9%, from ₹662.13 lakhs in FY23 to ₹813.78 lakhs in FY24. In contrast, revenue from Baked Treats declined by 2.8%, from ₹8,538.44 lakhs in FY23 to ₹8,297.52 lakhs in FY24, while Food and Bakery Ingredients declined by 7.2%, from ₹805.54 lakhs in FY23 to ₹747.75 lakhs in FY24. The overall increase in revenue in FY24 compared to FY23 was primarily driven by growth in Jellies, Panned and Sugar Candies, and Choco Delights, partially offset by a decline in Baked Treats and Food and Bakery Ingredients.

Revenue generated through the super stockist channel increased by 2.1%, from ₹15,012.41 lakhs in FY23 to ₹15,330.40 lakhs in FY24 and continued to account for the majority of the Company's revenue. Revenue from online platforms increased by 25.7%, from ₹236.10 lakhs in FY23 to ₹296.84 lakhs in FY24, while modern trade sales increased by 6.6%, from ₹302.97 lakhs to ₹322.94 lakhs during the same period. Revenue from exports declined by 3.3%, from ₹300.70 lakhs in FY23 to ₹291.08 lakhs in FY24. The increase in revenue in FY24 compared to FY23 was primarily driven by growth in the super stockist network, online platform sales, and modern trade channels, partially offset by a decline in export sales.

Other Income: Our other income increased by ₹14.50 lakhs (58.04%), from ₹24.98 lakhs in Fiscal 2023 to ₹39.48 lakhs in Fiscal 2024. The increase was primarily due to:

1. Higher other income, which increased significantly from ₹0.78 lakhs in Fiscal 2023 to ₹22.54 lakhs in Fiscal 2024, mainly due to higher miscellaneous income and operational recoveries.
2. Increase in interest on fixed deposits, from ₹5.57 lakhs in Fiscal 2023 to ₹8.18 lakhs in Fiscal 2024.
3. Reversal of gratuity provision amounting to ₹3.74 lakhs in Fiscal 2024, which was not present in Fiscal 2023.

This increase was partially offset by:

1. Lower foreign exchange fluctuation gain, which decreased from ₹18.08 lakhs in Fiscal 2023 to ₹5.02 lakhs in Fiscal 2024.
2. Non-recurrence of profit on disposal of tangible fixed assets, which amounted to ₹0.55 lakhs in Fiscal 2023.

Cost of Raw Material Consumed: Cost of materials consumed consists of 3 components – Raw Materials consumed, Cost of Consumables, Stores, Spare Parts and Packing Materials and other direct operating expenses.

- *Cost of raw material consumed* increased by ₹1,100.35 lakhs (13.34%), from ₹8,247.93 lakhs in Fiscal 2023 to ₹9,348.28 lakhs in Fiscal 2024. The increase was primarily due to:

    1. Higher procurement of key raw materials required for manufacturing confectionery products.
    2. Increased purchases, which rose from ₹7,827.12 lakhs in Fiscal 2023 to ₹10,500.38 lakhs in Fiscal 2024, partly offset by changes in closing inventory levels.

- *Consumption of consumables, spare parts and packing materials* decreased by ₹241.79 lakhs (6.02%), from ₹4,013.13 lakhs in Fiscal 2023 to ₹3,771.34 lakhs in Fiscal 2024. The decrease was primarily attributable to improved inventory management and procurement efficiencies in packaging and consumable materials.

- *Operating expenses* increased by ₹42.43 lakhs (4.24%), from ₹1,001.03 lakhs in Fiscal 2023 to ₹1,043.46 lakhs in Fiscal 2024. The increase was primarily due to:

    - Electricity expenses increased from ₹441.28 lakhs in Fiscal 2023 to ₹484.13 lakhs in Fiscal 2024, primarily due to higher power consumption resulting from increased production volumes and operational utilization of manufacturing equipment.
    - Gas expenses decreased from ₹292.68 lakhs in Fiscal 2023 to ₹278.96 lakhs in Fiscal 2024, primarily due to fluctuations in fuel prices and improvements in energy usage efficiency during the year.
    - Factory rent increased from ₹183.67 lakhs in Fiscal 2023 to ₹198.00 lakhs in Fiscal 2024, primarily due to escalation in lease rentals and continued use of manufacturing facilities.
    - Freight and cartage expenses decreased from ₹27.42 lakhs in Fiscal 2023 to ₹22.53 lakhs in Fiscal 2024, primarily due to improved logistics planning and optimization of transportation routes.
    - Factory and warehouse rent increased from ₹29.87 lakhs in Fiscal 2023 to ₹53.16 lakhs in Fiscal 2024, mainly due to additional storage space requirements for inventory and finished goods.
    - Consumables expenses decreased from ₹6.11 lakhs in Fiscal 2023 to ₹1.80 lakhs in Fiscal 2024, primarily due to lower usage of certain production consumables during the year.
    - Job work charges decreased from ₹11.87 lakhs in Fiscal 2023 to ₹0.14 lakhs in Fiscal 2024, reflecting a shift of certain manufacturing processes from outsourced job work to in-house production.
    - Carriage inward decreased from ₹8.13 lakhs in Fiscal 2023 to ₹4.74 lakhs in Fiscal 2024, primarily due to better coordination with suppliers and optimized procurement logistics.

Changes in Inventories of Finished Goods and Work-in-Progress: Changes in inventories of finished goods and work-in-progress decreased by ₹863.23 lakhs, from ₹230.41 lakhs in Fiscal 2023 to ₹(632.82) lakhs in Fiscal 2024.

- Changes in finished goods inventory amounted to ₹(774.46) lakhs in Fiscal 2024 compared with ₹463.07 lakhs in Fiscal 2023. The negative balance in Fiscal 2024 indicates higher closing inventory compared to opening inventory, primarily due to increased production levels and stock build-up to support anticipated sales.
- Changes in work-in-progress inventory amounted to ₹141.64 lakhs in Fiscal 2024, compared with ₹(232.66) lakhs in Fiscal 2023.

The movement in work-in-progress inventory reflects variations in production cycles and timing differences between manufacturing and completion of finished goods during the respective financial years.

Overall, inventory movements during Fiscal 2024 were influenced by operational planning, production schedules and demand for confectionery products across markets.

Employee Benefits Expense: Employee benefits expense increased by ₹23.35 lakhs, from ₹267.92 lakhs in Fiscal 2023 to ₹291.27 lakhs in Fiscal 2024. The movement in each component was as follows:

1. Contribution to PF/ESIC decreased from ₹2.97 lakhs in Fiscal 2023 to ₹2.05 lakhs in Fiscal 2024, primarily due to changes in the employee base and corresponding statutory contributions.
2. Salaries, wages, bonus and allowances increased from ₹240.38 lakhs in Fiscal 2023 to ₹260.66 lakhs in Fiscal 2024, reflecting annual salary increments and workforce adjustments.
3. Staff incentives remained nil in both Fiscal 2023 and Fiscal 2024.
4. Directors' remuneration remained ₹3.00 lakhs in both Fiscal 2023 and Fiscal 2024.
5. Staff welfare expenses increased from ₹9.49 lakhs in Fiscal 2023 to ₹11.25 lakhs in Fiscal 2024, primarily due to higher employee welfare activities.
6. Leave encashment expenses increased from ₹6.50 lakhs in Fiscal 2023 to ₹14.31 lakhs in Fiscal 2024, mainly due to higher leave encashment during the year.
7. Gratuity expenses decreased from ₹5.58 lakhs in Fiscal 2023 to nil in Fiscal 2024, as no gratuity provision was recorded during the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, including the impact of variations in employee attrition rates, are recognized in accordance with the Company's accounting policy on employee benefits. During the financial year 2023–24, the Company experienced a higher level of employee separations, which led to significant experience adjustments in the actuarial valuation of defined benefit obligations. Consequently, this resulted in a material fluctuation in the actuarial (gain)/loss for the year. The company had made sufficient provision in FY23. Hence gratuity expense was nil in FY24. Reversal of gratuity expense of 3.74 lakhs was accordingly recognized in FY24.

Finance Costs: Finance costs increased by ₹43.33 lakhs, from ₹784.08 lakhs in Fiscal 2023 to ₹827.41 lakhs in Fiscal 2024. The movement in each component was as follows:

1. Interest on working capital loans increased from ₹265.67 lakhs in Fiscal 2023 to ₹394.76 lakhs in Fiscal 2024, primarily due to higher utilization of working capital borrowings to support business operations.
2. Interest on loans decreased from ₹376.11 lakhs in Fiscal 2023 to ₹307.92 lakhs in Fiscal 2024, mainly due to scheduled repayments of borrowings.
3. Interest on MSME dues increased from ₹6.22 lakhs in Fiscal 2023 to ₹22.11 lakhs in Fiscal 2024, primarily due to timing differences in vendor payments.
4. Bank and financial institution charges decreased from ₹136.08 lakhs in Fiscal 2023 to ₹102.62 lakhs in Fiscal 2024, reflecting lower banking transaction charges during the year.

Depreciation and Amortisation Expense: Depreciation expense decreased from ₹433.95 lakhs in Fiscal 2023 to ₹411.33 lakhs in Fiscal 2024. The component-wise movement was as follows:

1. Plant and Machinery: Depreciation decreased from ₹372.98 lakhs to ₹332.61 lakhs.
2. Furniture and Fixtures: Depreciation decreased from ₹0.24 lakhs to ₹0.17 lakhs.
3. Office Equipment: Depreciation increased from ₹0.13 lakhs to ₹0.41 lakhs.
4. Electrical Installation and Equipment: Depreciation decreased from ₹3.13 lakhs to ₹2.12 lakhs.
5. Computers: Depreciation increased from ₹1.85 lakhs to ₹2.15 lakhs.
6. Motor Vehicles: Depreciation increased from nil to ₹1.36 lakhs.
7. Leased Plant and Machinery: Depreciation increased from ₹17.31 lakhs to ₹38.68 lakhs.
8. Temporary Building Structure: Depreciation decreased from ₹38.86 lakhs to ₹33.83 lakhs.

Other Expenses: Other expenses remained largely stable, decreasing marginally by ₹0.83 lakhs, from ₹424.28 lakhs in Fiscal 2023 to ₹423.45 lakhs in Fiscal 2024. The movement in items exceeding ₹10 lakhs was as follows:

1. Rebate and discount, Metro and Walmart expenses and online sale charges collectively increased from ₹196.70 lakhs in Fiscal 2023 to ₹236.99 lakhs in Fiscal 2024.The increase was primarily driven by higher online sale charges, which increased from ₹81.55 lakhs in Fiscal 2023 to ₹160.58 lakhs in Fiscal 2024, reflecting increased sales through e-commerce platforms. In addition, Metro and Walmart expenses amounted to ₹67.67 lakhs in Fiscal 2024, compared to nil in Fiscal 2023, primarily due to expansion of sales through organized retail channels. This increase was partially offset by a decrease in rebate and discount, which declined from ₹115.15 lakhs in Fiscal 2023 to ₹8.75 lakhs in Fiscal 2024, reflecting changes in the Company's pricing and sales incentive structure.
2. Legal and professional expenses increased from ₹22.17 lakhs in Fiscal 2023 to ₹33.33 lakhs in Fiscal 2024, mainly due to higher professional advisory and compliance-related costs.
3. Security expenses decreased from ₹38.50 lakhs in Fiscal 2023 to ₹31.01 lakhs in Fiscal 2024, primarily due to optimization of security services.
4. GST/VAT and interest thereon decreased from ₹47.22 lakhs in Fiscal 2023 to ₹25.46 lakhs in Fiscal 2024, mainly due to settlement of tax-related liabilities during the previous year.
5. Clearing charges decreased from ₹50.73 lakhs in Fiscal 2023 to ₹18.10 lakhs in Fiscal 2024, reflecting lower logistics clearing costs.
6. Business promotion expenses decreased slightly from ₹12.32 lakhs in Fiscal 2023 to ₹10.11 lakhs in Fiscal 2024.

Tax Expenses

Tax expense increased to ₹271.57 lakhs in Fiscal 2024 from ₹155.13 lakhs in Fiscal 2023, primarily due to higher profit before tax during Fiscal 2024. The tax expense in Fiscal 2024 comprised current tax expense of ₹293.30 lakhs, partially offset by a deferred tax credit of ₹21.73 lakhs.

Restated profit after tax for the year

Restated consolidated profit after tax increased to ₹525.45 lakhs in Fiscal 2024 from ₹319.30 lakhs in Fiscal 2024, primarily due to higher profit before tax during Fiscal 2023. Revenue from operations increased from ₹15,852.18 lakhs in Fiscal 2023 to ₹16,241.26 lakhs in Fiscal 2024, representing a growth of 2.40%, primarily attributable to higher sales volumes and the expansion of the Company's product portfolio. EBITDA increased from ₹1,531.40 lakhs in Fiscal 2023 to 1,893.66 lakhs in Fiscal 2024, reflecting an increase of 23.65%. Consequently, profit after tax increased from ₹319.30 lakhs in Fiscal 2023 to 525.45 lakhs in Fiscal 2024, representing an increase of 64.56%, driven primarily by the introduction and expansion of higher margin product SKUs, improved operating leverage, favorable product mix and continued operational efficiencies.

Cash Flows and Cash and Cash Equivalents

The following table sets forth our cash flows and cash and cash equivalents for the period / years indicated:

(₹ in Lakhs)

Particulars	**September 30, 2025**	**Fiscals**		
		2025	**2024**	**2023**
Net cash (used)/from operating activities	(735.82)	2,579.36	892.62	191.78
Net cash (used)/from investing activities	(165.80)	(3,421.37)	(449.19)	(409.87)
Net cash (used)/from financing activities	1,457.51	673.11	(290.23)	43.87
Net increase / (decrease) in cash and cash equivalents at the end of the period/year	**555.89**	**(168.90)**	**153.22**	**(174.22)**
Cash and Cash equivalents at the beginning of the year	2.18	171.10	17.87	192.11
Cash and Cash equivalents at the end of the year	558.08	2.18	171.10	17.87

Operating Activities

Net cash used in operating activities for the period ended September 30, 2025 was ₹735.82 lakhs. The negative cash flow from operating activities for the period ended September 30, 2025 was primarily attributable to advance payments made for the procurement of machinery required for our business operations. Although such payments are generally associated with investing activities, the advances provided during the period impacted the working capital position and were reflected within operating cash flows. Consequently, the increase in advances led to a temporary reduction in operating cash flows during the period. The Company recorded net profit before extraordinary items of ₹618.55 lakhs, which was adjusted for non-cash items including depreciation and amortization of ₹176.85 lakhs, interest expense of ₹340.02 lakhs, provision for tax of ₹255.25 lakhs, increase in long-term provisions ₹5.31 lakhs, and interest and other income ₹ 6.82 lakhs. Operating

cash flows were impacted by working capital changes including increase in inventories ₹522.73 lakhs, increase in trade receivables ₹545.43 lakhs, increase in loans and advances ₹1,230.38 lakhs, increase in other current assets ₹255.11 lakhs, partially offset by increase in other current liabilities ₹435.37 lakhs, increase in trade payables ₹31.89 lakhs, and increase in short-term provisions ₹25.19 lakhs.

Net cash generated from operating activities in Fiscal 2025 was ₹2,579.36 lakhs. The Company reported net profit before extraordinary items of ₹830.20 lakhs, which was adjusted for depreciation and amortization of ₹383.78 lakhs, interest expense of ₹674.69 lakhs, provision for tax of ₹431.96 lakhs, adjustment of prior period item ₹93.35 lakhs, increase in long-term provisions ₹8.44 lakhs, and interest and other income ₹16.55 lakhs. Working capital movements included decrease in trade receivables ₹2,016.35 lakhs, increase in inventories ₹1,085.24 lakhs, increase in loans and advances ₹406.62 lakhs, increase in other current assets ₹346.35 lakhs, increase in other current liabilities ₹361.90 lakhs, increase in trade payables ₹621.59 lakhs, and increase in short-term provisions ₹0.91 lakhs.

Net cash generated from operating activities in Fiscal 2024 was ₹892.62 lakhs. The Company recorded net profit before extraordinary items of ₹525.45 lakhs, adjusted for depreciation and amortization of ₹411.33 lakhs, interest expense of ₹724.79 lakhs, provision for tax of ₹271.57 lakhs, increase in long-term provisions ₹3.67 lakhs, and interest and other income ₹8.18 lakhs. Working capital movements included increase in inventories ₹1,626.86 lakhs, increase in trade receivables ₹281.95 lakhs, decrease in loans and advances ₹503.65 lakhs, increase in other current assets ₹302.22 lakhs, increase in other current liabilities ₹174.93 lakhs, increase in trade payables ₹663.74 lakhs, and decrease in short-term provisions ₹0.08 lakhs.

Net cash generated from operating activities in Fiscal 2023 was ₹191.78 lakhs. The Company reported net profit before extraordinary items of ₹319.30 lakhs, adjusted for depreciation and amortization of ₹433.95 lakhs, interest expense of ₹648.00 lakhs, provision for tax of ₹155.13 lakhs, adjustment of prior period item ₹19.33 lakhs, increase in long-term provisions ₹22.42 lakhs, profit on sale of fixed assets ₹0.55 lakhs, and interest and other income ₹5.57 lakhs. Working capital movements included decrease in inventories ₹636.47 lakhs, increase in trade receivables ₹607.63 lakhs, increase in loans and advances ₹157.22 lakhs, increase in other current assets ₹392.02 lakhs, decrease in other current liabilities ₹370.77 lakhs, decrease in trade payables ₹366.64 lakhs, and increase in short-term provisions ₹2.49 lakhs.

Investing Activities

Net cash used in investing activities during the six months ended September 30, 2025 was ₹165.80 lakhs. The outflow was primarily attributable to purchase of fixed assets amounting to ₹283.71 lakhs, reflecting investments in capacity expansion and operational infrastructure. These outflows were partially offset by a decrease in non-current assets and receipt of interest and other income.

Net cash used in investing activities in Fiscal 2025 was ₹3,421.37 lakhs. The outflow was primarily driven by increases in long-term loans and advances of ₹2,437.09 lakhs paid towards acquisition of shares of Shellz Overseas Pvt Ltd., capital expenditure on purchase of fixed assets of ₹632.28 lakhs, and increases in non-current assets, partially offset by interest and other income received during the year.

Net cash used in investing activities in Fiscal 2024 was ₹449.19 lakhs. The outflows were mainly attributable to purchase of fixed assets of ₹446.19 lakhs, reflecting continued investments in manufacturing facilities and infrastructure. These were partially offset by proceeds from sale of fixed assets and receipt of interest income.

Net cash used in investing activities in Fiscal 2023 was ₹409.87 lakhs. The outflow primarily related to purchase of fixed assets amounting to ₹427.42 lakhs, partially offset by proceeds from sale of fixed assets and interest income received during the year.

Financing Activities

Net cash generated from financing activities during the six months ended September 30, 2025 was ₹1,457.51 lakhs. The inflow was primarily attributable to an increase in long-term borrowings of ₹2,518.21 lakhs, increase in short-term borrowings of ₹ 1,339.39 lakhs, and proceeds from issuance of share capital of ₹500.00 lakhs. These inflows were partially offset by repayment of long-term borrowings of ₹724.41 lakhs, repayment of short-term borrowings of ₹1,835.66 lakhs, and interest paid of ₹340.02 lakhs.

Net cash generated from financing activities in Fiscal 2025 was ₹673.11 lakhs. The inflow was primarily driven by increases in short-term borrowings of ₹3,522.18 lakhs and issuance of share capital of ₹621.94 lakhs, partially offset by repayment of long-term borrowings of ₹1,926.57 lakhs, repayment of short-term borrowings of ₹2,278.31 lakhs, and interest payments of ₹674.69 lakhs.

Net cash used in financing activities in Fiscal 2024 was outflow of ₹290.23 lakhs. The outflow was mainly attributable to repayment of short-term borrowings of ₹1,938.74 lakhs, repayment of long-term borrowings of ₹131.98 lakhs, and interest payments of ₹724.79 lakhs, partially offset by increases in short-term borrowings of ₹ 2,208.03 lakhs and long-term borrowings of ₹297.25 lakhs.

Net cash generated from financing activities in Fiscal 2023 was ₹43.87 lakhs. The inflow primarily comprised increases in short-term borrowings of ₹1,007.70 lakhs and long-term borrowings of ₹581.75 lakhs, partially offset by repayment of long-term borrowings of ₹763.30 lakhs, repayment of short-term borrowings of ₹134.28 lakhs, and interest payments of ₹648.00 lakhs.

Indebtedness

The following table sets forth our financial indebtedness as of September 30, 2025:

(₹ in Lakhs)

Particulars	As of September 30, 2025
Long-term borrowings	3,910.84
Short-term borrowings	5,205.16
Total	**9,116.00**

For further details of financial indebtedness, see "*Financial Indebtedness*" on page 285.

Liquidity and Capital Resources

For the period ended September 30, 2025, and for the Fiscals 2025, 2024, and 2023, we met our funding requirements, including capital expenditure, satisfaction of debt obligations, investments, taxes, working capital requirements and other cash outlays, principally with funds generated from operations and optimization of operating working capital, with the balance principally met using external borrowings and additional equity.

(₹ in Lakhs)

Particulars	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cash and cash equivalents at the end of the year	558.08	2.18	171.10	17.87
Long Term Borrowings	3,910.84	2,117.04	2,635.05	2,469.78
Short Term Borrowings	5,205.16	5,701.43	4,457.56	4,188.27

Capital Expenditure

Capital expenditure (including Capital Work in progress) primarily relates to addition of property, plant and equipment primarily due to purchase of plant and machinery, factory shed, computers and accessories, furniture and fittings, vehicles and office equipment. The capital expenditure is primarily funded through cash generated from operations, supplemented by equity contributions by our shareholders and committed credit lines. In period September 30, 2025 and for the Fiscals 2025, 2024, and 2023, we incurred capital expenditure for addition to property, plant and equipment of ₹283.71 lakhs, ₹632.28 lakhs, ₹446.19 lakhs and ₹427.42 lakhs, primarily due to purchase of plant and machinery, factory shed, computers and accessories, furniture and fittings, vehicles and office equipment.

Contingent Liabilities

The following is a summary of our contingent liabilities as derived from our Restated Consolidated Financial Information:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Claims against the company not acknowledged as debts	348.56	348.56	152.93	791.17
Disputed Statutory Demand	-	-	107.23	107.23
Guarantees	85.24	106.53	100.67	402.55
Total Contingent Liability	**433.80**	**455.09**	**360.83**	**1,300.95**

**Future cash outflows in respect of the above matters are determinable only upon receipt of judgments/decisions from the relevant forums/authorities. Based on management's assessment, these claims are not expected to succeed and accordingly, no provision has been recognized in our financial statements. The amounts disclosed represent the gross demands raised by the authorities and exclude amounts paid under protest, which have not been charged to the statement of profit and loss.*

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. For further details, see "*Risk Factors*" on page 26.

Credit risk

Credit risk refers to the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from our receivables from customers and loans. We have no significant concentration of credit risk with any counterparty. Our customer credit risk is managed by the relevant department subject to our established policy, procedures and control relating to customer credit risk management. The credit quality of a customer is assessed based on individual credit limits as defined by us. Outstanding trade receivables are regularly monitored. Based on our Restated Consolidated Financial Information, our Trade Receivables were ₹4,100.57 lakhs as at September 30, 2025, ₹3,555.14 lakhs as at March 31, 2025, ₹5,571.49 lakhs as at March 31,2024 and ₹5,289.54 lakhs as at March 31, 2023 respectively.

Liquidity risk

Liquidity risk refers to the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or other financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Market Risks

Market risk refers to the risk that changes in market prices such as foreign exchange rates and interest rates will affect our income or value of our holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. We do not use derivatives to manage market risks.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rate risks. The Company's exposure to risk of changes in market interest rates primarily to the Company's long-term debt obligations. For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and optimise borrowing mix / composition.

Commodity Price Risk

We are exposed to the price risk associated with purchasing our key raw materials such as wheat flour, oil and fats, sugar and packaging material. We generally do not enter into long-term firm price contracts for the supply of key raw materials but instead buy the majority of our raw materials at market prices on a spot contract basis. Therefore, fluctuations in the price and availability of these raw materials may adversely affect our business and results of operations. To mitigate the risk associated with the availability and volatility in raw material prices, we are actively pursuing opportunities globally to obtain mining rights to key raw materials.

Auditor Qualifications and Emphasis of Matter

There are no qualifications of the Statutory Auditors (previous and current) which have not been given effect to in the Restated Financial Information except for reporting under Companies (Auditors' Report) Order, 2020 (as amended) and the Companies (Audit and Auditors) Rules, 2014 (as amended) for the year ended March 31, 2025, 2024 and 2023, as disclosed in the section "*Restated Financial Information*" on page 240. In FY23, the previous auditor had provided a qualified opinion because the company had not provided for the retirement benefit in term of gratuity as per the actuarial valuation, which constitutes a departure from the Accounting Standards prescribed u/s 133 of the Companies Act, 2013. In the absence of a credible estimate provided by the management in respect of the said liability it was not possible for the auditor to report the possible financial effect on the financial statements. Such qualification does not require any adjustments in the Restated Financial Information. Certain emphasis on matters which do not require any adjustments in the Restated Financial Information are as follows:

Period	Details
Fiscal 2023	The company has not provided for the retirement benefit in term of gratuity as per the actuarial valuation which constitute a departure from the Accounting Standards prescribed u/s 133 of the Companies Act, 2013. In the absence of credible estimate provided by the management in respect of the said liability, it is impracticable to report the possible financial effect on the financial statements.

Period	Details of Material Observation
2022-23	The Company had been sanctioned working capital limits in excess of ₹5 crore from banks based on security of current assets. The quarterly statements filed with banks in respect of inventory, trade receivables, trade payables and purchases showed certain differences when compared with the books of accounts for the respective quarters.
	The Company issued a bank guarantee aggregating to ₹305 lakhs to Shellz Overseas Pvt. Ltd., which, as explained by management, was not prejudicial to the interests of the Company.
2023-24	The Company was sanctioned working capital limits in excess of ₹5 crore from banks on the basis of security of current assets. Differences were observed between the quarterly statements filed with banks and the books of accounts in respect of stock and trade receivables for certain quarters during the year.
	Statutory dues relating to customs duty aggregating to ₹107.23 lakhs were under dispute and pending before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) under the Customs Act.
2024–25	The Company was sanctioned working capital limits in excess of ₹5 crore from banks on the basis of security of current assets. Differences were observed between the quarterly statements filed with banks and the books of accounts in respect of stock and trade receivables, sales and purchases for certain quarters during the year.

Unusual or Infrequent Events or Transactions

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.

Known Trends or Uncertainties

Our business has been subject to significant economic changes arising from the trends identified above in "- *Significant Factors Affecting our Financial Conditions and Results of Operations*" above and the uncertainties described in "*Risk Factors*" on page 26.

Future Relationship Between Cost and Revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see "*Other Financial Information – Related Party Transactions*" on page 244.

Competitive Conditions

We operate in a competitive environment. Please refer to "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 26, 134 and 182, respectively, for further information on our industry and competition.

Extent to which material increases in Net Sales or Revenue are due to increased sales volume, introduction of services or increased sales prices

Changes in revenue in the last three Fiscals and period ended September 30, 2025, are as described in "*–Period ended September 30, 2025*", "*– Fiscal 2025 compared to Fiscal 2024*" and "*– Fiscal 2024 compared to Fiscal 2023*" above.

Significant Dependence on Single or Few Customers

Significant proportion of our revenue have historically been derived from top 10 customers. The % of contribution of our customers vis à-vis the revenue from operations for period ended September 30, 2025 and the financial years March 31, 2025, 2024 and 2023 are as follows:

Particulars	Customers			
	September 30, 2025	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
Top 10 (%)	63.53%	45.23%	44.96%	48.26%

New Products or Business Segments

Except as disclosed in "*Our Business*" on page 182, and products that we announce in the ordinary course of business, we have not announced any new products or business segments.

Significant developments occurring after September 30, 2025

We have verified the minutes of the meetings of the shareholders, Board of Directors, and the various committees thereof as provided by the management of the Company. Based upon this verification, we certify that no material developments have occurred from the Cut-Off Date until the date of this certification, which requires adjustments in the audited accounts, except for the following:

1. The Board of Directors of the Company, at its meeting held on October 08, 2025, approved the issuance of 79,90,312 Bonus Equity Shares in the ratio of Eleven (11) Equity Shares for every one (1) existing fully paid-up Equity Share.

2. The shareholders of the Company, by way of a special resolution passed on November 03, 2025, approved the issuance of 79,90,312 Bonus Equity Shares in the ratio of Eleven (11) Equity Shares for every one (1) existing fully paid-up Equity Share.

3. The shareholders of the Company, by way of a board resolution passed on February 24, 2026 approved the purchase of 54,277 shares of Shellz Overseas Private Limited from Kapil Garg and 18,03,398 shares of Shellz Overseas Private Limited from Shalini Garg.

Recent Accounting Pronouncements

As on the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which, we believe, would have a material effect on our financial condition or results of operations.

The remainder of this page has intentionally been left blank

CAPITALISATION STATEMENT

The following table sets forth our capitalization as of September 30, 2025, derived from our Restated Financial Information:

(₹ in Lakhs)

Particulars#	**Pre-Issue as at September 30, 2025**	**As adjusted for the Issue***
Borrowings**		
Long term borrowings (I)	3,910.84	[●]
Short term borrowings (II)	5,205.16	[●]
Total borrowings (III = I + II)	**9,116.00**	[●]
Equity		
Equity Share capital (IV)	72.64	[●]
Reserves and Surplus (V)	5,104.11	[●]
Total equity (VI = IV + V)	**5,176.75**	[●]
Long term borrowings / total equity (VII = I / VI) (times)	**0.76**	[●]
Total borrowings / total equity (VIII = III / VI) (times)	**1.76**	[●]

All terms shall carry the meaning as per Schedule III of the Companies Act, 2013.
** The corresponding post Issue capitalization data is not determinable at this stage pending the determination of the Issue Price and hence has not been furnished.*
*** Total borrowings are the sum of long-term borrowings and short-term borrowings.*

The remainder of this page has intentionally been left blank

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for, inter alia, meeting our working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 223.

We have applied for the necessary consents required under the relevant financing documentation for undertaking the activities in relation to the Issue, including, effecting change in our capital structure, change in our shareholding pattern, change in our constitutional documents and change in the composition of our Board.

As of September 30, 2025, our outstanding borrowings as presented in balance sheet aggregated to ₹9,116.00 Lakhs. The details of the indebtedness of our Company as on September 30, 2025, are provided below:

(₹ in Lakhs)

Nature of Borrowing	Sanctioned Amount	Outstanding amount as on September 30, 2025
Secured Borrowings		
Fund Based		
Term Loan – Bank	115.70	70.71
Term Loan- NBFC	3,626.97	2,778.41
Overdraft	3,050.00	2,980.41
Finance Lease Obligation	493.02	182.69
Car Loan (Term Loan)	10.11	7.93
Total Fund based (a)	**7,295.79**	**6,020.15**
Non-Fund Based		
Bank guarantee	85.24	85.24
Total non-fund based (b)	**85.24**	**85.24**
Total (a + b)	**7,381.03**	**6,105.39**
Unsecured Borrowings		
Fund Based		
Others	965.85	585.43
Related Parties	NA	1,207.16
Bill Discounting	1,835.00	1,303.26
Total Fund based (c)	**2,800.85**	**3,095.85**
Total (a + b + c)	**10,181.88**	**9,201.24**

Details of Secured Borrowings (Fund Based)

Name of Lender	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on September 30, 2025 (₹ In Lakhs)	Security	Rate of Interest
Axis Bank ECL GS Loans	ECL-GS -LOAN	115.70	70.71	secured against the second charge on assets already mortgage with Axis Bank	8.50
Siemens Financial Services Private Limited	Machinery Loan	544.00	543.12	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	12.30
Siemens Financial Services Private Limited	Machinery Loan	556.00	555.40	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	12.30

Name of Lender	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on September 30, 2025 (₹ In Lakhs)	Security	Rate of Interest
Bajaj Finance Ltd	Term Loan	1,250.00	724.20	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	10.10
Mahindra and Mahindra	Machinery Loan	375.00	207.56	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	10.60
Protium Finance Limited	Machinery Loan	115.29	107.50	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	13.10
Mahindra and Mahindra Financial Services Ltd	Machinery Loan	150.00	122.84	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	10.75
Cholamandlam Investment & Finance Company Ltd	Machinery Loan	203.25	203.21	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	12.75
Poonawala Fincorp Ltd	Machinery Loan	392.96	174.11	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	13.00
Protium Finance Ltd	Machinery Loan	140.46	140.46	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	13.10
Siemens Financial Services Private Limited	Finance Lease	275.46	96.52	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	11.00
Siemens Financial Services Private Limited	Finance Lease	95.77	66.44	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	11.00
Siemens Financial Services Private Limited	Finance Lease	121.79	19.73	secured against hypothecation of Plant &Machinery and personal guarantee of Directors	11.00
Axis Bank Ltd	Vehicle Loan	10.11	7.93	All Vehicle loans are secured against hypothecation of vehicle of the company.	9.30
Axis Bank Ltd	Bank Overdraft	2.050.00	1,980.41	**1. Primary Security** ·First Pari Passu Charge by way of Hypothecation on Current Assets	9.00

Name of Lender	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on September 30, 2025 (₹ In Lakhs)	Security	Rate of Interest
				(Current Assets excluding cash) and All movable Fixed Assets excluding vehicles/ assets (Specifically not financed by other banks/financial institutions) of the company both present and future. **2. Collateral Security** Residential Property Located at A4, Block-A, Heritage Floresta Chalta No. 82/5 of Pt Sheet No. 10 Cunchelim, Mapusa, Barrdez, Mapusa, Goa-403115 · Three Commercial Property Located at D-3/1, Rana Pratap Bagh, Delhi, India Shop No.6 and Two Shops on ground Floor. · Rear Basement, One Hall at Mezzanine and RHS Portion at 2" Floor and 3 Floor with roof right and Basement of D-3/1 Rana Pratap Bagh, Delhi-110007 · Plot No.20, 2nd Floor, North Avenue Road, Punjabi Bagh, New Delhi. -110026	
Bajaj Finance Ltd	OD	1,000.00	1,000.00	**1. Primary Security** ·First Pari Passu Charge by way of Hypothecation on Current Assets (Current Assets excluding cash) and All movable Fixed Assets excluding vehicles/ assets (Specifically not financed by other banks/financial institutions) of the company both present and future. **2. Collateral Security** Residential Property Located at A4, Block-A, Heritage Floresta Chalta No. 82/5 of Pt Sheet No. 10 Cunchelim, Mapusa, Barrdez , Mapusa, Goa-403115 · Three Commercial Property Located at D-3/1, Rana Pratap Bagh,	8.95

Name of Lender	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on September 30, 2025 (₹ In Lakhs)	Security	Rate of Interest
				Delhi, India Shop No.6 and Two Shops on ground Floor. · Rear Basement, One Hall at Mezzanine and RHS Portion at 2" Floor and 3 Floor with roof right and Basement of D-3/1 Rana Pratap Bagh, Delhi-110007 · Plot No.20, 2nd Floor, North Avenue Road, Punjabi Bagh, New Delhi.-110026	
Total		**7,295.79**	**6,020.15**		

Details of Secured Borrowings (Non-Fund Based)

Name of Lender	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Outstanding amount as on March 31, 2025 (₹ In Lakhs)	Security
Axis Bank	Bank Guarantee	-	1.17	FDR 922040075871003
Axis Bank	Bank Guarantee	-	2.28	FDR 922040072155753
Axis Bank	Bank Guarantee	-	5.27	FDR 00660100001697
Bank of India	Bank Guarantee	-	4.70	FDR 60134110007654
HDFC Bank	Bank Guarantee	-	1.65	FDR 00264470439513
HDFC Bank	Bank Guarantee	-	4.75	FDR 00264470443707
HDFC Bank	Bank Guarantee	-	0.88	FDR 50300022687830
HDFC Bank	Bank Guarantee	-	1.89	FDR 50300260460185
HDFC Bank	Bank Guarantee	-	4.57	FDR 50300280605925
HDFC Bank	Bank Guarantee	-	1.30	FDR 50300301554391
HDFC Bank	Bank Guarantee	-	6.00	FDR 50300348818402
HDFC Bank	Bank Guarantee	-	15.66	FDR 50300348819263
HDFC Bank	Bank Guarantee	-	6.82	FDR 50300348819595
HDFC Bank	Bank Guarantee	-	19.52	FDR 50300348820238
HDFC Bank	Bank Guarantee	-	6.00	FDR 50300348820494
HDFC Bank	Bank Guarantee	-	2.77	FDR 50300365983605
Total			**85.24**	

Details of Unsecured Borrowings

Name of Lenders	Amount Outstanding as on September 30, 2025 (₹ In Lakhs)
From Others	
Aditya Birla Capital Ltd	100.00
Axis Finance	50.00
Godrej Finance Ltd	51.00
ICICI Bank Ltd	98.00
IDFC Bank Ltd	80.00
IndusInd Bank Ltd	50.00
Neo Credit Growth Pvt Ltd	55.00
Fed Bank Financial Services Ltd	6.05
SMFG India Credit Company Ltd (Fullerton)	9.90
IDFC First Bank Ltd	15.32
Kisetsu Saison Finance (INDIA) Pvt Ltd	10.07
Kotak Mahindra Bank Ltd	14.99
Moneywise Financial Services Pvt Ltd	17.57

Name of Lenders	Amount Outstanding as on September 30, 2025 (₹ In Lakhs)
TATA Capital Financial Service Pvt Ltd	17.51
Unity Small Finance Bank	10.02
Total (A)	**585.43**
From Directors and their Relatives	
Kapil Garg	437.21
Shalini Garg	413.50
Shellz Overseas Private Limited	356.45
Total (B)	**1,207.16**
Bill Discounting	
Hive loop Capital Pvt.Ltd./Muthoot	75.00
Oxyzo Financial Services Ltd	65.16
Mizuho Capsave Finance Pvt Ltd	00.95
Mas Financial Services Ltd	150.32
Shri Ram Finance Ltd	293.94
Aditya Birla Finance Ltd	300.00
Mintifi Finserve Private Limited	49.98
Mizuho Capsave Finance Pvt. Ltd	100.22
Mizuho Capsave Finance Pvt. Ltd	100.07
Oxyzo Finacial Services Ltd	137.29
Helpage Finlease Limited	30.34
Total (C)	**1,303.26**
Total (A + B + C)	**3,095.85**

**As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026*

The remainder of this page has intentionally been left blank

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 outstanding (i) criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court or any judicial authority); (ii) actions by statutory or regulatory authorities; (iii) claims related to direct or indirect tax liabilities; or (iv) proceedings (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, our Directors, our Promoters, and our Subsidiary (the "**Relevant Parties**").*

Further, except as disclosed in this section, there are no (a) disciplinary actions including penalty imposed by the SEBI or any stock exchange against any of our Promoters in the last five Financial Years preceding the date of this Draft Red Herring Prospectus; (b) outstanding criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court or any judicial authority), involving our Key Managerial Personnel and members of Senior Management; (c) outstanding actions by statutory or regulatory authorities against our Key Managerial Personnel and Senior Managerial Personnel; or (d) pending litigation involving our Group Companies which may have a material impact on our Company.

*For the purpose of identification and disclosure of material litigation in relation to (iv) above, our Board in its meeting held on November 10, 2025 has considered and adopted the following policy on materiality with regard to material outstanding litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Red Herring Prospectus ("**Materiality Policy**").*

(a) the monetary amount of the claim/dispute made by or against the Relevant Parties in any such pending litigation/ arbitration proceeding, to the extent quantifiable, exceeds the lower of the following:

i) two percent of turnover, as per the latest annual restated consolidated financial statements i.e. ₹373.95 lakhs; or

ii) two percent of net worth, as per the latest annual restated consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative i.e. ₹81.16 lakhs; or

iii) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the Company i.e. ₹27.92 lakhs.

where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and

(b) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of the Company.

It is clarified that for the above purposes, pre-litigation notices received by any of the Relevant Parties from third parties (excluding those notices issued by statutory / regulatory authority / governmental / tax / judicial / quasi-judicial authorities or notices threatening criminal action) shall not be considered material until such time that the Relevant Parties, as the case may be, are impleaded as a defendants or respondents in proceedings before any judicial/ arbitral forum, court, tribunal, or government authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure below are for that particular litigation only. Further, our Board, in its meeting held on November 10, 2025 has approved that a creditor of our Company shall be considered 'material' if the amount due to such creditor exceeds 5.00% percent of the Restated trade payables of our Company as of the end of the most recent financial period covered in the Restated Financial Information. The trade payables of our Company as on September 30, 2025, were ₹3,299.39 Lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹164.97 Lakhs as on September 30, 2025.

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at https://www.shellz.in/investor-relations/.

Unless stated to the contrary, the information provided below is as on the date of this Draft Red Herring Prospectus.

Litigation involving our Company

A. Litigation filed against our Company

(i) All Criminal proceedings

1. A criminal complaint has been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s S R Flexi Pack, through its Partner Mr. Faizan Rizwan Khan ("**Complainant**") against our company, Shalini Garg and Kapil Garg ("**Accused**") before the Civil Court, Ulhasnagar at the District and Sessions Court, Thane. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued a cheque of approximately ₹1.70 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheque was dishonoured upon presentation and consequently, initiated the aforesaid criminal complaint. Pertinently, our Company has deposited a demand draft equivalent to the cheque amount before the said Court. The matter is currently pending disposal.

2. A criminal complaint has been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/S Kumar Petrochem, through its Prop. Mr. Sagar Bansal ("**Complainant**") against our company and Kapil Garg ("**Accused**") before the Chief Metropolitan Magistrate at Rohini Court, North-West Delhi. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued cheques aggregating to approximately ₹8.92 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheque was dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaint. The matter is currently pending.

3. A criminal complaint has been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Mohan Ram Trading Private Limited ("**Complainant**") against our company, Kapil Garg, Shalini Garg and Pushpak Pathak ("**Accused**") before the Chief Metropolitan Magistrate at Dwarka, South West, Delhi. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued cheques aggregating to approximately ₹7.00 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaint. Our Company has filed an application seeking compounding of the offence by depositing the cheque amount before the concerned Court. The matter is currently pending.

4. Seven criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Poly Pack Industries, through its Prop. Mr. Sanjay Kumar Dingliwal ("**Complainant**") against our company and Kapil Garg ("**Accused**") before the Chief Metropolitan Magistrate at Rohini Court, North-West Delhi. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued cheques aggregating to approximately ₹59.11 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaints. The matters are currently pending.

5. Seven criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Pack well Industries, through its Prop. Mr. Sunil Kumar Dingliwal ("**Complainant**") against our company and Kapil Garg ("**Accused**") before the Chief Metropolitan Magistrate at Rohini Court, North-West Delhi. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued multiple cheques aggregating to approximately ₹78.10 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaints. The matters are currently pending.

6. Three criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Shrinath Roto Pack Private Limited ("**Complainant**") against our company, Shalini Garg and Kapil Garg ("**Accused**") before the Sessions Judge at Hyderabad (Special JFCM for Excise cases). The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued cheques aggregating to approximately ₹15.00 lakhs in favour of the Complainant. The Complainant has further alleged that the

said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaints. Our Company has filed applications seeking compounding of the offence by depositing the cheques amount before the concerned Court. The matters are currently pending. Further, Our Company has also filed a commercial suit seeking recovery against the Complainant. For details, see "- *Litigation involving our Company – B. Litigation filed by our Company – (ii) Other Matters based on Materiality Policy of our company*" on page 299.

7. Five criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Baba Industries, through its Partner, Babita Garg ("**Complainant**") against our company, Kapil Garg, Shalini Garg and Sapna Tomar ("**Accused**") before the Chief Metropolitan Magistrate at North, Rohini Court. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued cheques aggregating to approximately ₹23.80 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaints. The matters are currently pending. Further, Our Company has also filed a commercial suit seeking recovery against the Complainant. For details, see "- *Litigation involving our Company – B. Litigation filed by our Company – (ii) Other Matters based on Materiality Policy of our company*" on page 299.

8. Two criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by Budhar Mal Kailash Chand, Nai Mandi, Narnaul ("**Complainant**") against our company, Kapil Garg and Shalini Garg ("**Accused**") before the Chief Judicial Magistrate at Narnaul District Court. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued multiple cheques aggregating to approximately ₹17.22 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and, consequently, initiated the aforesaid criminal complaints. Pertinently, the company has already made the payment against one of the cheques involved and additionally, Shalini Garg has filed petitions bearing Nos. CRM-M-58190-2025 and CRM-M-58194-2025 under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 before the Hon'ble Punjab and Haryana High Court at Chandigarh ("**High Court**") seeking quashing of the summoning orders and the proceedings arising out of the criminal complaints. The matters are currently pending adjudication.

9. A criminal complaint has been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by M/s Faith Mercantile Pvt. Ltd. ("**Complainant**") against our company, Kapil Garg and Shalini Garg ("**Accused**") before the Judicial Magistrate First Class, Patiala House Court, Delhi. The Complainant has alleged that it had supplied goods to our Company and that, in purported discharge of the alleged liability arising therefrom, our Company had issued a cheque of approximately ₹3.84 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and consequently, initiated the aforesaid criminal complaints. The matter is currently pending.

10. A criminal complaint was filed by Anhad Industries through its partner, Mr. Rohit Huria ("**Complainant**") against our company, Mr. Kapil Garg and Ms. Shalini Garg ("**Accused**"), pursuant to which FIR No. 0071 dated March 22, 2023 ("**FIR**") was registered at Police Station Gadarpur, U.S. Nagar, Uttarakhand alleging offences under Section 420 and 504 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleged that the Accused had procured corrugated boxes for packaging purposes on credit basis. It was further alleged that despite repeated follow-ups, the Accused failed to make payment for the goods supplied, resulting in the registration of the aforesaid FIR. In order to challenge the chargesheet and the proceedings arising therefrom, the Accused filed a petition bearing C482 No. 833 of 2024 before the Hon'ble High Court of Uttarakhand at Nainital ("**High Court**"). The High Court has issued notice in the matter and directed the State that further proceedings in Criminal Case No. 1669 of 2023 pending before the Court of Judicial Magistrate-I, Rudrapur, District Udham Singh Nagar shall remain stayed until the next date of hearing. Subsequently, we have settled the matter with the Complainant and paid the disputed amount, and the matter is presently pending before the court for recording of the statement regarding settlement.

11. A criminal complaint has been filed by Ujala Stainless Private Limited against our company, Kapil Garg, Shalini Garg, Ishan Aneja and Ashish Khokhar ("**Accused**"), pursuant to which FIR No. 0019 dated January 23, 2025 ("**FIR**") was registered at Police Station Rai, District Sonipat, Haryana alleging offences under Section 120-B, 420, 467, 468 and 471 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleges that the accused persons forged and executed a lease agreement dated March 23, 2018 in relation to a lease transaction concerning an industrial property situated at HSIIDC Rai, Sonipat. To challenge the FIR and proceedings emanating therefrom, the accused has filed petition bearing No. CRM-M-7251-2025 before the Hon'ble Punjab & Haryana High Court ("**High Court**"). The High Court has issued notice in the matter

and has directed that while investigation may continue, no challan shall be filed until the next date of hearing.

(ii) All actions by regulatory authorities and statutory authorities

1. A notice bearing No. F.02/ADM(SOUTH)/2024/2189 dated 11.12.2024 was issued by the Adjudicating Officer, Revenue Department, District South, Govt. of NCT of Delhi, in Case No. 02/2024, titled Food Safety Officer v. Sh. Najre Alam & Ors. The said notice directs the concerned parties, *inter-alia* us, to appear before the Adjudicating Authority on 01.01.2025 at 03:30 P.M. in relation to the product "Jelly Bean Sugar Confectionary", Pursuant to Food Analyst Report No. FSS/1259/2023 dated 28.03.2023, the product has been classified as misbranded due to presence of some food colours which is missed in ingredients list. The matter is pending adjudication.

2. A notice bearing reference No. E-90/Legal Sampling & Adjudication/Delhi-1/FSSAI/NR/2024/732 dated 13.05.2025 has been issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006 to our company and our nominee in relation to the product "American Cow – Crunchy Cereal in Milky White Bar." As per the Food Analyst Report bearing no. PNR-69/Apr/25-UP/555 dated 15.04.2025 (with corrigendum dated 23.04.2025), the product has been classified as misbranded due to deviations between declared and actual nutritional values, including sugar, energy, carbohydrates, sodium, and protein content. The alleged violations attract provisions relating to misbranding and liability of the food business operator, punishable with monetary penalty. Our Company has preferred an appeal within the prescribed period from the date of issuance of the notice under the statutory time and now the matter is pending adjudication.

3. A notice bearing reference No. E-90/Legal Sampling & Adjudication/Delhi-1/FSSAI/NR/2024/728 dated 13.05.2025 has been issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006 to our Company and our nominee in relation to the product "Gummy Bear Chewy Candy." Pursuant to the Food Analyst Report bearing no. PNR-71/Apr/25-UP/592 dated 23.04.2025, the product has been classified as misbranded due to deviations between declared and actual nutritional values. We have preferred an appeal within the prescribed period from the date of issuance of the notice under the statutory time and now the matter is pending adjudication.

4. A notice bearing reference No. E-90/Legal Sampling & Adjudication/Delhi-1/FSSAI/NR/2024/560 has been issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006 to the Company and its nominee in relation to the product "Choco Gold Coin." Pursuant to Food Analyst Report No. PNR-70/Apr/25-UP/562 dated 15.04.2025, the product has been classified as misbranded due to deviations between declared and actual nutritional values. The Company has preferred an appeal within the prescribed period from the date of issuance of the notice under the statutory time and now the matter is pending adjudication.

5. A gratuity claim application bearing Case No. PGA/56/CA/ND/23 has been filed by Sujeet Kumar ("**Claimant**") before the Controlling Authority under the Payment of Gratuity Act, 1972, District North, Delhi ("**Authority**"), against our Company and Kapil Garg, alleging non-payment of gratuity upon cessation of his employment. Pursuant to a notice dated October 11, 2023, our company has filed the response. The matter is currently pending before the Authority.

6. An industrial dispute bearing LIR No. 2965/2019 is filed before the Labour Court, Delhi, by Manoj Kumar ("**Claimant**") alleging, inter-alia, illegal termination and seeking reinstatement. The Company ("**Respondent**") has denied the allegations and contended that the Claimant voluntarily abandoned his employment, and all dues were settled and paid. The matter is pending adjudication.

(iii) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company:

a. Direct Tax

Outstanding Demand

Assessment Year	Section Code	Demand Reference Number	Date on which the demand is raised	No. of Defaults	Outstanding Demand (in ₹ Lakh)	Accrued/ Final Interest (in ₹ Lakh)
2022-23	143(1)(a)	202320223715490692 3C	April 18, 2023	1	-	11.36
2021-22	143(1)(a)	202220213712630979 2C	October 25, 2022	1	-	4.26
	Total					**15.62**

E-proceedings

NIL

Tax Deduction at Source

NIL

b. Indirect Tax

Financial Year	Description	Amount (in ₹ Lakhs)	Current Status
2017-18 to 2022-23	Pursuant to an inspection conducted by GST authorities on December 21, 2022 at the Company's premises at Samaipur and Nangli Poona, Delhi, certain observations were made, including an alleged stock shortfall and differences in cash balances vis-à-vis the books of account aggregating to approximately ₹201.01 lakhs. Summons were subsequently issued under Section 70 of the Central Goods and Services Tax Act, 2017 seeking appearance and submission of documents. The Company has furnished all requisite records, including audited financial statements, bank statements, and reconciliation of Input Tax Credit between GSTR-2A and GSTR-3B for FY 2017–18 to FY 2022–23, and has sought reasonable time for detailed submissions, which has been granted. Further notices, including reference no. ZD0705250071002 and case ID AD071222007652J dated May 8, 2025, have been issued for appearance and clarification. The matter is currently pending, and no final order determining liability has been passed.	201.00	Pending
2018-19	Pursuant to an inspection conducted by the GST authorities for FY 2018–19 under the provisions of the Central Goods and Services Tax Act, 2017, proceedings were initiated against the Company. A show cause notice in Form GST DRC-01 dated June 9, 2025 (Ref. No. ZD070625007803G) was issued, inter alia, in relation to input tax credit and return filing matters. Subsequently, an order in Form GST DRC-07 dated November 17, 2025 (Ref. No. ZD071125029446H) was passed by the Assistant Commissioner determining a demand of ₹443.53 lakh, including applicable tax, interest, and penalty.	443.53	Pending
Total		**644.53**	

(iv) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

1. A claim petition bearing no. CP/00397(DL)/2026 has been instituted by Abhishek (the "**Petitioner**"), before the Chairman, Micro and Small Enterprises Facilitation Council, District (North), Government of NCT of Delhi (MSEF Council). The petition is filed against our company (the "**Respondent**") under Section 18 of the MSMED Act, 2006. As per the statement of claim, the Petitioner has alleged that the Respondent has failed to make payment of the outstanding dues despite delivery of goods and part payments made, with the last payment having been received on March 25, 2025. The claim comprises a principal amount of ₹45.11 lakh along with interest calculated at 18% per annum amounting to ₹13.99 lakh (computed from November 23, 2023 to October 27, 2025), aggregating to a total claim of ₹59.10 lakh. The matter is at the stage of conciliation wherein the Respondent has raised various issues, *inter-alia*, defective material supplied by the Petitioner, part-payment made by the Respondent etc. The matter is currently pending.

2. A commercial recovery suit bearing CS (Comm.) No. 774/2025 has been filed by Solar Print Process Private Limited ("**Plaintiff**") before the District Judge (Commercial Court-02), North District, Rohini Courts, Delhi, against our company, Kapil Garg and Shalini Garg ("**Defendants**") seeking recovery of ₹38.57 lakh, including a principal amount of ₹25.10 lakh along with interest at 18% per annum. In response, the company has filed our written statement denying the allegations and disputing the claimed outstanding amount, stating that the Plaintiff failed to supply materials in the required quantities and timelines under various purchase orders and that the claim is incorrect and disputed. The matter is currently pending.

3. A commercial recovery suit bearing CS (Comm.) No. 130 of 2025 has been filed by Annu Sales, a partnership firm ("**Plaintiff**"), before the District Judge (Commercial Court), Patiala House Court, New Delhi, against our company, Kapil Garg and Shalini Garg along with an employee Pushpak ("**Defendants**"), alleging that industrial chemicals were supplied between May 2022 and July 2024 and that an outstanding principal amount of ₹27.04 lakh remained unpaid. The Plaintiff has sought recovery of ₹30.73 lakh (including pre-suit interest and legal expenses) along with pendente lite and future interest at 18% per annum and costs. Our Company has denied the allegations in its written statement and raised preliminary objections including that the suit is not maintainable and constitutes an abuse of the process of law. The matter is currently pending.

4. A claim petition bearing no. Case No. 111/2024 under Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006 ("**MSMED Act"**) has been filed by Basant Digital Solutions Private Limited (the "**Claimant**") before the Micro and Small Enterprises Facilitation Council, Meerut Zonal, Uttar Pradesh, against our company (the "**Respondent**"). The Claimant alleges that goods worth ₹196.41 lakh were supplied between 08.07.2021 and 08.08.2023, out of which ₹43.17 lakh remains outstanding as principal amount. The Claimant has accordingly sought recovery of ₹43.1 lakhs along with interest under the MSMED Act, 2006, and costs. The matter is currently pending.

5. A commercial recovery suit bearing CS (Comm.) No. 6664 of 2024 has been filed by Meghdoot Packaging (Uttaranchal) ("**Plaintiff**"), a partnership firm before the District & Sessions Judge, Commercial Court, North District, Rohini Courts, Delhi, against our company ("**Respondent**"), alleging that corrugated boxes and packaging materials supplied between 2021 and 2023 resulted in an alleged outstanding amount of ₹47.39 lakh. The Plaintiff has sought recovery of ₹47.39 lakh together with pendente lite and future interest at 18% per annum and costs. The Respondent has filed its written statement denying the allegations and raising preliminary objections including lack of material particulars, absence of territorial jurisdiction and no cause of action, while also alleging that the Plaintiff failed to supply materials in the required quantities and timelines, causing losses including an alleged export loss of ₹34.33 lakh and overall damages of approximately ₹53.83 lakh. The matter is currently pending.

6. An execution petition bearing Execution (Comm.) No. 101 of 2024 has been filed by Chawla Printers through its sole proprietor Mr. Pankaj Chawla ("**Decree Holder**") before the Commercial Judge, North District, Rohini Courts, Delhi ("**Court**") seeking execution of an arbitration award dated March 20, 2024 against our company ("**Judgement Debtor**"), involving principle amount of ₹48.44 lakh and interest of ₹30.31 lakh till 31.08.2023 in terms of Section 16 of MSMED Act, 2006. We have challenged the MSME claim of the said entity before the Hon'ble Delhi High Court ("**Court**") in W.P. (C) 14342 of 2025, wherein by order dated September 17, 2025 the Court directed the Ministry of MSME and the Office of the Commissioner of Industries, Delhi ("**Commissioner of Industries**") to examine our complaint regarding the wrongful MSME registration of Decree Holder. Subsequently, the Ministry of MSME vide letter dated November 3, 2025 directed the Commissioner of Industries to conduct an enquiry to verify the Udyam Registration of the said enterprise and take appropriate action including recommendation for cancellation. The matter with the Court along with the enquiry initiated by the Commissioner of Industries are pending.

7. A commercial recovery suit bearing CS (Comm.) No. 695 of 2023 has been filed by Ankit Gupta, Sole Proprietor of Naav Enterprises ("**Plaintiff**"), before the Commercial Court, Rohini, Delhi, against our company and its directors, Kapil Garg and Shalini Garg ("**Respondents**"), alleging that materials including sugar and whey powder were supplied and that an amount of ₹48.20 lakh remained outstanding as of March 31, 2023. The Plaintiff has sought recovery of ₹52.90 lakh (including pre-suit interest) together with pendente lite and future interest at 18% per annum and costs. The Company has filed its written statement denying the allegations and raising preliminary objections including lack of material particulars, absence of territorial jurisdiction and no cause of action, while also alleging breach of purchase orders by the Plaintiff in relation to supply timelines and quantities. The matter is currently pending.

8. A commercial recovery suit bearing CS (Comm.) No. 660 of 2023 has been filed by HBD Packaging Private Limited ("**Plaintiff**") before the District Judge (Commercial Court), North District, Rohini Courts, New Delhi against our Company ("**Defendant**") alleging that packaging materials were supplied on credit and that an amount of ₹98.99 lakh along with past interest of ₹16.21 lakh, aggregating to ₹115.19 lakh, remains outstanding. The Plaintiff has sought recovery of the said amount along with pendente lite and future interest at 24% per annum and costs. Our Company has filed its written statement denying the allegations and has also filed an application under Order VII Rule 11 of the Code of Civil Procedure, 1908 seeking rejection of the plaint on the ground of non-compliance with the mandatory pre-institution mediation under Section 12A of the Commercial Courts Act, 2015 ("**Act**"). Prior thereto, our Company had filed a pre-institution mediation application under Section 12A of the Act before the Delhi State Legal Services Authority, North District, Rohini Courts, Delhi seeking recovery of damages of ₹32.00 lakh along with interest at 18% per annum in relation to the alleged supply of defective packaging materials. The mediation proceedings resulted in a Non-Starter Report dated September 5, 2023 due to non-appearance of the Plaintiff. The suit filed by the Plaintiff is currently pending.

9. A commercial recovery suit bearing CS (Comm.) No. 454 of 2023 has been filed by Mohan Ram Trading Private Limited ("**Plaintiff**") before the District Judge (Commercial Court), Patiala House Court, New Delhi ("**Court**") against our company, Kapil Garg, Shalini Garg, and Pushpak Pathak, ("**Defendants**") alleging that goods including edible oil and FMCG products were supplied aggregating to ₹333.85 lakh, against which payments of ₹257.85 lakh were made, leaving an alleged outstanding of ₹75.99 lakh. The Plaintiff has sought recovery of principle of ₹75.88 lakh along with pre-suit, pendente lite and future interest and costs. The Defendants have filed written statement denying the allegations and disputing the outstanding amount, while alleging that the Plaintiff supplied sub-standard materials resulting in losses and damages claimed at ₹88.46 lakh. The matter is currently pending.

10. A commercial recovery suit bearing Commercial Suit No. 100745 of 2022 has been filed by Kris Flexipacks Private Limited ("**Plaintiff**") before the Bombay City Civil Court at Mumbai against Tifosi Foods Private Limited (presently Shellz India Limited), Kapil Garg and Varun Garg ("**Defendants**") alleging that laminate and packing materials were supplied and an amount of ₹25.34 lakh remained outstanding as on July 3, 2020. The Plaintiff has sought recovery of ₹36.10 lakh (including pre-suit interest) together with pendente lite and future interest at 18% per annum and costs. Our Company had earlier issued a legal notice dated July 23, 2020 alleging that inferior and sub-standard laminate material supplied by the Plaintiff caused rejection of finished goods and financial losses to us to the tune of ₹131.00 lakh. The matter is currently pending.

B. Litigation filed by our Company

(i) All Criminal proceedings

1. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Kirthjeet Singh Sethi prop of Guru Agency ("**Accused**") before Chief Metropolitan Magistrate, West, THC, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹5.86 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

2. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Lokesh Kumar Jain ("**Accused**") before the Chief Metropolitan Magistrate, West, THC, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹2.30 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

3. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Chandrakala M ("**Accused**") before the Chief Metropolitan Magistrate, West, THC, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹6.37 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

4. Our Company ("**Complainant**") has filed two criminal complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against JLM Confectionery and Food Pvt. Ltd & Ors. ("**Accused**") before the Chief Judicial Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount of approximately ₹13.00 Lakhs in favour of the Complainant. However, the cheques were dishonoured and thereafter the Complainant has filed these complaints seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

5. Our Company ("**Complainant**") has filed three criminal complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Bobby Manohar Raghani ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount of approximately ₹7.00 Lakhs in favour of the Complainant. However, the cheques were dishonoured and thereafter the Complainant has filed these complaints seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

6. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Sheikh Md Azimullah ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹6.15 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

7. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Hari Om (Prop of Amit Industries) ("**Accused**") before the Chief Metropolitan Magistrate, West, THC, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹4.19 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

8. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Vinod Kumar ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹0.48 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

9. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Pankaj Aggarwal Proprietor of M/S Pankaj Traders ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹1.75 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

10. Our Company ("**Complainant**") has filed two complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Dilip Bachubhai Kansara ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount of approximately ₹6.53 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

11. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Kotresh K Prop. Of Shree Sharada Enterprises ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹2.76 Lakhs in favor of the Complainant. However, the cheque was dishonoured and thereafter the Complainant

has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

12. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Jinesh Madan Lal Jain Prop. of Mahaveer Food Products ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹1.94 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

13. Our Company ("**Complainant**") has filed a criminal complaint on under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Dhan Raj ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹1.47 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

14. Our Company ("**Complainant**") has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Aggarwal Enterprises ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹3.00 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

15. Our Company ("**Complainant**") has filed three criminal complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Sarita Devi ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount of approximately ₹14.71 Lakhs in favour of the Complainant. However, the cheques were dishonoured and thereafter the Complainant has filed these complaints seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

16. Our Company ("**Complainant**") has filed two criminal complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Shilpa Gupta ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount of approximately ₹19.54 Lakhs in favour of the Complainant. However, the cheques were dishonoured and thereafter the Complainant has filed these complaints seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

17. Our Company ("**Complainant**") has filed two criminal complaints under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Sayyad Farhan Inamadar ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued cheques for an aggregating amount approximately ₹6.75 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed these complaints seeking statutory remedies and compensation for the loss incurred by the Complainant. The matters are currently pending.

18. Our Company ("**Complainant**") has filed a complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Girijesh Kumar Jha Proprietor, 'Shri Krishna Traders' ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹3.13 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

19. Our Company ("**Complainant**") has filed a complaint under 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Tanveer Pasha ("**Accused**") before the Chief Metropolitan Magistrate, West, THC, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the

Accused had issued a cheque for approximately ₹0.75 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending

20. Our Company ("**Complainant**") has filed a complaint under 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Yash Agencies ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹2.15 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

(ii) Other Matters based on Materiality Policy of our Company

1. The matter arises out of Civil Suit No. CS/1276/2020 filed by Shellz India Private Limited ("**Plaintiff**") before the Civil Judge (Junior Division), Sonipat ("**Court**") against Ujala Stainless Private Limited and its directors ("**Defendants**") concerning possession and use of industrial premises under a lease deed dated March 23, 2018. The Court vide its order dated 05.11.2020 directed the Defendants directed not to interfere in the possession of plaintiff over ground floor of disputed property except in due course of law. In the said proceedings, the counter-claim filed by Defendants for recovery of alleged rent was rejected on July 5, 2023 under Order VII Rule 11 of the Code of Civil Procedure, 1908 for lack of jurisdiction, while Complaint No. CM/52/2021 under Sections 340 and 195 of the Code of Criminal Procedure, 1973 alleging forgery of the lease deed remains pending. Subsequently, FIR No. 0019 dated January 23, 2025 was registered at Police Station Rai, Sonipat based on a complaint dated December 10, 2024 alleging forgery of the said lease deed. The Plaintiff has filed complaint before the HSIIDC, seeking against the Defendant, actions inter-alia on account of irregular portion of building. Further the said FIR has been challenged before the Hon'ble Punjab and Haryana High Court in CRM-M-7251-2025, wherein the Hon'ble Court has permitted investigation to continue but directed that no challan be filed.

2. A commercial dispute no. CS (COMM.)/399/2025 has been initiated by Shellz India Private Limited ("**Plaintiff**"), before Commercial Court, Rohini, Delhi seeking adjustment of ₹92.68 lakh from the impugned principal amount payable to Baba Industries ("**Defendant**"). Before initiating the Suit, the Company has filed application under Section 12A of the Commercial Courts Act, 2015 exploring Pre-Institution Mediation before the Delhi State Legal Services Authority (DSLSA), North District, Rohini Courts, Delhi, wherein the representative of Defendant appeared and assured to settle the matter. The mediation was later failed as representative of Defendant did not appear on date fixed for hearing which culminating into initiation of this present suit, pending adjudication. Further, the Defendant has filed five separate NI Complaints against us, for details, please see "- *Litigation involving our Company – A. Litigation against our Company – (i) All criminal proceedings*" on page 291.

3. A commercial suit bearing CS (COMM.) No. 701/2023, titled Shellz India Private Limited ("**Plaintiff**") vs. Shrinath Rotopack Private Limited ("**Defendant**") has been filed before the Ld. District and Sessions Judge, North District, Rohini Courts, Delhi, seeking damages of ₹44.14 lakh arising from the alleged supply of sub-standard plastic packaging materials from September 12, 2020, which allegedly caused leakage and damage to the Plaintiff's products. Separately, the Defendant has filed a commercial suit bearing no. CS (Comm.) No. 6672 of 2024 before the Commercial Court, Rohini Courts, Delhi under Order XXXVII CPC, seeking recovery of alleged outstanding dues of ₹114.26 lakh along with interest and costs in relation to packaging materials supplied pursuant to purchase orders placed in 2021. The Plaintiff has filed its written statement denying the allegations and referring to its damages. Both matters are currently pending.

(iii) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

NIL

Litigation involving our Promoters

A. Litigation against our Promoters

(i) All criminal proceedings

Except as mentioned hereinafter, for details in relation to the criminal proceedings filed against our Promoters, namely Kapil Garg and Shalini Garg, please see "- *Litigation involving our Company – A. Litigation against our Company – (i) All criminal proceedings*" on page 291.

1. Four criminal complaints have been filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by Madan Mohan ("**Complainant**") against Dolphin Private Limited, Kapil Garg, Shalini Garg and Prem Lata Garg ("**Accused**") before the Chief Metropolitan Magistrate, South West, Dwarka, Delhi. The Complainant has alleged that it had supplied goods to Dolphin Private Limited and that, in purported discharge of the alleged liability arising therefrom, Dolphin Private Limited had issued cheques of approximately ₹6.00 lakhs in favour of the Complainant. The Complainant has further alleged that the said cheques were dishonoured upon presentation and consequently, initiated the aforesaid criminal complaints. The matters are currently pending.

   Further, our Company ("**Plaintiff**") has also filed a civil suit bearing no. CS/SCJ/452/2024 against Madan Mohan ("**Defendant**") seeking recovery of ₹2.87 lakhs on account of non-payment of good supplied by the Plaintiff, is pending before the Rohini Courts, Delhi.

   Further, Shalini Garg ("**Appellant**") has also filed two criminal revision petitions bearing nos. CR/19/2026 and CR/21/2026 before the District & Session Judge, South-West, Dwarka, Delhi, seeking quashing of the summoning orders and the proceedings arising out of the criminal complaints which are pending adjudication. For details, please see "- *Litigation involving our Promoters – B. Litigation filed by our Promoters – (i) All criminal proceedings*" on page 301.

(ii) All actions by regulatory authorities and statutory authorities

For details in relation to the actions by regulatory authorities and statutory authorities against our Promoters, namely Kapil Garg, please see "- *Litigation involving our Company – A. Litigation against our Company – (ii) All actions by regulatory authorities and statutory authorities*" on page 293.

(iii) Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action

NIL

(iv) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Promoters:

a. Direct Tax

Outstanding Demand

Assessment Year	Section Code	Demand Reference Number	Date on which the demand is raised	No. of Defaults	Outstanding Demand (in ₹ Lakh)	Accrued/Final Interest (in ₹ Lakh)
Kapil Garg						
2024-25	144	20252024374380015 54T	January 28, 2026	2	360.70*	-
2020-21	143(3)	20222020371137544 03T	September 19, 2022	1	-	0.097
Shalini Garg						
2024-25	144	20252024374466624 03T	March 13, 2026	2	366.28	-
	Total				**726.98**	**0.097**

**An appeal bearing Appeal No. NFAC/2023-24/10561266 has been filed by our Promoter, Mr. Kapil Garg, before the Commissioner of Income-tax (Appeals), National Faceless Appeal Centre, against an assessment order passed under Section 144 of the Income-tax Act, 1961 for the Assessment Year 2024-25, following which a demand was raised on January 28, 2026. The matter is currently pending.*

E-proceedings

Assessment Year	Description	Amount (₹ in Lakhs)	Current Status
Kapil Garg			
2024-25	Pursuant to an assessment order passed under Section 144 of the Income-tax Act, 1961 dated January 28, 2026 (DIN: ITBA/AST/S/324/2025-26/1085238011(1)) for Assessment Year 2024 - 25, penalty proceedings were initiated against Mr. Kapil Garg, inter alia, under Sections 270A (DIN: ITBA/PNL/S/270A/2025-26/1085238048(1)) and 272A(1)(d) (DIN: ITBA/PNL/S/272A(1)(d)/2025-26/1085236317(1)) of the Act in relation to alleged under-reporting of income and non-compliance with statutory notices, including a penalty of ₹0.10 lakhs per default. The said assessment order has been challenged before the National Faceless Appeal Centre (NFAC) (Appeal No.: NFAC/2023-24/10561266), pursuant to which a notice dated March 6, 2026 (DIN: ITBA/NFAC/F/APL_1/2025-26/1086938544(1)) has been issued requiring submission of written submissions and supporting documents. As on date, the matter is pending adjudication.	0.10	Pending
	Total	**0.10**	

(v) Other pending material litigations filed against the Promoters

For details in relation to the material litigations filed against our Promoters, namely Kapil Garg and Shalini Garg, please see "- *Litigation involving our Company – A. Litigation against our Company – (iv) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company*" on page 294.

B. Litigation filed by our Promoters

(i) All criminal proceedings

1. Shalini Garg ("**Appellant**") has also filed two criminal revision petitions bearing nos. CR/19/2026 and CR/21/2026 before the District & Session Judge, South-West, Dwarka, Delhi, seeking quashing of the summoning orders and the proceedings arising out of the criminal complaints filed under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 by Madan Mohan ("**Respondent/Complainant**") against Dolphin Private Limited, Kapil Garg, Shalini Garg and Prem Lata Garg before the Chief Metropolitan Magistrate, South West, Dwarka, Delhi. The matters are currently pending.

(ii) Other Matters based on Materiality Policy of our Company

NIL

(iii) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

NIL

Litigation involving our Directors (other than Promoters)

A. Litigation against our Directors (other than Promoters)

(i) All criminal proceedings

For details in relation to the criminal proceedings filed against Directors (other than Promoters), namely Sapna Tomar, please see "- *Litigation involving our Company – A. Litigation against our Company – (i) All criminal proceedings*" on page 296.

(ii) All actions by regulatory authorities and statutory authorities

NIL

(iii) Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the directors in the last five financial years including outstanding action

NIL

(iv) Claims related to direct and indirect taxes

NIL

(v) Other pending material litigations filed against the Directors (other than Promoters) of the Company

NIL

B. Litigation filed by our Directors (other than Promoters)

(i) All criminal proceedings

NIL

(ii) Other Matters based on Materiality Policy of our Company

NIL

(iii) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

NIL

Litigation involving our Subsidiary

A. Litigation filed against our Subsidiary

(i) All criminal proceedings

NIL

(ii) All actions by regulatory authorities and statutory authorities

NIL

(iii) Claims related to direct and indirect taxes

Outstanding Demand

Assessment Year	Section Code	Demand Reference Number	Date on which the demand is raised	No. of Defaults	Outstanding Demand (in ₹ Lakh)	Accrued/Final Interest (in ₹ Lakh)
2013-14	147	20232013370011775 02C	May 24, 2023	1	71.02*	25.50
	Total				**71.02**	**25.50**

**An appeal bearing Appeal No. NFAC/2012-13/10288367 has been filed by Shellz Overseas Private Limited before the Commissioner of Income-tax (Appeals), National Faceless Appeal Centre, against an order under Sections 143(3) read with 147 of the Income tax Act, 1961 for AY 2013-14, following which a demand was raised on May 24, 2023. The matter is currently pending.*

E-proceedings

Assessment Year	Description	Amount (₹ in Lakhs)	Current Status
2017-18	An issue letter dated February 2, 2022 was issued by the Income Tax Officer, Ward 23(1), Delhi to Shellz Overseas Private Limited for AY 2017–18, alleging an outstanding demand of ₹0.50 lakh under the provisions of the Income Tax Act, 1961. The Company is required to remit the said amount or submit an appropriate response along with supporting documentation. As on date, the matter is pending.	0.50	Pending
Total		**0.50**	

Tax Deduction at Source

NIL

(iv) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

NIL

B. Litigation filed by our Subsidiary

(i) All criminal proceedings

Our subsidiary company, Shellz Overseas Private Limited ("**Complainant**") has filed a complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against Ranjana Devi ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹6.62 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

(ii) Other Matters based on Materiality Policy of our subsidiary company

1. An Appeal bearing No. 0-87639 has been filed by Shellz Overseas Limited before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai on June 26, 2018 against, duty amounting to Rs. 16.16 Lakhs demanded under Section 28(4) of the Customs Act, 1962 vide Order-in-Original No. C.A.O. No. 36/2017—18/CAC/CC(E)/RCB/ADJN dated February 28, 2018 passed by the Commissioner of Customs (Export-I), Mumbai. The appeal, inter alia, challenges the invocation of extended limitation, rejection of declared value and denial of exemption. A connected appeal arising from the same order has also been filed by Kapil Garg, Director, challenging the personal penalty on similar grounds vide Appeal No. 0-87619. The matters are pending adjudication.

2. An appeal bearing Case No. 086939 has been filed by Shellz Overseas Limited before the Customs, Excise and Service Tax Appellate Tribunal on July 27, 2017 against, duty amounting to Rs. 162.84 Lakhs demanded under Section 28(4) of the Customs Act, 1962 vide Order-in-Original No. C.A.O. No. 53/2017—18/CAC/CC(E)/BSN/GR.VII dated 27.03.2017 passed by Commissioner of Customs (Export-I), Mumbai. The appeal, inter alia, challenges the findings on grounds of erroneous interpretation of law, non-consideration of submissions and evidence, and lack of supporting material, including the invocation of extended limitation and imposition of penalty. A connected appeal arising from the same order has also been filed by Kapil Garg, Director, challenging the personal penalty on similar grounds vide Appeal No. 085853. The matters are pending adjudication.

(iii) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of subsidiary company

NIL

Litigation involving our Group Companies

A. Litigation filed against our Group Companies

(i) All criminal proceedings

NIL

(ii) All actions by regulatory authorities and statutory authorities

For details in relation to the criminal proceedings filed against Winola India Private Limited, please see "- *Litigation involving our Company – A. Litigation against our Company – (ii) All actions by regulatory authorities and statutory authorities*" on page 293.

(iii) Claims related to direct and indirect taxes

a. Direct Tax

Outstanding Demand

NIL

E-Proceedings

NIL

Tax Deduction at Source

NIL

b. Indirect Tax

Financial Year	Description	Amount (in ₹ Lakhs)	Current Status
Winola India Private Limited			
2020-21	A notice under Section 61 of the Central Goods and Services Tax Act, 2017 was issued to Winola India Private Limited for FY 2020–21 vide reference no. ZD0701220104633 dated January 16, 2022, by the Assistant Commissioner, Ward 56, Delhi, pursuant to scrutiny of returns. The notice pertains to an alleged discrepancy in Input Tax Credit (ITC) arising from differences between GSTR-3B and GSTR-2A, amounting to ₹10.55 lakhs. The matter remains open and is pending adjudication.	10.55	Pending
2021-22	A scrutiny proceeding under Section 61 read with Rule 99(1) of the Central Goods and Services Tax Act, 2017 was initiated against the Company for FY 2021–22 in relation to alleged discrepancies in Input Tax Credit ("**ITC**") claimed in GSTR-3B vis-à-vis GSTR-1, including a refund component of ₹20.70 lakhs (May 5, 2025). A show cause notice in Form GST DRC-01 was issued on June 13, 2025, followed by an adjudication order dated November 26, 2025 (Form GST DRC-07), confirming a total demand of ₹9.34 lakhs (tax: ₹5.56 lakhs, interest: ₹3.05 lakhs, penalty: ₹0.63 lakhs). As on date, the matter remains open and is pending further proceedings.	9.34	Pending
Euroville Private Limited			
2017-18	Pursuant to scrutiny of returns for the financial year 2017–18 (July 2017 to March 2018), a notice in Form GST ASMT-10 dated December 1, 2021 bearing reference number ZD0612210000759 was issued to Euroville Private Limited (the "**Company**") by the Excise and Taxation Officer, Gurgaon (North), Ward 7 under Section 61 read with Rule 99 of the Central Goods and Services Tax Act, 2017, highlighting certain discrepancies between the Input Tax Credit ("**ITC**") claimed in GSTR-3B and that reflected in GSTR-2A. The notice stated that ITC of ₹54.41 lakh had been claimed as against ₹13.87 lakh appearing in GSTR-2A, resulting in a difference of ₹40.53 lakh. Subsequently, a show cause notice in Form GST DRC-01 dated May 3, 2024 bearing reference number ZD0605240031315 was issued under Section 74(1) of the Central Goods and	1.30	Pending

Financial Year	Description	Amount (in ₹ Lakhs)	Current Status
	Services Tax Act, 2017 for the same tax period on account of the aforesaid ITC mismatch amounting to ₹40.60 lakh, proposing a total demand of ₹126.36 lakh including tax, interest and penalty. The Company submitted its response explaining that the variance primarily pertained to import of machinery and materials which were supported by customs documentation but were not reflected in GSTR-2A. Upon consideration of the Company's submissions and supporting documents, the Proper Officer substantially reduced the proposed demand and determined residual excess ITC of ₹0.39 lakh. Accordingly, an order in Form GST DRC-07 dated January 28, 2025 bearing reference number ZD060125032285R confirmed a demand aggregating to ₹1.30 lakh comprising tax of ₹0.39 lakh, interest of ₹0.52 lakh and penalty of ₹0.39 lakh. As on date, the matter remains open and pending further proceedings.		
2018-19	A scrutiny notice in Form GST ASMT-10 dated October 26, 2020 bearing reference number ZH0610200400341 was issued to Euroville Private Limited (the "**Company**") by the tax authorities under Section 61 read with Rule 99(1) of the Central Goods and Services Tax Act, 2017 in respect of the financial year 2018–19, highlighting a difference between the Input Tax Credit ("**ITC**") claimed in GSTR-3B and the ITC reflected in GSTR-2A. The notice indicated that ITC of ₹60.04 lakh had been claimed in GSTR-3B, whereas ITC of ₹48.92 lakh was reflected in the auto-populated records, resulting in a difference of ₹11.12 lakh requiring reconciliation and clarification. As on the date, the matter is pending.	11.12	Pending
2018-19	Pursuant to scrutiny of returns for the financial year 2018–19, proceedings were initiated against Euroville Private Limited (the "**Company**") on account of an alleged mismatch between the Input Tax Credit ("**ITC**") claimed in GSTR-3B and that reflected in GSTR-2A, including an excess claim of ITC amounting to ₹6.51 lakh under the IGST head and interest liability in respect of delay in filing of certain returns under Section 50 of the Central Goods and Services Tax Act, 2017 and the Haryana Goods and Services Tax Act, 2017. In this regard, a show cause notice in Form GST DRC-01 dated June 27, 2025 bearing reference number ZD060625043317F was issued under Section 74 of the aforesaid Acts. Subsequently, an order in Form GST DRC-07 dated December 22, 2025 bearing reference number ZD0612250426979 was passed by the relevant authority confirming a demand aggregating to ₹21.22 lakh comprising tax of ₹6.51 lakh, interest of ₹8.20 lakh and penalty of ₹6.51 lakh. As on the date, the matter remains open.	21.22	Pending
2020-21	A scrutiny notice in Form GST ASMT-10 dated September 9, 2024 bearing reference number ZD060924008801H was issued to Euroville Private Limited (the "**Company**") by the Excise and Taxation Officer, Gurgaon (North), Ward 7 under Section 61 of the Central Goods and Services Tax Act, 2017 in respect of the tax period April 2020 to March 2021. The notice highlighted certain discrepancies observed during scrutiny of the Company's GST returns, including a difference between the Input Tax Credit ("**ITC**") claimed in GSTR-3B and the ITC reflected in GSTR-2A, and raised queries in relation to certain ITC claimed under Sections 16 and 17 of the Act. Subsequently, proceedings were undertaken under Section 73 of the Central Goods and Services Tax Act, 2017 and the Haryana Goods and Services Tax Act, 2017 for the aforesaid period. Pursuant thereto, the Proper Officer passed an order dated February 27, 2025 confirming a demand aggregating to ₹8.15 lakh comprising tax of ₹1.13 lakh, interest of ₹0.89 lakh, penalty of ₹0.11 lakh and late fee of ₹6.02 lakh in relation to non-filing of GSTR-9. As on the date, the matter remains open.	8.15	Pending
	Total	**61.68**	

(v) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company

A petition under Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006 ("**Act**") was filed by M/s Shree Polymer through its parter ("**Claimant**") before the Micro and Small Enterprises

Facilitation Council, North-West Delhi ("**MSEFC**"), on November 27, 2024 against Our group company, Skyway Polymers Private Limited ("**Respondent**") in relation to the alleged supply of "Plastic Dana" claiming ₹10.64 lakhs as principal, ₹14.53 lakhs as interest and ₹0.75 lakhs towar7ds legal expenses, aggregating to ₹25.92 lakhs. The Claimant has filed its Statement of Defence denying the allegations and disputing the maintainability of the claim, inter-alia, on the grounds that the claimant is engaged in trading activities and is not entitled to invoke the provisions of the MSMED Act. The matter is currently pending adjudication before the MSME Arbitration Tribunal.

B. Litigation filed by our Group Companies

(i) All criminal proceedings

1. Our group company, Winola India Private Limited ("**Complainant**") has filed a complaint on 09.04.2021 under Section 138 of the Negotiable Instruments Act, 1881 against Nizamuddin Ali Mia Nadkar ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹6.68 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

2. Our group company, Winola India Private Limited ("**Complainant**") has filed a complaint on 09.04.2021 under Section 138 of the Negotiable Instruments Act, 1881 against Shayan Tambatkar ("**Accused**") before the Chief Metropolitan Magistrate at Tis Hazari Courts, Delhi. The Complainant had supplied goods to the Accused and in discharge of its liability, the Accused had issued a cheque for approximately ₹0.91 Lakhs in favour of the Complainant. However, the cheque was dishonoured and thereafter the Complainant has filed this complaint seeking statutory remedies and compensation for the loss incurred by the Complainant. The matter is currently pending.

(ii) Other Matters based on Materiality Policy of our group companies

NIL

(iii) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our group companies

NIL

Litigation involving Key Managerial Personnel and Senior Managerial Personnel

A. Litigation against our Key Managerial Personnel and Senior Managerial Personnel

(i) All criminal proceedings

NIL

(ii) All actions by regulatory authorities and statutory authorities

NIL

B. Litigation filed by our Key Managerial Personnel and Senior Managerial Personnel

(i) All criminal proceedings

NIL

(ii) All actions by regulatory authorities and statutory authorities

NIL

Outstandings dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, such creditors are considered 'material' to whom the amount due exceeds 5 percent of the trade payables of our Company as on September 30, 2025. Our Company owed a total sum of ₹3,299.39 lakhs to a total number of 218 creditors, as on September 30, 2025. The details of our outstanding dues to the 'material' creditors of our Company, MSMEs, and other creditors, as on September 30, 2025, are as follows:

Particulars	Number of Creditors	Amount (₹ in Lakhs)
Micro, Small & Medium Enterprises	6	87.20
Material creditors^*	-	-
Other Creditors	212	3,212.19
Total	**218**	**3,299.39**

As certified by M/s RSAV & Co. Chartered Accountants, by way of their certificate dated March 25, 2026.

Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 245, there have not arisen, since the date of the last Restated Financial Information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our trading or profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

The remainder of this page has intentionally been left blank

GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals and registrations required to be obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations ("**Material Approvals**"). Except as disclosed below, no further approvals are material for carrying on the present business activities and operations of our Company. Unless otherwise stated, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus. Certain Material Approvals may have lapsed or expired or may lapse in their ordinary course of business, from time to time, and our Company have either already made applications to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal application in accordance with applicable law.*

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 approvals and licenses.

For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 208. For details of risk associated with not obtaining or delay in obtaining the requisite Material Approvals, see "Risk Factors – Legal and Regulatory Risks - We require certain approvals, licenses, registrations and permits for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our business, results of operations and financial condition." on page 55.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

Approvals for the Issue

The following approvals have been obtained in connection with the Issue:

Corporate Approvals

- The Board of Directors have pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on September 7, 2025 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.

- The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Annual General Meeting held September 29, 2025 on authorized the Issue.

- Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated March 30, 2026.

Approval from the Stock Exchange

In-principle approval dated [●] from BSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on BSE SME, issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL

- The Company has entered into a Tripartite Agreement dated September 03, 2024 with the Central Depository Services (India) Limited ("*CDSL*") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.

- The Company has entered into a Tripartite Agreement dated July 10, 2024 with the National Securities Depository Limited ("*NSDL*") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.

- The International Securities Identification Number ("**ISIN**") of our Company is INE0Z7301016.

Lenders' NOC

1. A No Objection Certificate dated December 10, 2025 has been received from Axis Bank Limited.
2. A No Objection Certificate dated November 19, 2025 has been received from Poonawalla Fincorp Limited.
3. A No Objection Certificate dated December 09, 2025 has been received from Protium Finance Limited.
4. A No Objection Certificate dated December 22, 2025 has been received from Cholamandalam Investment and

Finance Company Limited.

5. A No Objection Certificate dated December 19, 2025 has been received from Mahindra & Mahindra Financial Services Limited.
6. A No Objection Certificate dated [●] has been received from Siemens Financial Services Private Limited.
7. A No Objection Certificate dated March 18, 2026 has been received from DMI Finance Limited.
8. A No Objection Certificate dated March 11, 2026 has been received from Bajaj Finance Limited.

Approvals obtained by our Company

We have received the following significant government and other approvals pertaining to our business:

Sr. No.	Nature Of License/ Approval Granted	Registration/License No.	Issuing Authority	Date Of Granting/ Renewal of License/ Approval	Validity
1)	**INCORPORATION RELATED APPROVALS**				
1.	Certificate of Incorporation of 'Tifosi Foods Private Limited'	U15490DL2012PTC235397	Registrar of Companies, National Capital Territory of Delhi and Haryana	May 7, 2012	One Time Registration
2.	Certificate of Incorporation Pursuant conversion from 'Tifosi Foods Private Limited' to 'Shellz India Private Limited'	U15490DL2012PTC235397	Registrar of Companies, Delhi	September 21, 2020	One Time Registration
3.	Certificate of Incorporation Pursuant conversion from 'Shellz India Private Limited' to 'Shellz India Limited'	U15490DL2012PLC235397	Central Processing Centre	February 4, 2025	One Time Registration
2)	**TAX RELATED APPROVALS**				
4.	Permanent Account Number ("PAN")	AAECT2526R	Income Tax Department, Government of India	May 7,2012	One Time Registration
5.	Tax Deduction Account Number ("TAN")	DELT10361B	Income Tax Department, Government of India	April 12, 2025	One Time Registration
6.	Certificate of Registration under Centre Goods and Services Tax, 2017 for Plot No 2010-15, Phase II, Sector- 38, HSIIDC Rai Sonipat, Haryana - 131209	06AAECT2526R1ZX	Goods and Services Tax Authority, Government of India	Date of Issue: April 02, 2025 & Date of Validity: October 24, 2018	Valid Until Cancelled
7.	Certificate of Registration under Telangana Goods and Services Tax, 2017 for 249/4/1, Injapur Village, Abdullapurmet Mandal, Ranga Reddy District, Hyderabad, Telangana- 501512	36AAECT2526R1ZU	Goods and Services Tax Authority, Government of India	Last Date of Issue: April 02, 2025 Date of Validity: January 11, 2021	Valid Until Cancelled

Sr. No.	Nature Of License/ Approval Granted	Registration/License No.	Issuing Authority	Date Of Granting/ Renewal of License/ Approval	Validity
8.	Certificate of Registration under Centre Goods and Services Tax, 2017 for 99 Main Chowk, North Delhi Samaipur-110042, Delhi	07AAECT2526R1ZV	Goods and Services Tax Authority, Government of India	Date of Issue: February 20, 2026 Date of Validity: July 1, 2017	Valid Until Cancelled
9.	Certificate of Enrolment under Section 5 the Telangana Tax on Profession, Trade, Calling and Employment Act, 1987	PT36AAECT2526R1ZU	Commercial Taxes Department, Government of Telangana	Certificate Date: June 08, 2024	Valid Until Cancelled
10.	Certificate of Registration under Section 6 of the Telangana Tax on Professions, Trade Calling and Employment Act, 1987	PT36AAECT2526R1ZU	Commercial Taxes Department, Government of Telangana	Certificate Date: November 06, 2025	Valid Until Cancelled
3) BUSINESS RELATED APPROVALS					
11.	Udyam Registration Certificate under Micro, Small and Medium Enterprises Development Act, 2006	UDYAM-DL-06-0017710	Ministry of Micro Small & Medium Enterprises, Government of India	May 25, 2021	Valid Until Cancelled
12.	Legal Entity Identifier Certification under RBI Guidelines	9845007K96MV4488C503	Legal Entity Identifier India Private Limited	December 27, 2021	December 27, 2026
13.	Certificate of Importer- Exporter Code (IEC) under The Foreign Trade (Development and Regulation) Act, 1992	0512023956	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	June 20, 2012	Valid until Cancelled
14.	Registration under Telangana Shops & Establishments Act, 1988 for H. NO: 249/4/1, Injapur Village, Injapur, Hayathnagar, Rangareddy, Telangana - 501510	SEA/RAN/ALO/IP/1103059/2025	Labour Department, Government of Telangana	May 12, 2025	Valid until Cancelled
15.	Registration under Delhi Shops & Establishment Act, 1954 for 39/35 Second Floor, West Punjabi Bagh, Delhi-110026	2025057767	Department of Labour, Government of NCT of Delhi	April 24, 2025	Valid until Cancelled
16.	Certificate of Registration under Agricultural and	167726	Agricultural and Processed Food Products Export	January 17, 2025	January 19, 2027

Sr. No.	Nature Of License/ Approval Granted	Registration/License No.	Issuing Authority	Date Of Granting/ Renewal of License/ Approval	Validity
	Processed Food Products Export Development Authority Act, 1985*		Development Authority		
17.	Certificate of Registration as Importer under Plastic Waste Management Rules, 2016	IM-22-000-09-AAECT2526R-25	Central Pollution Control Board	September 22, 2025	Valid until Cancelled
18.	Certificate of Registration under Legal Metrology (Packaged Commodities), Rules 2011 as Manufacturer & Packers (For Delhi and Sonipat factory)	GOI/DL/2026/172	Department of Consumer Affairs	January 07, 2026	Valid until Cancelled
a. Approvals for the Manufacturing Unit at - 99 Main Chowk, Samaipur, Delhi - 110042					
19.	Consent to Establish under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 & under section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974	DPCC/CMC/2025/12815538 Certificate No.- G-49421	Delhi Pollution Control Committee, Government of N.C.T. of Delhi	July 15, 2025	July 14, 2028
20.	Certificate of Stability of Factory or Part of Factory	AKG/2603/SIL/01	Anil Kumar Gupta, Chartered Engineer (Civil), Structure Engineer	March 20, 2026	Valid Until Cancelled
21.	Health Trade License for manufacturing under Delhi Municipal Corporation Act, 1957	HLCLZ-2603202490751	Municipal Corporation of Delhi	March 23, 2026	March 31, 2027
22.	FSSAI Certificate under Food Safety and Standards Act, 2006 *	10014011001605	Food Safety and Standards Authority of India (FSSAI)	December 31, 2021	January 19, 2027
23.	Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952	DLCPM1291381000	Employees' Provident Fund Organisation	May 05, 2025	Valid Until Cancelled
24.	Registration under Employees' State Insurance Act, 1948	22001171620000009	Employees' State Insurance Corporation	July 31, 2013	Valid until Cancelled
b. Approvals for the Manufacturing Unit at - 427 – F, Phase – 1, Industrial Estate, Barhi, Sonipat - 132001					
25.	Factory license under Factories Act 1948 for 427 – F, Phase – 1, Industrial Estate, Barhi, Sonipat - 132001	SPT-ONLINE-CHD-S-808	Labour Department, Haryana	January 23, 2026	December 31, 2026
26.	Certificate of Stability of Factory or Part of Factory	Not available	Ashok Tayal, BE (Civil), Structure Engineer	November 14, 2025	Valid Until Cancelled

Sr. No.	Nature Of License/ Approval Granted	Registration/License No.	Issuing Authority	Date Of Granting/ Renewal of License/ Approval	Validity
27.	NOC from Fire Department, Haryana under Haryana Fire Service Act, 2009 **	Memo No. FS/2022/54	Fire & Emergency Services Department, Government of Haryana	April 5, 2022	April 5, 2027
28.	Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952	HRKNL3869155000	Employees' Provident Fund Organisation	February 17, 2026	Valid Until Cancelled
29.	Registration under Employees' State Insurance Act, 1948	13221171620010009	Employees' State Insurance Corporation	February 24, 2026	Valid until Cancelled
4) LABOUR LAW RELATED APPROVALS					
30.	Labour Identification Number (LIN) Certification	1878657536	Ministry of Labour and Employment	Screenshot taken from Shram Suvidha Portal	Valid until Cancelled
31.	Certificate for Food Safety Management System of the Company under ISO 22000:2018 with the following scope: Manufacture of Biscuits and Wafers, Chocolate, Sugar boiled Confectionary, Fruit Jelly, Squashes, Crushes, Cordials, Ready to Serve Beverages	305025121257F	QRP Certification LLP	December 12, 2025	December 11, 2028

Note: ** The Company has submitted the application for the change of name from a private limited company to a public limited company, which is currently under process.*
*** Licenses/approvals are in the name of the owner of the property and not in the name of the Company.*

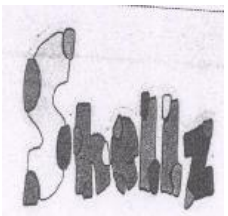
Approvals Obtained/Applied in Relation to Intellectual Property Right (IPR)

Trade Marks

Sr. No.	Owner of Trademark	Description	Trade mark	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Logo
1	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS	2078734	30	The Trademarks Act, 1999	Trade Mark Registry	31-12-2010	31-12-2030	NO
2	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS (Label)	3930130	32	The Trademarks Act, 1999	Trade Mark Registry	29-08-2018	29-08-2028	

Sr. No.	Owner of Trademark	Description	Trade mark	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Logo
3	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	TOSCA (Label)	3899263	30	The Trademarks Act, 1999	Trade Mark Registry	26-07-2018	26-07-2028	
4	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	TOSCA(Label)	3899264	32	The Trademarks Act, 1999	Trade Mark Registry	26-07-2018	26-07-2028	
5	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	SHELLZ	2881614	32	The Trademarks Act, 1999	Trade Mark Registry	13-01-2015	13-01-2035	NO
6	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS	2896958	28	The Trademarks Act, 1999	Trade Mark Registry	10-02-2015	10-02-2035	NO
7	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS	3104465	32	The Trademarks Act, 1999	Trade Mark Registry	24-11-2015	24-11-2035	NO
8	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS	3104466	29	The Trademarks Act, 1999	Trade Mark Registry	24-11-2015	24-11-2035	NO
9	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	TOMMYKIDZ	2458595	30	The Trademarks Act, 1999	Trade Mark Registry	11-01-2013	11-01-2033	NO
10	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	DIPSTICKS	2567036	30	The Trademarks Act, 1999	Trade Mark Registry	19-07-2013	19-07-2033	NO
11	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS GHANA	3625870	30	The Trademarks Act, 1999	Trade Mark Registry	01-09-2017	01-09-2027	NO

Sr. No.	Owner of Trademark	Description	Trade mark	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Logo
12	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS (Label)	3930129	30	The Trademarks Act, 1999	Trade Mark Registry	29-08-2018	29-08-2028	
13	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS PUSH UP THE CONE	4143144	30	The Trademarks Act, 1999	Trade Mark Registry	10-04-2019	10-04-2029	
14	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	Choco Club	2078721	30	The Trademarks Act, 1999	Trade Mark Registry	31-12-2010	31-12-2030	NO
15	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	POPA CONE	4538182	30	The Trademarks Act, 1999	Trade Mark Registry	19-06-2020	19-06-2030	
16	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	Hugs Pushup Rio	4971710	30	The Trademarks Act, 1999	Trade Mark Registry	12-05-2021	12-05-2031	
17	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	DIPDIP	2240171	30	The Trademarks Act, 1999	Trade Mark Registry	25-11-2011	25-11-2031	NO
18	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	HUGS GHANA	3625871	32	The Trademarks Act, 1999	Trade Mark Registry	01-09-2017	01-09-2027	NO
19	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	SHELLZ	1611745	30	The Trademarks Act, 1999	Trade Mark Registry	16-10-2007	16-10-2027	

Sr. No.	Owner of Trademark	Description	Trade mark	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Logo
20	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	BLAH BLAH WITH DEVICE	4189333	30	The Trademarks Act, 1999	Trade Mark Registry	28-05-2019	28-05-2029	
21	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	SHELLZ	1611744	29	The Trademarks Act, 1999	Trade Mark Registry	16-10-2007	16-10-2027	
22	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	CHOCO-WICKETS.	2004587	30	The Trademarks Act, 1999	Trade Mark Registry	05-08-2010	05-08-2030	NO
23	Shellz Overseas Pvt. Ltd.*	Registration for Trademark	ROLLER COASTER	2078728	30	The Trademarks Act, 1999	Trade Mark Registry	31-12-2010	31-12-2030	NO

Note: **Shellz India Limited is using the trademark registered under the name Shellz Overseas Private Limited with the consent granted by Shellz Overseas Private Limited to Shellz India Limited, through a No Objection Certificate (NOC).*

Copyright

Applicant Name	Diary Number	Class of Work	Registration No.	Title of Work	Date of Registration
Shellz Overseas Pvt. Ltd.*	33711/2013-CO/A	Artistic	A-106083/2013	HUGS	September 30, 2013
Shellz Overseas Pvt. Ltd.*	7480/2016-CO/A	Artistic	A-117019/2017	DIP STICKS	May 17, 2017
Shellz Overseas Pvt. Ltd.*	7481/2016 - CO/A	Artistic	A-117020/2017	SHELLZ	May 17, 2017

*Note: *Shellz India Limited is using the Copyright registered under the name Shellz Overseas Private Limited with the consent granted by Shellz Overseas Private Limited to Shellz India Limited, through a No Objection Certificate (NOC).*

The details of domain name registered on the name of the company

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	shellz.in	Registrar Name: GoDaddy IANA ID: 146	October 3, 2019	October 3, 2026

Approvals or Licenses applied but not received

Sr. No.	Description	Application is in the name of	Application No.	Applicable Laws	Issuing Authority
1.	Application for Fire NOC for 99, Kh. No. 40/12, Samaipur Industrial Area, Delhi-110042	Shellz India Limited	Not Available	Delhi Fire Service Act, 2007	Department of Delhi Fire Service

Sr. No.	Description	Application is in the name of	Application No.	Applicable Laws	Issuing Authority
2.	Application For Consent to Establish for 427 F, HSIIDC, Barhi Sonepat	Shellz India Limited	129802599	Section 18(1)(b) of the Water (Prevention & Control of Pollution) Act, 1974 and the Air (Prevention & Control of Pollution) Act, 1981	Haryana State Pollution Control Board
3.	Application for obtaining Consent to Operate for 427 F, HSIIDC, Barhi Sonepat	Shellz India Limited	141238957	Section 25 &26 of Water (Prevention and Control of Pollution) Act, 1974 and under Section 21 of Air (Prevention and Control of Pollution Act, 1981 and under rule 5 of Hazardous Waste (Management and Handling Rules) 1999	Haryana State Pollution Control Board
4.	Application for obtaining Consent to Operate for 99, Kh. No. 40/12, Samaipur Industrial Area, Delhi-110042	Shellz India Limited	14854707	Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes (Management & Trans-boundary movement) Rules, 2016	Delhi Pollution Control Committee, Government of N.C.T. of Delhi
5.	Application for Ground Water Extraction for Plot No 427-F, Phase-1, HSIIDC, Industrial Estate, Barhi, Sonipat, Haryana	Vinay Kanodia	HWRA/IND/N/2023/6373	Haryana Water Resources (Conservation, Regulation and Management) Authority Act, 2020	Haryana Water Resources Authority
6.	Application for Ground Water Extraction for 99, Main chowk, Samaipur, Delhi - 110042	Kapil Garg	ARN: 726061128011	Delhi Water Board Act, 1998	Delhi Jal Board
7.	FSSAI Certificate under Food Safety and Standards Act, 2006 for Manufacturing Unit at - 427 – F, Phase – 1, Industrial Estate, Barhi, Sonipat - 132001	Shellz India Limited	10260214108316641	Food Safety and Standards Authority Act, 2002	Food Safety and Standards Authority of India (FSSAI)
8.	Contract Labour certificate for the manufacturing unit at 99, Main chowk, Samaipur, Delhi - 110042	Shellz India Limited	ACKCLRA2026-061008-923	Contract Labour (Regulation and Abolition) Act, 1970	Ministry of Labour and Employment Department
9.	Application for Factory license under Delhi Municipal Corporation Act, 1957 for Premises	Shellz India Limited	50550000000873	Factories Act, 1948	Government of National Capital Territory of Delhi, office

Sr. No.	Description	Application is in the name of	Application No.	Applicable Laws	Issuing Authority
	No. 99 KH NO. 40/12 Samaipur, Delhi - 110042				of the chief inspector of Factories

Approvals or licenses obtained in the name of private limited company and applied for change in name but not received

Sr. No	Description	Registration/License number	Applicable laws	Application Date:	Application Ref No.	Status
1.	FSSAI Certificate under Food Safety and Standards Act, 2006 for Manufacturing Unit at – 99, Main chowk, Samaipur, Delhi - 110042	10014011001605	Food Safety and Standards Act, 2006	March 21, 2026	10260321108455079	Pending

The remainder of this page has intentionally been left blank

SECTION VIII – OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than our Promoters and our Subsidiary) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards (i.e., AS 18); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on November 10, 2025, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a 'group company' in this Draft Red Herring Prospectus. In terms of such materiality policy, if a company (other than our Promoters and our Company's Subsidiary) (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with our Company during the last completed Financial Year and the most recent stub period included in the Restated Financial Information, which individually or in aggregate in value exceeds 10% of the revenue from operations of the Company as per the Restated Financial Information of the last completed financial year, it shall be considered material and disclosed as a 'group company'.

Accordingly, (i) all such companies (other than our Promoters and our Subsidiary) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., AS 18), as per Restated Financial Information; and (ii) any other companies which are considered material by our Board, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the parameters set out above, set forth below are Group Companies identified by our Board as on date of this Draft Red Herring Prospectus:

1. Winola India Private Limited
2. Skyway Polymers Private Limited
3. Euroville Private Limited

Details of our Group Companies

The details of our Group Companies are as provided below:

1. Winola India Private Limited ("WIPL")

Registered Office

The registered office of WIPL is situated at Plot No. 39, Road No. 35 Second Floor Punjabi Bagh, West Delhi, New Delhi, Delhi – 110 026, India.

Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of WIPL for the preceding three years, as required by the SEBI ICDR Regulations, is available on our Company's website at:

Website	QR Code
https://www.shellz.in/wp-content/uploads/2020/02/MERGE-BALANCE-SHEET.pdf	

Our Company is providing a link to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. It is clarified that such details available on the websites of our Company do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the website of our Group Company, would be doing so at their own risk.

2. Skyway Polymers Private Limited ("SPPL")

Registered Office

The registered office of SPPL is situated at C-10/1 Lawrence Road Industrial Area, Delhi – 110 035, India.

Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of SPPL for the preceding three years, as required by the SEBI ICDR Regulations, is available on our Company's website at:

Website	QR Code
https://www.shellz.in/wp-content/uploads/2020/02/MERGE-BALANCE-SHEET.pdf	

Our Company is providing a link to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. It is clarified that such details available on the websites of our Company do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the website of our Group Company, would be doing so at their own risk.

3. Euroville Private Limited ("EPL")

Registered Office

The registered office of EPL is situated at Unit No 220, Sector-9, HSIDC, Tehsil Bawal, Gujar Majra, Rewari, Gujar Majra – 123 501, Haryana, India.

Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of EPL for the preceding three years, as required by the SEBI ICDR Regulations, is available on our Company's website at:

Website	QR Code
https://www.shellz.in/wp-content/uploads/2020/02/MERGE-BALANCE-SHEET.pdf	

Our Company is providing a link to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. It is clarified that such details available on the websites of our Company do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the website of our Group Company, would be doing so at their own risk.

Common pursuits among Group Companies

Except for WIPL, SPPL and EPL which are engaged in related business activities within the food and confectionery segment, including the processing, manufacturing, trading, distribution, and import and export of food products, confectionery items and allied products. Their permitted activities cover bakery products, chocolates, biscuits, sweets, candies, cereal-based products, beverages, dairy-based items and processed and packaged foods. They deal in raw materials, ingredients and packaging materials used in such products.

Nature and extent of interest of our Group Companies

a. Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b. Interest in the property acquired or proposed to be acquired by the Company

Other than as disclosed in "*Our Business – Properties*" on page 207, none of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c. Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our other group company are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 244, there are no related business transactions between the Group Companies and our Company.

Litigation

For details with respect to litigation proceedings involving any of our Group Companies which will have a material impact on our Company, see, "*Outstanding Litigation and Material Developments – Litigation involving our Group Companies*" on page 303.

Business interest of our Group Companies in our Company

Except in the ordinary course of business and as disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 244, our Group Companies have no business interests in our Company.

Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public / rights / composite issue in the last three years.

The remainder of this page has intentionally been left blank

SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on September 07, 2025 and by our Shareholders pursuant to a Special Resolution passed at the Annual General Meeting held on September 29, 2025.

Our Board, pursuant to its resolution dated March 30, 2026 have approved this Draft Red Herring Prospectus.

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to upto 8,00,000 Equity Shares of face value of ₹ 10/- each, 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Our Company has received in-principle approval from BSE SME for the listing of the Equity Shares pursuant to letters dated [●].

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, the persons in control of our Company, our directors and the members of the Promoters Group have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, and the members of the Promoter Group severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are associated with the securities market.

There has been no outstanding action(s) initiated by SEBI against the directors of our company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

We are an unlisted company and are eligible for the Initial Public Offer in accordance with Regulation 229 (2) of the SEBI ICDR Regulations which states the following:

"*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 this Chapter.*"

Further, as per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME on which the specified securities are proposed to be listed.

a) Our Company was incorporated on May 07, 2012 under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana.

b) As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹871.67 Lakhs comprising 87,16,704 Equity Shares of ₹10/- each and the post issue paid-up Capital (face value) will be ₹ [●] Lakhs comprising up to [●] Equity Shares which shall be below ₹2,500.00 lakhs.

c) Based on the Restated Financial Information, our net worth for period ended on September 30, 2025 and for the 3 preceding financial years is given below:

(₹ in Lakhs)

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Equity Share Capital (I)	72.64	69.28	64.00	64.00
Reserves and Surplus (II)	5,104.11	3,988.91	2,635.41	2,109.96
Net worth (III) (I + II)	**5,176.75**	**4,058.20**	**2,699.41**	**2,173.96**

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Hence, at least ₹100.00 lakhs for 2 financial years preceding the date of this Draft Red Herring Prospectus.

d) Based on the Restated Financial Information, our Net Tangible Assets for the preceding full financial year ended March 31, 2025 is given below:

(₹ in Lakhs)

Particulars	March 31, 2025
Equity Share Capital (I)	69.28
Reserves and Surplus (II)	3,988.91
Net worth (III) (I + II)	**4,058.20**
Intangible Assets (IV)	-
Net Tangible Assets (V) (III – IV)	**4,058.20**

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Hence, ₹300.00 lakhs in last financial year preceding the date of this Draft Red Herring Prospectus.

e) Our Company confirms that it has track record of more than 3 years.

f) As per the Restated Financial Information, our operating profit (earnings before interest, depreciation and tax excluding other income) from operations were:

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2025	As at 31st March		
		2025	2024	2023
Restated profit before taxes (I)	873.20	1262.16	797.02	474.43
Finance costs (II)*	340.02	674.69	724.79	648.00
Depreciation and Amortisation expense (III)	176.85	383.78	411.33	433.95
Other income (IV)	23.82	41.93	39.48	24.98
Earnings before Interest, Depreciation and tax (V) (I + II + III - IV)	**1,366.84**	**2,278.70**	**1,893.66**	**1,531.40**

**The finance cost disclosed in the statement of profit and loss consists of interest expense and other borrowing costs, but for EBITDA purposes, only the interest expense is considered.*
As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

Hence, in at least 2 out of 3 financial years preceding the date of this Draft Red Herring Prospectus, more than ₹100.00 lakhs. Further, our company has operating profit (earnings before interest, depreciation and tax) from operations for one full financial year preceding the application date.

g) The leverage ratio (Debt to Equity) of the Company as on September 30, 2025 was 1.76:1 which is not more than 3:1, as given below:

(₹ in Lakhs, unless otherwise stated)

Particulars	September 30, 2025
Long term borrowings (I)	3,910.84
Short term borrowings (II)	5,205.16
Total borrowings (III) (I+II)	**9,116.00**
Equity Share capital (IV)	72.64
Reserves and Surplus (V)	5,104.11
Net worth (VI) (IV + V)	**5,176.75**
Debt-Equity Ratio (in times) (VII) (III / VI)	**1.76:1**

As certified by M/s RSAV & Company, Chartered Accountants by way of their certificate dated March 25, 2026.

h) There has been 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.

i) The Promoter(s) or directors are not 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.

j) Our directors are not disqualified/ debarred by any of the Regulatory Authority.

k) There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by our company, promoters/ promoting company(ies), Subsidiary Companies.

l) We confirm that there has not been any change in our name in the last one year.

m) Our Company has a functional website, www.shellz.in.

n) The Equity Shares of our Company held by our Promoters are in the dematerialised form.

o) Our Company has facilitated trading in demat securities for which we have entered into an agreement with the Central Depository Services Limited dated September 03, 2024 and National Securities Depository Limited dated July 10, 2024.

p) There has been no change in the promoters of our Company in the preceding one year from date of filing application to BSE for listing on SME segment.

q) Our composition of the board is in compliance with the requirements of the Companies Act, 2013.

r) The net worth of our company as mentioned above computed as per the definition given in SEBI ICDR Regulations.

s) As on date of this Draft Red Herring Prospectus, our Company has not been referred to NCLT under the Insolvency Bankruptcy Code, 2016.

t) There is no winding up petition against our company, which has been admitted by the court.

u) The application for listing of the equity shares of our company has not been rejected by the BSE in last 6 complete months.

As per Regulation 229 (4) of the SEBI ICDR Regulations, our Company was not a proprietorship, partnership firm, or limited liability partnership prior to its incorporation.

As per Regulation 229 (5) of the SEBI ICDR Regulations, there was no change in the promoters of our Company who have acquired more than fifty per cent of the shareholding of our company in last one year from the date of filing this Draft Red Herring Prospectus.

As per Regulation 229 (6) of the SEBI ICDR Regulations, our operating profit (earnings before interest, depreciation and tax) is more than ₹1.00 crores for all the three financial years.

Further, our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (1), 230 (2) and 230 (3) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is eligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 228 of the SEBI ICDR Regulations:

(a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors are promoter or director of companies which are debarred from accessing the capital markets by the SEBI.

(c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.

(d) None of our Promoters or Directors is a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) There are no outstanding convertible securities or right which would entitle any person with any option to receive equity shares of our company.

Further, in accordance with Regulation 268 (1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 200, failing which, the entire application money will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE BIDDERS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SOCRADAMUS CAPITAL PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors and the Book Running Lead Manager

Our Company, our directors and the Book Running Lead Manager 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 Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.shellz.in or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement, Underwriting Agreement and Market Maker Agreement.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres or elsewhere.

Prospective Investors who Bid in this Issue will be required to confirm and will be deemed to have represented to our Company, Underwriter, Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, Underwriter, Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire Equity Shares.

The Book Running Lead Manager and their associates and affiliates in their capacity as principals or agents may engage in transactions with and perform services for, our Company, our Promoters, members of the Promoter Group and their respective directors and officers, 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 Promoters, members of the Promoter Group and their respective directors, officers, 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 this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, multilateral and bilateral development financial institutions, domestic Mutual Funds registered with the SEBI, 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 shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign Bidders, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to apply for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about and to observe, any such restrictions.

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 BSE 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. The delivery of this Draft Red Herring Prospectus under any circumstances, does not create any implication that there has been any change in the affairs of our Company 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.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. 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 under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

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 jurisdiction where those offers and sales occur and in each case who are deemed to have made the representations set forth immediately below.

Restrictions on Transfers

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Issue, will be deemed to have

acknowledged, represented to and agreed with the Company that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser acknowledges that the Equity Shares offered pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities' regulatory authority of any state of the United States and accordingly may not be offered, sold, resold, pledged or transferred 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;

2. the purchaser is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Issue in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

7. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

8. the purchaser understands and acknowledges that the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above stated restrictions; and

9. the purchaser acknowledges that the Company, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

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. 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with RoC.

Listing

The Equity Shares issued pursuant to the Red Herring Prospectus are proposed to be listed on BSE SME. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE for obtaining their permission for the listing and trading of the Equity Shares.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchange, our Company shall forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus in accordance with applicable law.

If our Company does not allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders in accordance with applicable law for the delayed period.

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 BSE SME are taken within three Working Days from the Bid / Issue Closing Date or within such other period as may be prescribed. If the Company does not Allot the Equity Shares within one Working Days from the Bid / Issue Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Issue Account 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 as prescribed under applicable law.

Consents

Consents in writing of each of our Directors, our Company Secretary and Compliance Officer, Legal Advisor to the Issue, Bankers to our Company, the Book Running Lead Manager, the Registrar to the Issue, Ken Research, Statutory Auditors, have been obtained; and consents in writing of the Public Issue Account Bank, Sponsor Bank(s) and Refund Bank(s), and Syndicate Member to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents shall not be withdrawn up to the time of filing of the Prospectus with the RoC.

Experts to the Issue

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

Our Company has received written consent dated March 25, 2026 from, M/s RSAV & Company, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 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, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 11, 2026 on our Restated Financial Information; and (ii) their report dated March 25, 2026 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our company during the last five years and performance visà-vis objects

Our Company has not made any public issue (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed in "*Capital Structure*" on page 96, our Company has not made any rights issue during the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by listed subsidiary during the last five years and performance visà-vis objects

We do not have any listed subsidiary as on date of this Draft Red Herring Prospectus.

Underwriting commission, brokerage and selling commission paid on previous issues of the equity shares

Since this is the initial public offer of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our company

Other than as disclosed in chapter titled "*Capital Structure*" on page 96, our Company has not undertaken any capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by listed subsidiaries, group companies, or associates of our company

Our Company does not have any listed subsidiaries, group companies or associates as on date of this Draft Red Herring Prospectus.

Price information of the past issues handled by the Book Running Lead Manager

1. **Price information of past issues handled by Socradamus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):**

Sr. No.	Issue name	Issue size (₹ Crores)	Issue price (₹)	Listing Date	Opening price on Listing Date (₹)	+/- % 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
Mainboard IPO								
-	-	-	-	-	-	-	-	-
SME IPO								
1.	Identical Brains Studios Limited	19.95	54.00	December 26, 2024	95.00	-4.63%, [-2.77%]	-16.94%, [-0.34%]	-21.20%, [-5.14%]
2.	Kaytex Fabrics Limited	69.81	180.00	August 05, 2025	144.00	-37.39%, [0.37%]	-50.83%, [4.52%]	-68.61%, [0.71%]
3.	Invicta Diagnostic Limited	28.12	85.00	December 08, 2025	100.00	-6.41%, [0.84%]	-27.06%, [-7.44%]	N.A.
4.	Yaap Digital Limited	80.11	145.00	March 05, 2026	127.00	N.A.	N.A.	N.A.

Source: www.nseindia.com

Notes:
1. *The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.*
2. *Price on BSE/NSE are considered for all the above calculations.*
3. *In case 30th, 90th and 180th day is not a trading day, closing price of the next trading day has been considered.*
4. *In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.*
5. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager will only be provided.

2. **Summary statement of price information of past issues handled by Socradamus Capital Private Limited (during current financial year and two financial years preceding the current financial year):**

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			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 %
2025-2026	3#	178.04	N.A.	1	1	N.A.	N.A.	N.A.	1	N.A.	N.A.	N.A.	N.A.	N.A.

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			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 %
2024-2025	1*	19.95	N.A.	N.A.	1	N.A.	N.A.	N.A.	N.A.	N.A.	1	N.A.	N.A.	N.A.

** The script of Identical Brains Studios Limited was listed on December 26, 2024.*

#The script of Kaytex Fabrics Limited was listed on August 05, 2025, the script of Invicta Diagnostic Limited was listed on December 08, 2025 and the script of Yaap Digital Limited was listed on March 05, 2026.

Track record of past issues handled by Book Running Lead Manager

For details regarding track record of the Book Running Lead Manager as specified in the Circular (reference no. CIR/MIRSD/1/2012) dated January 10, 2012 issued by the SEBI, please see the website of the Book Running Lead Manager at: https://socradamus.in/track-records/.

Stock market data of equity shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the Book Running Lead Manager or the Registrar to the Issue, in the manner provided below. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Issue related grievances may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For issue related grievances, Bidders may contact the Book Running Lead Manager, details of which are given in "*General Information*" on page 86.

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 / Issue Closing Date, the investor shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Issue 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.

Pursuant to the SEBI Master Circular, SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/ non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, 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 Bid shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the Bidder:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted Bids	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchange 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 Bid Amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non–Allotted/partially Allotted Bids	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchange, with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. Our Company, the BRLM, and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our company

Our Company shall, after filing this Draft Red Herring Prospectus, obtain authentication on the SCORES in compliance with the SEBI circular bearing reference no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see "*Our Management – Corporate Governance*" on page 225.

Our Company has also appointed Sumit Kumar, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, "*General Information – Company Secretary and Compliance Officer*" on page 87.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 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.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

The remainder of this page has intentionally been left blank

SECTION X – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued, offered and Allotted pursuant to the Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI LODR Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI, and/or other authorities, as in force on the date of this Issue and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

Ranking of the equity shares

The Equity Shares being issued, offered and Allotted in the Issue shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, please see the section titled "*Main Provisions of the Articles of Association*" on page 366.

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 and Articles of Association and provisions of the SEBI LODR Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Allottees, in accordance with applicable law. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 239 and 366, respectively.

Face Value, Issue Price and Price Band

The face value of each Equity Share is ₹10/- each and the Issue 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 Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the Book Running Lead Manager and published by our Company in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located), at least two Working Days prior to the Bid / Issue Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the respective website of the Stock Exchange. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid / Issue Closing Date, on the basis of assessment of market demand for Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the equity shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- the right to receive dividend, if declared;
- the right to attend general meetings and exercise voting rights, unless prohibited by law;

- the right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;

- the right to receive offers for rights shares and be allotted bonus shares, if announced;

- the right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;

- the right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including rules framed by the RBI; and

- such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "*Main Provisions of the Articles of Association*" on page 366.

Allotment only in dematerialized form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialized form only. In this context, our Company has entered into the following agreements with the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated September 03, 2024 amongst our Company, CDSL and Registrar to the Issue.

2. Tripartite agreement dated July 10, 2024 between our Company, NSDL and Registrar to the Issue.

Minimum bid value, market lot and trading lot

Trading of the Equity Shares will happen in the minimum lot size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE SME from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Bidders.

Further, in accordance with SEBI ICDR Regulations, the minimum application size in terms of number of specified securities shall not be less than two lots per application. Provided that the minimum bid size shall be above ₹2.00 lakhs.

Joint holders

Subject to provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

Nomination facility to bidders

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, along with other joint Bidder, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidder, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the nominating holder of such equity shares. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation. A buyer will be entitled to make

a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or

2. 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 ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Collecting Depository Participant of the Bidder would prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

Bid / Issue period

Bid / Issue Opens on [(1)]	[●]
Bid / Issue Closes on [(2)(3)]	[●]

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

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

(3) UPI mandate end time and date shall be at 5.00 p.m. on Bid / Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid / Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Refunds for Anchor Investors / unblocking of funds from ASBA Account*	On or before [●]
Credit of Equity Shares to demat account of the Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

**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/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders may be released to our remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI ICDR Master Circular for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, in consultation with the BRLM, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange or delay in respect of final certificates from SCSBs. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI vide circular SEBI ICDR Master Circular has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory basis, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure

within three Working days of Bid / Issue Closing Date or such time prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid / Issue Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Individual Bidders, other than QIBs and Non-Institutional Bidders	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA Applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Individual Bidder, 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-Individual Bidder, Non- Individual Applications of QIBs and Non-Institutional Bidders	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, Non-Institutional Bidders and and Individual Bidders categories[#]	Only between 10.00 a.m. on the Bid / Issue Opening Date and up to 4.00 p.m. IST on Bid / Issue Closing Date

**UPI mandate end time and date shall be at 5:00 pm on the Bid / Issue Closing Date.*
#QIBs, Non-Institutional Bidders and Individual Bidders can neither revise their Bids downwards nor cancel/ withdraw their Bids.

On the Bid / Issue Closing Date, the Bids shall be uploaded until 4.00 p.m. IST for all categories.

On Bid / Issue Closing Date, extension of time may be granted by Stock Exchange only for uploading Bids received by Individual Bidders after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled / withdrawn / deleted Bids to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Issue Opening Date till the Bid / Issue Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Issue 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 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 Exchange, after closure of the time for uploading Bids.

Due to limitation of time available for uploading the Bids on the Bid / Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Issue Closing Date, and in any case no later than 1:00 p.m. IST on the Bid / Issue 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 / Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid / Issue Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid / Issue period. Bidders may please note that as per letter no. list/SMD/SM/2006 dated July 3, 2006 issued by BSE, Bids and any revision to the Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchange. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchange. None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) on account of any errors, omissions or non-

compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid / Issue Period till 4.00 pm on the Bid / Issue Closing Date after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

Our Company in consultation with the Book Running Lead Manager, reserve the right to revise the Price band during the Bid / Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to minimum 105% of the Floor Price.

In case of revision in the Price Band, the Bid / Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid / Issue 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 / Issue Period for a minimum of three Working Days, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid / Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-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 Exchange shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 (1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 200, 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 shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum lot size of [●] Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum lot size allowed for trading on the BSE SME.

New financial instruments

Our Company is not issuing any new financial instruments through this Issue.

Restrictions, if any on transfer and transmission of equity shares

Except for the lock-in of the pre-Issue Equity Shares, the minimum Promoters' contribution and Equity Shares allotted to Anchor Investors pursuant to the Issue as detailed in "*Capital Structure*" on page 96, and except as provided in our Articles of Association there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. For details, see "*Main Provisions of the Articles of Association*" on page 366.

Option to receive equity shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange. However, Allotees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

Withdrawal of the Issue

Our Company, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid / Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-offer and price Band advertisements were published, within one day of the Bid / Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. Further, the Stock Exchange shall be informed promptly in this regard by our Company. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be.

If our Company in consultation with the Book Running Lead Manager withdraws the Issue after the Bid / Issue Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with BSE. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment and within two Working Days of the Bid / Issue Closing Date or such other time period as prescribed under applicable law. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

Migration to Main Board

As per Regulation 277 of the SEBI ICDR Regulations, our company may migrate to the main board of BSE from the SME Exchange on a later date if the paid-up capital of the company is more than ₹10 crores but below ₹25 crores, the company may apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters against the proposal.

As per Regulation 280 (2) of the SEBI ICDR Regulations, where the post-issue paid up capital of the company listed on the SME Platform is likely to increase beyond ₹25 crores by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue etc., the company shall migrate its equity shares listed on a SME Platform to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board.

Provided that no further issue of capital shall be made unless:

a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME Platform to the Main Board, subject to the undertaking to comply with the provisions of the SEBI LODR Regulations, as applicable to companies listed on the Main Board of the stock exchange.

Further, the migration policy of BSE was intimated vide notice no. 20121126-17 dated November 26, 2012, further revised vide notice no. 20180810-27 dated August 10, 2018, notice no. 20191014-25 dated October 14, 2019, notice no. 20211220-15 dated December 20, 2021, notice no. 20231124-55 dated November 24, 2023, notice no. 20250319-2 dated March 19, 2025, notice no. 20250820-10 dated August 20, 2025. BSE has further reviewed and revised the migration policy vide notice no. 20260223-19 dated February 23, 2026 effective from March 01, 2026 from BSE SME to BSE Main Board as follows:

Sr. No.	Details	Unified Eligibility Criteria
1.	**Paid up capital**	Atleast Rs. 10 crs
2.	**Market Capitalisation**	**Average of 6 months market cap** **Direct listing:** Rs. 1000 crores

Sr. No.	Details	Unified Eligibility Criteria
		(on Main Board) **SME Migration to Main Board:** Rs. 100 crores. **OR** *Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.*
3.	**Market Liquidity**	• At least 5% of the weighted average number of equity shares listed should have been traded during such 6 (six) months' period. • Trading on atleast 80% of days during such 6 (six) months period. • Min. average daily turnover of Rs. 10 lakhs and minimum daily turnover of Rs. 5 lakhs during the 6 (six) month period. • Minimum Average number of daily trades of 50 and minimum daily trades of 25 during the said 6 (six) months period. Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and number of daily trades on the days the scrip has traded, shall be divided by the total number of trading days, respectively, during the said 6 (six) months period. **OR** *Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.*
4.	**Operating Profit (EBIDTA)**	**Average of Rs. 15 crs.** on a restated consolidated basis, in preceding 3 (three) years (of 12 months each), with operating profit in each of these 3 (three) years, **with a minimum of Rs. 10 crores in each of the said 3 years** In case of name change within the last one year, at least **50%** of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name
5.	**Networth**	**Rs. 1 crore.** - in each of the preceding 3 (three) full years (of twelve months each), calculated on a restated and consolidated basis
6.	**Net Tangible Assets**	**At least Rs. 3 crores,** on a restated and consolidated basis, in each of the preceding 3 (three) full years (of 12 (twelve) months each), of which not more than 50% are held in monetary assets: Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
7.	**Promoter holding**	**At least 20%** at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. ***Note :*** *The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.*
8.	**Lock In of promoter/ promoter group shares**	**6 (six) months** from the date of listing on the BSE. ***Note :*** *The lock-in criterion shall not apply to companies already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.*

Sr. No.	Details	Unified Eligibility Criteria
9.	**Regulatory action**	1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors. 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender. 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP. 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
10.	**Promoter shareholding**	100% in demat form
11.	**Compliance with LODR Regs**	3 (three) years track record with no pending non-compliance at the time of making the application
12.	**Track record in terms of Listing**	Listed for atleast 3 (three) years
13.	**Public Shareholder**	Minimum 1000 (one thousand) as per latest shareholding pattern
14.	**Other Parameters**	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies. 2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e "ESM", "ASM", "GSM category" or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure
15.	**Score ID**	No pending investor complaints on SCORES
16.	**Business Consistency**	Same line of business for 3 (three) years at least 50% of the revenue from operations from such continued business activity.
17.	**Audit Qualification**	No audit qualification with regard to going concern or any material financial implication and such audit qualification is continuing at the time of application

Note: Words and expressions used hereinabove shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations")

The remainder of this page has intentionally been left blank

ISSUE STRUCTURE

The Issue is up to 31,20,000 Equity Shares of face value of ₹10/- each, for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] Lakhs.

The Issue less the Market Maker Reservation Portion is the Net Issue. The Issue comprises Market Maker Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] lakhs and a Net Issue of up to [●] Equity Shares aggregating up to ₹ [●] lakhs. The Market Maker Portion shall be at least 5% of the Issue. The Issue and the Net Issue shall constitute [●] % and [●] %, respectively of the post Issue Equity Share capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 252 of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement aggregating up to upto 8,00,000 Equity Shares of face value of ₹10/- each, 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 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 Issue. Prior to the completion of the Issue, 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 Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchange. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Particulars	**Market Maker Reservation Portion**	**QIBs [(1)]**	**NIBs**	**IBs**
Number of Equity Shares available for allocation / allotment*[(2)]	Up to [●] Equity Shares of face value of ₹10/- each	Not more than [●] Equity Shares of face value of ₹10/- each, aggregating to ₹ [●] lakhs, subject to the allocation/ allotment of not more than 50% of the Net Issue	Not less than [●] Equity Shares of face value of ₹10/- each available for allocation or Issue less allocation to QIB Bidders and IBs	Not less than [●] Equity Shares of face value of ₹10/- each available for allocation or Issue less allocation to QIB Bidders and NIBs
Percentage of Issue Size available for allotment / allocation	The Market Maker Reservation Portion shall constitute [●] % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net 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 Net Issue less allocation to QIB Bidders and IBs shall be available for allocation, subject to the following: (a) one third of the portion available to NIBs shall be reserved for bidders with a bid size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs; and (b) two third of the portion available to NIBs shall be reserved for bidders with bid size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either the sub-categories	Not less than 35% of the Net Issue or the Issue less allocation to QIB Bidders and NIBs will be available for allocation

Particulars	Market Maker Reservation Portion	QIBs [(1)]	NIBs	IBs
			mentioned above could be allocated to applicants in the other sub-category of NIBs	
Basis of Allotment / allocation if respective category is oversubscribed*	Firm Allotment	Proportionate as follows (Excluding the Anchor Investor Portion): a) [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above; c) Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis of which, 40% of the Anchor Investor Portion shall be available for allocation as follows, (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 Bid received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price	The Allotment of Equity Shares to each Non-Institutional Bidder 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 Schedule XIII to the SEBI ICDR Regulations	The allotment to each IB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Individual Bidder and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. See "*Issue Procedure*" on page 345
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹2.00 lakhs	For NIBs applying under one-third of the Non-Institutional Portion (with bid size of more than two lots and up to such lots equivalent to not more than ₹10.00	2 lots such that the Bid size shall be above ₹2.00 lakhs

Particulars	Market Maker Reservation Portion	QIBs [(1)]	NIBs	IBs
			lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid size exceeds two lots. For NIBs applying under two thirds of the Non-Institutional Portion (with bid size of more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹10.00 lakhs	
Maximum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the Anchor Investor Portion), subject to applicable limits to each Bidder	For Non-Institutional Bidders applying under one-third of the Non-Institutional Portion (with bid size of more than 2 lots and up to ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount does not exceeds ₹10.00 lakhs. For Non-Institutional Bidders applying under two-thirds of the Non-Institutional Portion (with bid size of more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, (excluding the QIB Portion) subject to limits applicable to the Bidder	2 lots such that the Bid size shall be above ₹2 lakhs
Lot Size	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of Allotment^	Compulsorily in dematerialised form			
Trading Lot	[●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares		
Who can Apply [(3) (4) (5)]	Market Maker	Public financial institutions as defined in the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Market Maker Reservation Portion	QIBs [(1)]	NIBs	IBs
		development financial institutions, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million registered with the Pension Fund Development and Regulatory Authority, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and NBFC-SI	institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as category II FPIs and registered with SEBI	
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 [(5)] **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding^	ASBA Process only (except in case of Anchor Investors)	ASBA Process only (except in case of Anchor Investors)	ASBA Process only (including the UPI Mechanism to the extent of Bids up to ₹5.00 lakhs)	ASBA Process only (including the UPI Mechanism)

**Assuming full subscription in the Issue*

^ As per SEBI ICDR Master Circular ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and IBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 lakhs but up to ₹2,500.00 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 lakhs, and an additional 10 Anchor Investors for every additional ₹2,500.00 lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 lakhs.

(2) Subject to valid Bids being received at or above the Issue Price. This Issue is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 253(1) and 253(2) of the SEBI ICDR Regulations.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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.

(4) Bids by FPIs with certain structures as described under "Issue Procedure – Bids by FPIs" on page 351 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

(5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-in Date as indicated in the CAN.

Subject to valid Bids being received at or above the Issue 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 at the discretion

of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares pursuant to the Issue.

The remainder of this page has intentionally been left blank

ISSUE PROCEDURE

All Bidders should read 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. The General Information Document is available on the websites of the Stock Exchange and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. Investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (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 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued and Individual Bidders submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) were allowed to only use UPI Mechanism with a timeline of T+6 days pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**UPI Phase II**"). Furthermore, pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings whose Bid sizes are up to ₹5,00,000 shall use the UPI Mechanism for submitting their Bids. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days ("**UPI Phase III**"), using the UPI Mechanism for applications by UPI Bidders has become mandatory for public issues opening on or after December 1, 2023. Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification.*

Further, pursuant to SEBI RTA Master Circular and SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In terms of Regulation 244 (5) and Regulation 271 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead Manager shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date in accordance with the SEBI ICDR Master Circular 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 Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be the nodal entity for any issues arising out of the public issuance process.

Our Company, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with Applicable Laws and did not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus. Further, our Company and the Syndicate are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

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 this Draft Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Issue equity 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 / Issue Opening Date.

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 252 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process, in compliance with Regulation 253 (1) and 253 (2) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLM, of which, 40% shall be available for allocation as follows, (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 at or above the Anchor Investor Allocation Price. 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 (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue 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 QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with an application size of more than ₹10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders who applies for the minimum application size of two lots per application, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●] % of the post Issue paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar was extended to June 30, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders applying through 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.

Pursuant to the UPI Circulars, 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 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 Issue Book Running Lead Manager will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

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, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circulars.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

Further, pursuant to SEBI ICDR Master Circular, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); or

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building Process on a regular basis before the closure of the Issue.

b) On the Bid / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchange's platform are considered for allocation / Allotment. The Designated Intermediaries are given till 4:00 pm on the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchange's platform during the Bid / Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

d) QIBs and NIBs can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) including a QR code and link to access the Red Herring Prospectus, the Abridged Prospectus and the Pre-Issue & Price Band Advertisement will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the website of BSE (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum

Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Bids by ASBA Bidders

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For all initial public offerings opening on or after September 1, 2022, as specified by SEBI pursuant to SEBI ICDR Master Circular, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchange shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. Individual, QIB, NII and other reserved categories and also for all modes through which the applications are processed.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient credit balance such that an amount equivalent to full Bid Amount can be blocked therein, at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis^	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors^^	[●]

**Excluding Electronic Bid cum Application Forms.*
^ ^Electronic Application Form will be made available for download on the website of the BSE (www.bseindia.com).
^^Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. For UPI Bidders, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) 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. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges Stock Exchange shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded

For UPI Bidders, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank 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 Exchange bidding platform and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) 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 and the issuer bank. The Sponsor Bank and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Manager for analysing the same and fixing liability. For ensuring timely information to Bidders, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI ICDR Master Circular.

In accordance with circular issued by BSE having reference no. 20220803-40 dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bid with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date ("**Cut- Off Time**"). Accordingly, UPI Bidders

should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchange and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchange platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Manager in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank 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 Banks UPI switch data, Core Banking System ("**CBS**") data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s).

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid / Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

The 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 state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "**U.S. QIBs**") and "qualified purchaser" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "**QPs**") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (b) outside the United States in "offshore transactions" as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the U.S. Securities Act ("U.S. Persons"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. The Company is not registered and does not intend to register as an investment company under the U.S. Investment Company Act in reliance on the exemption set forth in Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits afforded to investors in a company registered under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", and for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined in Section 2(a)(51) under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on the exemption set forth in Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters, Promoter Group, the BRLM, associates and affiliates of the BRLM and the syndicate members and the persons related to Promoters, Promoter Group, BRLM and the syndicate members

The BRLM and the Syndicate Members shall not be allowed to purchase/subscribe 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/subscribe to the Equity Shares in the Issue, 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 persons related to the BRLM can apply in the Issue under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLM;

(ii) insurance companies promoted by entities which are associate of the BRLM;

(iii) Alternate Investment Funds ("**AIFs**") sponsored by the entities which are associate of the BRLM;

(iv) Foreign Portfolio Investors ("**FPIs**") other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLM; or

(v) pension funds sponsored by entities which are associate of the BRLM;

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Managers" 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.

Our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our Promoters or Promoter Group:

(i) rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company;

(ii) veto rights; or

(iii) a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company in consultation with Book Running Lead Manager, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the 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 for which the Bid has been made.

No mutual fund scheme shall invest more than 10% of its NAV in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific scheme. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

Bids by Eligible 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 NRIs applying on a repatriation basis should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI Bidders using the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs applying on a non-repatriation basis should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI Bidders applying using the UPI Mechanism) to block their Non-Resident Ordinary Accounts ("**NRO Account**") for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Bid cum Application Form meant for non-residents ([●] in colour). Eligible NRIs applying on non-repatriation basis are advised to use the Bid cum Application Form for residents. ([●] in colour).

Participation of Eligible NRIs in the Issue shall be subject to the FEMA NDI Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA NDI 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 offered by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 365.

Bids by HUFs

Bids by HUFs should be in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Bidder group (which means multiple entities registered as foreign portfolio Bidders and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post Issue Equity Share capital. In case the total holding of an FPI or Bidder group increase beyond 10% of the total paid-up Equity Share capital of our Company, the total investment made by the FPI or Bidder group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the Bidder will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100% under the automatic route). In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with Book Running Lead Manager reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
b) such offshore derivative instruments are offered only to persons eligible for registration as Category I FPIs;
c) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and
d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids and are liable to be rejected:

- FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Bidders and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of Bidders with segregated portfolio who obtain separate FPI registration;

- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.

- Multiple branches in different jurisdictions of foreign bank registered as FPIs;

- Government and Government related Bidders registered as Category I FPIs; and

- Entities registered as collective investment scheme having multiple share classes.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bid using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

FPIs 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. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs applying 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 Issue Equity Share capital shall be liable to be rejected.

Participation of FPIs in the Issue shall be subject to the FEMA NDI Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, VCFs which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a Category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA NDI Rules.

All Non-Resident Bidders should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Book Running Lead Manager 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 which, the Company in consultation with the Book Running Lead Manager, 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 Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and Master Direction - Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. 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 if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed) and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 02, 2013 respectively. Such SCSBs are required to ensure that for making Bids on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid in public offers and clear demarcated funds should be available in such account for such Bids.

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, the Company in consultation with Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 read with the investments – master circular dated October 27, 2022, each as amended ("**IRDA Investment Regulations**") and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by NBFC-SI

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

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, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the Book Running Lead Manager, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the Book Running Lead Manager, may deem fit.

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, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, 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 and, in consultation with Book Running Lead Manager reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLM.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 Lakhs.

(c) With effect from November 30, 2025, 40% out of the Anchor Investor Portion shall be made available for allocation, as follows, (i) 33.3% 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 at or above the Anchor Investor Allocation Price.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and will be completed on the same day.

(e) Our Company, in consultation with the BRLM will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹200.00 Lakhs;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
- in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional 10 Anchor Investors for every additional ₹2,500.00 Lakhs, subject to minimum Allotment of ₹100.00 Lakhs per Anchor Investor.

(f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLM before the Bid / Issue Opening Date, through intimation to the Stock Exchange.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities or pension funds sponsored by 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) can apply in the Issue under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager 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 the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchange 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 and/or the BRLM are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other

requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

Pre-Issue Advertisement

Our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-issue and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Delhi where our Registered Office is located). Our Company shall, in the pre-Issue and price band advertisement state the Bid / Issue Opening Date and the Bid / Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the ROC

Our company has entered into an Underwriting Agreement dated [●].

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price band;

4. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders applying using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;

5. UPI Bidders applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the Bid amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. UPI Bidders applying using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the Bid appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate members, Sub-Syndicate members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

12. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, 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

Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

13. 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 Collecting Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

14. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular MRD/DoP/Dep/Cir-09/06 dated July 20, 2006 and SEBI circular no. MRD/DoP/SE/Cir-13/06 dated September 26, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for Bidders 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 Bids in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchange;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. UPI Bidders applying using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Bid amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

25. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

26. 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;

27. In case of QIBs and NIBs, ensure that while applying 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 http://www.sebi.gov.in);

28. UPI Bidders applying using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the Individual Bidder shall be deemed to have verified the attachment containing the Bid details of the Individual Bidder applying using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid cum Application Form in his / her ASBA Account;

29. UPI Bidder applying 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;

30. UPI Bidders applying using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

31. 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 to authorise blocking of funds equivalent to the revised Bid Amount in the RII's ASBA Account;

32. ASBA Bidders shall ensure that Bids above ₹5,00,000, are uploaded only by the SCSBs;

33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. on the Bid / Issue Closing Date.

34. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar has been extended to June 30, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Bid made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the SEBI RTA Master Circular is liable to be rejected.

Don'ts:

1. Do not bid for lower than the minimum Bid size;

2. Do not bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not bid for a Bid Amount exceeding ₹2,00,000 (for Bids by UPI Bidders);
4. Do not bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "– *Bids by HUFs*" on page 351;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;

10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

11. Do not bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

13. Do not fill up the Bid cum Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

14. If you are a QIB or an NIB, do not submit your Bid after 4.00 p.m. on the Bid / Issue Closing Date. If you are an IB or Market Maker applying under the reserved category, do not submit your Bid after 5.00 p.m. on the Bid / Issue Closing Date;

15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

16. If you are a UPI Bidder using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5,00,000;

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details or a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders applying using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

21. 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. Individual Bidders can revise or withdraw their Bids until the Bid / Issue Closing Date;

22. 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;

23. 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;

24. 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;

25. Do not apply 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);

26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

28. Do not bid for Equity Shares more than specified by respective Stock Exchange for each category;

29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

30. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and

31. Do not apply if you are an OCB.

For helpline details of the Book Running Lead Manager pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Manager*" on page 87.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejections

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document. In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could 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 Bid cum Application Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSB 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);

6. Bid cum Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bid 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 IBs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular number: CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bid by Individual Bidders with Bid Amount for a value of less than ₹2,00,000;

13. Bids by person 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;

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid / Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid / Issue Closing Date (other than UPI Bidders), and Bids by UPI Bidders uploaded after 5.00 p.m. on the Bid / Issue Closing Date, unless extended by the Stock Exchanges.

In case of any pre-Issue or post Issue related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information – Company Secretary and Compliance Officer*" on page 87.

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 / Issue Closing Date, the investor shall be compensated in accordance with applicable law. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. 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.

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 Book Running Lead Manager 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 Parts A and A2 of Schedule XIV of SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company shall not make an allotment pursuant to this Issue if the number of allottees in the Issue is less than two hundred. Further, our Company will not make any Allotment in excess of the Equity Shares offered through the Issue through the Red Herring 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 10% of the Net Issue to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Individual Bidders, Non-Institutional Bidders 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 Individual Bidder shall not be less than the Minimum Lot Size, subject to availability of Equity Shares in the Individual Bidder Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

The allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the Minimum Lot Size, subject to the availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

Flow of Events from the closure of Issue period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.

- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.

- Third party confirmation of applications to be completed by SCSBs on T+1 day.

- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/comments.

- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).

- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.

- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.

- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications. On the basis of the above, the RTA will work out the allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts

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 Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account. The payment instruments for payment into the Escrow Account should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"
(ii) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from Anchor Investors.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the Book Running Lead Manager and the Registrar to the Issue, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchange where the Equity Shares are proposed to be listed, provided such final listing and trading approval from the Stock Exchange is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from the Stock Exchange is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from the Stock Exchange where the equity shares of our company are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the Book Running Lead Manager and the Registrar to the Issue, following the receipt of final listing and trading approval from all the Stock Exchange.

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement not later than one Working Day after the commencement of trading, disclosing the date of commencement of trading in all editions of [●], a widely circulated English national daily newspaper and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located).

Depository Arrangements

The Allotment of the Equity Shares in the Issue 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). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated July 10, 2024, amongst our Company, NSDL and Registrar to the Issue.
- Tripartite agreement dated September 03, 2024, amongst our Company, CDSL and Registrar to the Issue.

Undertakings by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within three Working Days of the Bid / Issue Closing Date or such other time as may be prescribed by SEBI;

(iv) that funds required for making refunds/unblocking to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

(v) 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;

(vi) that if our Company does not proceed with the Issue after the Bid / Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and price band advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company in consultation with the Book Running Lead Manager, withdraw the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh draft offer document with Stock Exchange, in the event our Company subsequently decide to proceed with the Issue thereafter;

(viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

(ix) that the promoter contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro-rata basis before the calls are made on public in accordance with applicable provisions of SEBI ICDR Regulations;

(x) that except for any allotment pursuant to the Pre-IPO Placement, that no further issue of securities shall be made till the securities offered through the offer document are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with the SEBI ICDR Regulations;

(xi) that adequate arrangements shall be made to consider all ASBA Applications as similar to non-ASBA Applications while finalising the basis of allotment; and

(xii) Compliance with all disclosure and accounting norms as may be specified by SEBI from time to time.

Utilisation of Issue Proceeds

Our Board certifies that:

- all monies received out of the 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;

- details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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 Bid in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple Bids to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or one per cent 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 ₹ 10 lakhs 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 ₹50 lakhs or with both.

The remainder of this page has intentionally been left blank

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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases.

The DPIIT issued, issued the Consolidated FDI Policy which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases, clarifications, circulars on FDI issued by the DPIIT, which were in force and effect prior to October 15, 2020. In terms of the Consolidated FDI Policy and FEMA Rules, a company seeking an industrial licence shall be permitted to have foreign direct investment up to 49% under the automatic route and above 49% under approval route on case-to-case basis, wherever it is likely to result in access to modern technology in India or for other reasons.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI policy and transfer does not attract the provisions of the SEBI SAST 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.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had 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 Issue shall be on the basis of 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 FDI 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. Each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the investor shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Bid / Issue Period. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

For further details, see "*Issue Procedure*" on page 345.

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. There will be no offering of securities in the United States.

The above information is given for the benefit of the Investors. Our Company and the Book Running Lead Manager 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. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION XI – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Annual General Meeting of Shellz India Limited (the "**Company**") held on September 29, 2025. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
SHELLZ INDIA LIMITED

1. CONSTITUTION OF THE COMPANY

a. **Table "F" not to apply but company to be governed by these Articles**

No regulations contained in Table "F" of Schedule I to the Companies Act, 2013 ("**Table F**") as are applicable to a public company limited by shares, shall apply to the Company except: (a) so far as they are not inconsistent with any of the provisions contained in these articles or modifications thereof; or (b) to the extent that there is no specific provision in these articles. In case of any conflict between the provisions of these articles and table F, the provisions of these articles shall prevail.

b. Applicability of Stock Exchange Regulations

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

2. DEFINITIONS AND INTERPRETATION

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

THE ACT

"The Act" means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

ARTICLES

The "Articles" or "Articles of Association" means these articles of association of the Company or as altered from time to time.

BOARD OR BOARD OF DIRECTORS

"Board" or "Board of Directors" means the board of directors of the Company, as constituted from time to time.

CHAIRMAN

"The Chairman" means the Chairman of the Board of Directors / Committee for the time being of the Company.

THE COMPANY OR THIS COMPANY

"The Company" or "This Company" means **Shellz India Limited**.

RULES

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

LAW

"Law/Laws" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental Authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.

MONTH

"Month" means a calendar month.

PERSONS

"Person" or "person" shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

GENDER

Words importing one gender also include the other gender(s).

SINGULAR NUMBER

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SEBI

"SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

SEBI LISTING REGULATIONS

"SEBI LISTING REGULATIONS" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

SECURITIES"

"SECURITIES" shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.

SHARES"

"Shares" shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.

SHAREHOLDER OR MEMBER

"Shareholder" or "shareholder" or "member" shall mean any shareholder of the Company, from time to time.

SHAREHOLDERS' MEETING

"Shareholders' Meeting" shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

STOCK EXCHANGES

"Stock Exchanges" shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

Words and expressions occurring, but not defined, in these Articles and defined in the Act, SCRA, SEBI Act or regulations/notifications/circulars issued by SEBI (from time to time) shall have the same meanings respectively assigned to them thereunder or in any statutory.

PUBLIC COMPANY

The company is a public company as defined in Section 2 (71) of the Act.

3. CAPITAL, SHARES AND CERTIFICATES

The Authorised Share Capital of the Company is as stated in the **Clause 5** of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and Applicable Law and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.

Subject to the provision of the Act and Rules, Applicable Law and these articles, the Board may issue and allot shares, in such proportion and in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business or as sweat equity or ESOP or any other scheme and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be or otherwise dispose of the same or any of them to such person in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

a. Increase of Capital by the Company

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at a general meeting of the Company in conformity with Sections 47 of the Act.

b. Issue of Securities

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

c. Preference Shares

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

d. Shares under the Control of the Board

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

e. Purchase / Buy Back of Shares

Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

f. Reduction of Capital

The Company may (subject to the provisions of Section 52, 55, 66, 67 and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

g. Consolidation, Division, Sub-Division and Cancellation of Shares

Subject to the provisions of the Article and Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows that is to say:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) Cancel 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 the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

h. Modification of Rights

(a) Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to

the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.

(b) The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari-passu there with. This Article, is not to derogate from any power the Company would have if this Article was omitted.

i. Issue of Further Shares not to Affect Rights of Existing Members

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. This Article, is not to derogate from any power the Company would have if this Article was omitted.

j. Further Issue of Shares/Securities

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options, sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time to time think fit.

k. Issue of Shares to Employees

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees' stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

l. Liability of Members

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

m. Registers to be Maintained by the Company

The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

(I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India.

(II) A register of Debenture holders; and

(III) A register of any other security holders.

The Company may keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

The register and index of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996 (22 of 1996), shall be deemed to be the corresponding register and index for the purposes of the Act.

n. Share Certificates

(a) The Company shall cause to be kept a register of members in accordance with Section 88 of the Act and the Depositories Act, with the details of the shares held in Dematerialized forms in any medium as may be permitted by law including in any form of electronic medium.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the Company, without payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favor it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

(b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.

(c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

o. Fractional Certificates

(a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting: -

(i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or

(ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.

(b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.

(c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.

(d) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

(e) Notwithstanding the above, the Board shall have power to 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/securities becoming distributable in fractions.

p. Renewal of Share Certificate

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilized unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilized.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges 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.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

q. Company not bound to recognize any Interest in Share other than Registered Holder

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

4. Company entitled to Dematerialise its Shares and Securities

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialized form in any media as permitted by law including any form of electronic media.

5. GENERAL AUTHORITY

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

6. POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED

1. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

2. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

3. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

7. BROKERAGE

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

8. CALLS

a. Board may make Calls

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine at any time.

b. Notice of Calls

At least Fourteen (14) days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. Calls to take effect from the date of resolution.

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board of Directors.

d. Calls on shares of same class to be on uniform basis

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

e. Board may extend Time

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

f. Amount Payable at Fixed Time or by Instalments to be treated as Calls

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

g. Deposit and Call, etc. to be Debt Payable

The money (if any) which the Board of Directors 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 the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

h. Interest on Call or Instalment

If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part. In case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

i. Partial Payment not to Preclude Forfeiture

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.

j. Payment in Anticipation of Calls may carry Interest

(a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest, at such rate as may be decided by the Board according to the provisions of the Act. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing.

(b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

9. LIEN

a. Company to have Lien on Shares/ Debentures

The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

b. As to Enforcing lien by sale

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

c. Transfer of shares sold under lien

(1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;

(2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;

(3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(4) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

d. Application of proceeds of sale

(1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and

(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

e. Outsider's lien not to affect company's lien

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 any statute) 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.

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

10. JOINT HOLDERS

a. The first named of joint holders deemed sole holder

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles:-

b. Not more than four

i. The Company shall not be bound to register more than four persons as the holders of any share.

ii. The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of such share.

c. Title of survivors

On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

d. Receipt of one sufficient

Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

e. Delivery of certificate and giving of notice

Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.

The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

11. FORFEITURE OF SHARES

a. If money payable on shares not paid notice to be given to member

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. Allotment money shall be deemed to be a call

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

c. Effect of nonpayment of sums

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.

d. Form of notice

The notice shall name a day (not being less than fourteen(14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

e. In default of payment shares to be forfeited

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

f. Notice of forfeiture to a member

When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

g. Forfeited share to be the property of the company and may be sold etc.

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, reallotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

h. Cancellation of forfeiture

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

i. Member still liable to pay money owing at the time of forfeiture and interest

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of

Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

j. Effect of forfeiture

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

k. Validity of forfeiture

i. A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share;

ii. The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

iii. The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;

iv. Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.

v. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.

l. Cancellation of share certificates in respect of forfeited shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

m. Validity of sales

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.

12. SURRENDER OF SHARES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

13. TRANSFER AND TRANSMISSION OF SHARES

a. Instrument of transfer to be executed by transferor and transferee

For shares in physical form, 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.

The instrument of transfer shall be in writing and 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.

b. Board may refuse to register transfer

Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month 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 a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, 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. Transfer of shares / debentures in whatever lot shall not be refused.

c. Board may decline to recognize instrument of transfer

The Board may decline to recognize any instrument of transfer unless –

i. the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

ii. 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

iii. the instrument of transfer is in respect of only one class of shares.

iv. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository. In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

v. Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

vi. Certificate Number and other details of Securities in Depository:
Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository

d. Transfer of shares when suspended.

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

e. Transfer of partly paid shares

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

f. Transfer to minors, etc.

i. No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.

ii. A minor may be admitted and registered as a member of the Company in respect of any fully paid up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

g. The company not liable for disregard of a notice prohibiting registration of a transfer

The 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 right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books 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 of Directors shall so think fit.

h. Title to shares of deceased member

The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such members, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board may upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

i. Title to shares on death of a member

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

j. Estate of deceased member liable

Nothing shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

k. Transmission clause

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time-to-time properly be required by the Board and subject as hereinafter provided, elect, either –

i. to be registered himself as holder of the share; or

ii. to make such transfer of the share as the deceased or insolvent member could have made.

l. Board's right unaffected

The Board shall in either case have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

m. Indemnity to the company

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

n. No fee on transfer or transmission

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

14. MEETINGS OF MEMBERS

a. Annual General Meeting

The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. 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 and shall be held either at the registered office or at some other place within the city in which the office of the Company is situate through video conferencing or audio visual means or teleconferencing /permitted mode, as the Board may determine.

b. Extraordinary General Meeting

All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of 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 through video conferencing or audio visual means or teleconferencing/permitted mode.

c. Calling General Meeting

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/permitted 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: (a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding, 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 meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

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.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

d. Nature of business

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

e. Quorum

i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

ii. No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

iii. The quorum for a general meeting shall be as provided in the Act.

f. Chairman of general meeting

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of the members to be the chairman of that meeting.

g. Business confined to election of chairman whilst chair vacant

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

h. Chairman may adjourn meeting

i. The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.

ii. 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, 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 (read with provisions of these Articles) shall stand cancelled.

iii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

iv. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

v. The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.

vi. Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

i. Chairman's declaration of result of voting on show of hands

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

j. Chairman's casting vote

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

k. Voting through electronic means

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

l. Members paying money in advance not to be entitled to vote in respect thereof

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

m. Number of Votes to member Entitled

i) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, shall be entitled to vote in the manner prescribed under the Act and Articles.

ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

n. Voting in Person or by Proxy

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (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.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

o. Members in arrears not to vote

No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

p. Minutes of Proceedings of Meetings and Resolutions Passed by Postal Ballot

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

q. Inspection of Minute Books of General Meeting

The books containing the minutes of the proceedings of any general meeting of the Company, or a resolution passed by postal ballot shall:

a) be kept at the registered office of the Company; and

b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

r. Members may obtain copy of Minutes

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

s. Powers to arrange security at Meetings

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

15. DIRECTORS

a. **Number of Directors**

i. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing special resolution as required under the Act.

ii. The first Directors of the Company were:

1. Mr. Varun Garg
2. Mrs. Prem Lata Garg

iii. It shall not be necessary for a Director to hold any share in the Company.

b. Directors not liable to retire by rotation

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder. Each of them shall be entitled to hold the office until he resigns on his own accord.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation save as otherwise expressly provided in this Act, be appointed by the company in general meeting. For the purposes of this article, the total number of Directors shall not include independent directors, Nominee Director, whether appointed under the Act or any other law for the time being in force, on the Board.

The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Further this will also be governed by the provisions of Listing Regulations.

A retiring Director shall be eligible for re-election.

c. Same Individual may be Chairperson and Managing Director/ Chief Executive Officer

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

d. Appointment of Alternate Director

The Board may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

e. Appointment of Special Director

(i) The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.

(ii) The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

f. Appointment of Debenture Directors

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debentures stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect not withstanding any of the other provisions herein contained.

g. Appointment of Nominee Directors

(i) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is hereinafter in this Article referred to as "The Corporation") continue to hold debentures in the Company by direct subscription or private

placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime or non-wholetime, (which Directors or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.

(ii) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

(iii) The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability or the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

(iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(v) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.

(vi) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation

(vii) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Wholetime Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

h. **Directors may fill Vacancies**

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board or Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

i. **Appointment of Additional Directors**

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

j. Appointment of other Directors

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

k. Appointment of Managing Director or Managing Director(s) or Whole Time Director or Whole Time Director(s)

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss or reappoint him or them from office and appoint another or others in his or their place or places.

16. REMUNERATION OF DIRECTORS

i. The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

ii. The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.

iii. addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees and other expenses properly incurred by them –

a) in attending, and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

b) in connection with the business of the Company

c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

iv. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

17. PROCEEDING OF THE BOARD OF DIRECTORS

a. Meetings of Directors

i. The conducting of Meetings of the Board of Directors is governed by Secretarial Standards issued by ICSI as approved by the Ministry of Corporate Affairs.

ii. A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.

iii. No business shall be conducted at any meeting of the Directors unless a quorum is present. 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 or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes 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.

iv. 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.

b. When meeting to be convened

i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.

ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

c. Quorum

The quorum for the Board meeting shall be as provided above.

d. Chairman

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his/her absence, the Board may elect a Chairperson of its meetings and 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 fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

e. Questions at Board Meeting how decided

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

f. Circular Resolution

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held 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 necessary papers, 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.

g. Acts of Board or Committee notwithstanding Defect in Appointment

All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

h. General Powers of the Company vested in Board

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if

such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

i. Borrowing powers

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may thinks fit.

j. Issue of Debentures

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

k. Delegate Powers

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

18. BOARD MAY APPOINT COMMITTEES

i. The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated confirms to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

ii. The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

a. Chairman of Committee of Directors

i. Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

b. Functioning of the Committee

i. A Committee may meet and adjourn as it thinks fit.

ii. Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.

iii. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

19. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act;

i) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole time director / chief financial officer / company secretary of the Company is severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.

Any 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.

20. STATUTORY REGISTERS

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board and/or Company Secretary shall have a power to refuse inspection to any other person, at its discretion.

21. FOREIGN REGISTERS

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

22. DIVIDENDS AND RESERVE

i. Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

ii. Interim dividends

Subject to the provisions of the Act, the Board may from time-to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

iii. Dividends only to be paid out of profits

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time-to-time, think fit.

iv. Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

v. Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

vi. Dividends to be Apportioned

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.

vii. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

viii. Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

ix. Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

x. Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

xi. Receipt of one holder sufficient

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

xii. No interest on Dividends

No dividend shall bear interest against the Company.

xiii. Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

23. WINDING UP

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

24. ACCOUNTS

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors. 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. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

25. UNPAID OR UNCLAIMED DIVIDEND

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "unpaid dividend account". No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "investors education and protection fund".

26. INDEMNITY AND INSURANCE

Directors and officers right to indemnity

(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own willful neglect or default.

(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favor or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer or officer.

27. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

28. CAPITALISATION

i. The Company in General Meeting by Ordinary Resolution may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss Account or otherwise available for distribution;

and

(b) that such sum be accordingly set free for distribution in the manner specified in clause no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause no. 3 either in or towards:-

(a) paying up any amount for the time being unpaid on any shares held by such members respectively;

(b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

iii. A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.

iv. the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

v. Any agreement made under such authority shall be effective and binding on such members.

29. SECRECY CLAUSE

Every director, manager, auditor, secretary, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required, by the Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting

all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

30. NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose.

We, the several persons, whose names, address and description are subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No	**Names, Addresses, Description and Occupation**	**Signature of Subscriber**	**Witness**
1	Name: Kapil Garg S/o Late Sh R. S Garg R/o D-3/1, Rana Pratap Bagh, Delhi – 7 (Business)	Sd/-	I hereby witness the signature of all the subscriber who have signed in my presence Sd/- Vijay Kumar, CA M No. 500802 S/o Sh. Gaj Raj Singh 301, Lusa Tower, Azadpur, Delhi – 110 033
2	Name: Prem Lata Garg W/o Late Sh R. S Garg R/o D-3/1, Rana Pratap Bagh, Delhi – 7 (Business)	Sd/-	
3	Name: Varun Garg S/o Late Sh R. S Garg R/o D-3/1, Rana Pratap Bagh, Delhi – 7 (Business)	Sd/-	

Date:10/04/2012
Place: Delhi

The remainder of this page has intentionally been left blank

SECTION XII – 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 and the Prospectus which will be filed with the RoC and will also be available on the website of the Company which can be accessed https://www.shellz.in/. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Issue Closing Date (except for such agreements executed after the Bid / Issue Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

Material Contracts for The Issue

1. Issue Agreement dated March 17, 2026 between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated March 17, 2026 between our Company and the Registrar to the Issue.

3. Market Making Agreement dated [●] between our Company, the Book Running Lead Manager and the Market Maker.

4. Underwriting Agreement dated [●] between our Company, the Book Running Lead Manager and the Underwriter.

5. Syndicate Agreement dated [●] entered into between our Company, the Book Running Lead Manager, the Syndicate Member and the Registrar.

6. Banker to the Issue Agreement dated [●] between our Company, the Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.

7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated September 03, 2024.

8. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated July 10, 2024.

Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Certificate of Incorporation dated May 07, 2012 issued under the name 'Tifosi Foods Private Limited'

3. Fresh Certificate of Incorporation pursuant to name change dated September 21, 2020 issued under the name 'Shellz India Private Limited'.

4. Fresh Certificate of Incorporation dated February 04, 2025 issued under the name 'Shellz India Limited'.

5. Resolution of the Board of Directors dated September 07, 2025 authorizing the Issue and other related matters and resolution of the Board of Directors dated February 24, 2026 authorizing the Pre-IPO Placement.

6. Resolution of the Shareholders dated September 29, 2025 authorizing the Issue and other related matters.

7. Resolution of the Board of Directors of our Company dated March 30, 2026 approving this Draft Red Herring Prospectus.

8. Resolution dated March 25, 2026, passed by Audit Committee approving the key performance indicators of our Company.

9. Certificate dated March 25, 2026, issued by M/s RSAV & Company, Chartered Accountants certifying the key performance indicators of our Company.

10. Consent dated March 25, 2026 from Ken Research to rely on and reproduce "*India's Confectionery Market*" dated March 25, 2026, in whole or as specifically agreed by Ken Research, and include their name in this Draft Red Herring Prospectus.

11. Industry report titled "*India's Confectionery Market*" dated March 25, 2026, issued by Ken Research which is a paid report and was commissioned by us pursuant to an engagement letter dated October 06, 2025, exclusively in connection with the Issue.

12. Written consent dated March 25, 2026 from M/s. RSAV & Company, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 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, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 11, 2026, on our Restated Financial Information; and (ii) their report dated March 25, 2026, on the statement of special tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

13. Copies of Annual reports of our Company for the financial years March 31, 2025, 2024 and 2023.

14. Consent of our Directors, BRLM, Syndicate Members, the Legal Counsel to the Company, Registrar to the Issue, Banker(s) to the Issue, Bankers to our Company, and Company Secretary and Compliance Officer, as referred to in their specific capacities.

15. Due Diligence Certificate dated March 30, 2026 addressed to BSE from the Book Running Lead Manager.

16. Due Diligence Certificate dated [●] addressed to SEBI from the Book Running Lead Manager.

17. Site Visit Report of the company dated March 07, 2026 issued by Book Running Lead Manager.

18. In-principle listing approvals dated [●] issued by BSE.

The remainder of this page has been intentionally left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

_____

Kapil Garg
Chairman and Managing Director
DIN: 00006050

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

_____

Shalini Garg
Non-Executive Director
DIN: 00006159

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

_____

Sapna Tomar
Independent Director
DIN: 03385676

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

_____

Narinder Sethi
Independent Director
DIN: 01316823

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND OFFICER OF OUR COMPANY

_____

Sumit Kumar
Company Secretary and Compliance Officer

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, and or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

_____

Sangeeta Thakur
Chief Financial Officer

Date: March 30, 2026
Place: Delhi

The remainder of this page has intentionally been left blank