



NITYAS GEMS AND JEWELLERY LIMITED
Corporate identity number: U36996GJ2022PLC131404

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Sector-1, 6th & 7th Floor, Ratih House, SY-376, TPS-4, PI-7, Paiki Part-B, Parshottam Farm Compound, Opp. Podar Arcade, Varachha Road, A. K. Road, Surat – 395 008, Gujarat, India	Not Applicable	Manvi Meet Shah (Company Secretary and Compliance Officer)	E-mail: cs@nityas.in Telephone: +91 70462 19807	www.nityas.in

OUR PROMOTERS: RAJNIKANT LALLUBHAI CHANCHAD, SONALBEN RAJNIKANT CHANCHAD AND SAVALIYA DHRUV JANAKBHAI

DETAILS OF THE ISSUE TO THE PUBLIC				
TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND RESERVATION
Fresh Issue	Up to 14,456,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million	Not applicable	Up to 14,456,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million	The Issue is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”). For further details, see “ <i>Other Regulatory and Statutory Disclosures – Eligibility for the Issue</i> ” on page 460. For details in relation to share reservation among QIBs, NIIs, RIBs and Eligible Employees see “ <i>Issue Structure</i> ” beginning on page 477 of the Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public offering of Equity Shares of face value of ₹5 each of our Company, there has been no formal market for the Equity Shares. The Floor Price, Cap Price and Issue Price (as determined by our Company, in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for the Issue Price*” on page 150 of the Red Herring Prospectus, 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 entire 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 the Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 26 of the Red Herring Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the 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 the 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 the 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, once issued through the Red Herring Prospectus are proposed to be listed on BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”). For the purpose of the Issue, NSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Name of the Book Running Lead Manager and Logo	Contact Person	Telephone and Email
 Choice Capital Choice Capital Advisors Private Limited	Nimisha Joshi / Yogesh Mody	Telephone: +91 22 6707 9999 / 7919 E-mail: ngjl.ipo@choiceindia.com

REGISTRAR TO THE ISSUE

Name of Registrar and Logo	Contact Person	Telephone and Email
 Bigshare Services Private Limited	Vinayak Morbale	E-mail: ipo@bigshareonline.com Telephone: +91 22-6263 8200

BID/ ISSUE PERIOD

ANCHOR INVESTOR BID/ ISSUE PERIOD	Tuesday, September 29, 2026 ⁽¹⁾	BID/ ISSUE OPENS ON	Wednesday, September 30, 2026 ⁽²⁾	BID/ ISSUE CLOSES ON	Monday, October 5, 2026 ⁽²⁾⁽³⁾
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- The Anchor Investor Bidding Date is 1 (one) Working Day prior to the Bid/Issue Opening Date.
- Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs 1 (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 Day.



Please scan this QR code to view the Red Herring Prospectus and the Abridged Prospectus

The following is a general summary of certain disclosures in the Red Herring Prospectus and the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in the Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at www.nityas.in and the BRLM at www.choiceindia.com/merchant-investment-banking.

References below to page numbers are to page numbers of the Red Herring Prospectus dated September 24, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Red Herring Prospectus.

1. Summary of the primary business

a. Business Overview - Products and Services

The Company is engaged in the design, manufacturing and sale of lab-grown diamond studded gold jewellery in India, operating through an integrated business model comprising (i) B2B manufacturing and distribution to organised retailers, standalone retailers and wholesalers, and (ii) D2C omnichannel retail operations through its subsidiary, Ayaani Diamonds and Jewellery Private Limited. The Company operates across the value chain including sourcing, design, manufacturing, quality control, distribution and retail.

The Company offers a diversified product portfolio comprising rings, earrings, pendants, bracelets, mangalsutras, nose pins, necklaces, cufflinks and bangles, catering to daily wear, occasion-based, men's jewellery and customised segments. It primarily focuses on lightweight and affordable lab-grown diamond jewellery, targeting evolving consumer preferences for accessible luxury.

b. Industries Served and Typical Customers

The Company operates in the lab-grown diamond jewellery segment within the broader jewellery industry. Its B2B customers include organised jewellery retailers and brands, standalone retailers and wholesalers, while its D2C segment caters directly to end-consumers through retail stores and online channels.

c. Segment Reporting and Revenue Contribution

Our Company's business is primarily organised into two segments, namely (i) B2B manufacturing and distribution and (ii) D2C retail operations. Our revenue from operations is predominantly derived from the B2B segment, with a growing contribution from the D2C segment post-acquisition of Ayaani, as set out below based on our Restated Consolidated Financial Information:

(in ₹ million unless stated otherwise)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations
Revenue from B2B Operations (A)						
Retail chains	498.48	24.57	451.11	46.58	131.55	24.52
Standalone retailers	867.44	42.75	167.20	17.26	90.16	16.80
Wholesalers	573.26	28.25	350.06	36.15	314.80	58.67
Sub-total (A)	1,939.18	95.58	968.37	99.99	536.51	99.99
Revenue from D2C Operations (B)						
D2C – through retail stores	17.90	0.88	-	0.00	-	0.00
D2C – through online sales	70.23	3.46	-	0.00	-	0.00
Sub-total (B)	88.13	4.34	-	0.00	-	0.00
Others (C)	1.63	0.08	0.07	0.01	0.04	0.01
Total (A+B +C)	2,028.94	100.00	968.45	100.00	536.55	100.00

Note: We acquired Ayaani, our subsidiary, in July 2025 and accordingly there is no D2C sale in Fiscal 2024 and Fiscal 2025. The D2C revenues have been recognized only upon consolidation with effect from July 2025.

Note: While we offer lab-grown diamond studded gold jewellery across multiple product categories, including rings, earrings, pendants, bracelets, mangalsutras, nose pins, necklaces, cufflinks and bangles, we do not separately track or maintain revenue from operations at an individual product-category level in our accounting and management information systems. Accordingly, historical revenue contribution and trends for each such product category are not available for the periods presented.

As certified by Statutory Auditors vide their certificate dated September 23, 2026.

d. Key Geographies

During Fiscal 2026, Fiscal 2025 and Fiscal 2024, our revenue from operations was predominantly derived from domestic markets, contributing 97.44%, 99.93% and 99.15%, respectively, of our total revenue from operations. Our domestic revenues are geographically diversified across multiple states, with significant contributions from Gujarat, Karnataka, Maharashtra and Telangana. We also have an international presence, with overseas revenues contributing

2.56%, 0.07% and 0.85% of our total revenue from operations during Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively, primarily from the United Arab Emirates, Canada, Taiwan, Australia and Kenya, on an order-driven basis.

e. Revenue Concentration Among Top 5 Customers

The table below sets forth details of our revenue from operations generated from top1, top 5 and top 10 customers in each of the respective periods indicated:

(₹ in million, unless otherwise stated)

Particulars	As on Fiscal 2026		As on Fiscal 2025		As on Fiscal 2024	
	Amount (₹ in million)	As a percentage of revenue from operations (in %)	Amount (₹ in million)	As a percentage of revenue from operations (in %)	Amount (in ₹ million)	As a percentage of revenue from operations (in %)
Top 1 customers	263.27	12.98	188.68**	19.48	102.57	19.12
Top 5 customers	812.05	40.02	600.62	62.02	360.47	67.18
Top 10 customers	1,125.95	55.49	742.62	76.68	451.99	84.24

** Customer 1 was Ayaani Diamonds and Jewellery Private Limited which became subsidiary of the Company with effect from July 22, 2025. Transaction with Ayaani Diamonds and Jewellery Private Limited were undertaken at arms length basis.

As certified by Statutory Auditors vide their certificate dated September 23, 2026

f. Key manufacturing or other Facilities

Our manufacturing operations are carried out at our facility located at 5th, 6th and 7th Floor, Ratih House, Opp. Poddar Arcade, Varachha Road, Surat – 395 008, Gujarat, having an area of approximately 7,000 sq. ft. The facility is equipped with machinery and equipment for key manufacturing processes, including casting, filling, setting, polishing, electro-polishing and rhodium plating, along with CAD and CAM enabled tools, enabling us to undertake end-to-end manufacturing of lab-grown diamond studded gold jewellery. Our manufacturing facility has an installed production capacity of approximately 360 kg of lab-grown diamond studded gold jewellery per annum.

In addition, our subsidiary, Ayaani, operates an omnichannel D2C platform comprising an online storefront and ten (10) physical retail stores across eight (8) cities in India, comprising seven (7) company-operated stores and three (3) franchise-operated stores.

g. Business Strengths and Strategies

Strengths

The Company benefits from an integrated B2B and D2C business model, supported by in-house manufacturing, strong design capabilities and technology-enabled processes, enabling customised offerings, consistent quality and operational efficiency. Its presence in the growing lab-grown diamond jewellery segment, diversified customer base and scalable operations have supported consistent growth.

Strategies

The Company intends to expand its customer base, strengthen its D2C omnichannel presence under the “Ayaani” brand, and focus on design-led product innovation and portfolio expansion. It also aims to augment working capital to support growth while exploring selective export opportunities alongside its continued focus on the domestic market.

For further and complete information, see “Our Business” beginning on page 206.

2. Summary of the Industry (Source: CareEdge Report)

The Company operates in the lab-grown diamond (“LGD”) jewellery segment within the broader gems and jewellery industry. The Indian gems and jewellery sector is a significant contributor to the economy, accounting for approximately 7% of GDP and around 15% of total merchandise exports, with India being a global leader in diamond cutting and polishing.

The LGD jewellery industry has witnessed rapid growth in recent years, driven by increasing consumer preference for affordable, sustainable and ethically sourced alternatives to natural diamonds. Lab-grown diamonds possess the same physical, chemical and optical properties as mined diamonds but are typically priced significantly lower, enabling wider consumer access.

In India, the LGD jewellery market is expanding, supported by rising disposable incomes, urbanisation and evolving consumer preferences, particularly among younger demographics. Growth is also driven by increasing adoption across bridal, fashion and daily wear categories, as well as penetration into Tier-2 and Tier-3 cities.

The industry benefits from increasing formalisation, rising demand for branded jewellery and the expansion of omnichannel retail. India’s strong manufacturing ecosystem and skilled workforce position it as a key global hub, although challenges such as perception issues and price volatility remain.

For further information, see “Industry Overview” beginning on page 170.

3. Promoters

The Promoters of our Company are Rajnikant Lallubhai Chanchad, Sonalben Rajnikant Chanchad and Savaliya Dhruv Janakbhai

Sr. No.	Name	Individual/Corporate	Experience and Educational Qualification / Corporate Information
1.	Rajnikant Lallubhai Chanchad	Individual	He does not have any formal education. He has over 20 years of experience in the gems and jewellery sector. He was honoured with the “Icon of the Jewellery Industry 2024” award by IDT in recognition of his outstanding contribution to the jewellery sector

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

2.	Sonalben Rajnikant Chanchad	Individual	She does not have any formal education. She has over 5 years of experience in the in the gems and jewellery sector.
3.	Savaliya Dhruv Janakbhai	Individual	He has completed his Bachelor of Civil Engineering from Gujarat Technological University. He is the author of the book titled 'Choose Wealth' He has approximately 4 years of experience in the Gems and Jewellery sector .

For further information, see “**Promoters and Promoter Group**” beginning on page 273.

4. Objects of the Issue

The Net Proceeds are proposed to be utilized in accordance with the details set forth below:

(₹ in million)

Sr. No.	Particulars	Estimated amount
1.	Funding Working Capital requirements of our Company	700.00
2.	General corporate purposes*	[●]

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.*

For further information, see “**Objects of the Issue**” beginning on page 139.

5. Pre-Issue and Post-Issue shareholding of our Promoters, members of the Promoter Group and top 10 Shareholders

The aggregate shareholding, of each of the Promoters, members of our Promoter Group and top 10 Shareholders (other than our Promoters and members of our Promoter Group) is set out below:

Sr. No.	Pre-Issue shareholding as at the date of RHP			Post-Issue shareholding as at Allotment ⁽²⁾			
	Shareholders	Number of Equity Shares ⁽²⁾	Shareholding (in %) ⁽²⁾	At the lower end of the price band (₹ ●)		At the upper end of the price band (₹ ●)	
				Number of Equity Shares ⁽²⁾	Shareholding (in %) ⁽¹⁾	Number of Equity Shares ⁽²⁾	Shareholding (in %) ⁽²⁾
Promoters							
1.	Rajnikant Lallubhai Chanchad	22,440,000	52.02	●	●	●	●
2.	Sonalben Rajnikant Chanchad	1,716,000	3.98	●	●	●	●
3	Savaliya Dhruv Janakbhai	Nil					
Promoter Group (other than Promoters)							
1.	Janakbhai N Savaliya	905,520	2.10	●	●	●	●
Top 10 Shareholders (other than Promoters and Promoter Group)							
1.	Wealthwave Capital Trust-Wealthwave Capital Fund	2,200,000	5.10	●	●	●	●
2.	Monpara Raj Dineshbhai	1,760,000	4.08	●	●	●	●
3.	Riteshkumar Binod Kejriwal (Sk Family Trust)	1,650,000	3.83	●	●	●	●
4.	Astha Aditya Kanodia	1,650,000	3.83	●	●	●	●
5.	Rishabhkumar Mukeshbhai Bothra	1,540,000	3.57	●	●	●	●
6.	Aditya Kanodia	880,000	2.04	●	●	●	●
7.	Sulochana Binod Kejriwal	880,000	2.04	●	●	●	●
8.	Gajera Hiteshbhai Babubhai	847,000	1.96	●	●	●	●
9.	Namahratna Services Private Limited	770,000	1.79	●	●	●	●
10.	Rajesh Pragjibhai Malaviya	770,000	1.79	●	●	●	●

Notes:

- Includes all options, if any, that have been exercised until date of Prospectus and any transfers of Equity Shares by existing shareholders after the date of the pre-Issue and Price Band advertisement until the date of the Prospectus.
- Based on the Issue price of ₹ [●] and subject to finalization of the basis of allotment.

* rounded off to closest decimal

For further details, see “**Capital Structure**” beginning on page 122.

6. Summary of Restated Financial Information

Summary of Restated Consolidated Financial Information

Summary of selected financial information as at for the Fiscals 2026, 2025, and 2024, derived from our Restated Consolidated Financial Information is as follows:

(in ₹ million unless indicated otherwise)

Particulars	Fiscal		
	2026	2025	2024
Share Capital	215.69	12.40	10.00
Net worth ⁽⁸⁾	794.30	225.72	53.29
Revenue	2,028.94	968.45	536.55
EBITDA	309.74	129.01	54.76
Profit/(loss) after tax	223.15	97.88	40.24
Earnings per share (basic) (in ₹) ⁽¹⁾	5.52	4.37	1.83
Earnings per share (diluted) (in ₹) ⁽²⁾	5.52	4.37	1.83
Return on Net Worth ⁽³⁾⁽⁴⁾	43.75%	70.17%	122.44%
Net Asset Value per Equity Share (in ₹) ^{(5) (6)}	15.13	9.53	2.40
Total borrowings ⁽⁷⁾	234.24	75.98	36.84
Cash flow from operating activities	(147.32)	(100.52)	(10.51)
Cash flow from investing activities	(19.93)	(4.19)	(8.25)
Cash flow from financing activities	168.58	107.15	17.26

Notes:

1. Basic EPS = Net Profit after tax, as restated, attributable to the owners of the company divided by weighted average no. of equity shares outstanding during the year/period as adjusted for share split and bonus issue approved by the shareholders at the Extra Ordinary General Meeting held on March 13, 2026.
 2. Diluted EPS = Net Profit after tax, as restated, attributable to the owners of the company divided by weighted average no. of diluted equity shares outstanding during the year/period as adjusted for share split and bonus issue approved by the shareholders at the Extra Ordinary General Meeting held on March 13, 2026.
 3. Return on Net Worth (%) = Net Profit after tax attributable to owner of the company, as restated for the end of the fiscal/period divided by Average Net worth as at the end of the fiscal/period.
 4. Average net worth means the average of the net worth of current and previous financial year/period. Net worth means the aggregate value of the paid-up share capital, other equity and non-controlling interest.
 5. Net Asset Value per equity share represents net worth attributable to Equity Shareholder (Equity Share capital together with and other equity as per Restated Consolidated Financial Information) as at the end of the financial year divided by the weighted average number of Equity Shares outstanding at the end of the year.
 6. The weighted average number of equity shares has been presented to reflect the adjustments for issue of bonus shares.
 7. Total borrowing includes non-current borrowing and non-current lease liabilities plus current borrowing and current lease liabilities.
 8. Net worth means the aggregate value of the paid-up share capital, other equity as per the restated consolidated financial information.
7. **Summary of Key Performance Indicators**

Financial Key Performance Indicators:

(₹ in million, unless otherwise stated)

Particular	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs			
Revenue from Operations ⁽¹⁾	2,028.94	968.45	536.55
EBITDA ⁽²⁾	309.74	129.01	54.76
EBITDA Margin ⁽³⁾	15.27%	13.32%	10.21%
Net Profit after tax ⁽⁴⁾	223.15	97.88	40.24
Net Profit Margin ⁽⁵⁾	11.00%	10.11%	7.50%
Return on Net Worth ⁽⁶⁾	43.75%	70.17%	122.44%
Return on Capital Employed ⁽⁷⁾	42.93%	63.14%	88.39%
Debt-Equity Ratio ⁽⁸⁾	0.29	0.34	0.69
Operational KPIs			
Net Working Capital Days ⁽⁹⁾	135	105	47
Inventory Days ⁽¹⁰⁾	81	59	31
Debtor Days ⁽¹¹⁾	29	28	16
Creditor Days ⁽¹²⁾	10	9	14
Gold Processed (in kg) ⁽¹³⁾	98.53	63.63	42.96
Sale of lab-grown diamond studded gold jewellery(in kg) ⁽¹⁴⁾	178.89	100.59	66.34

As certified by Statutory Auditors vide their certificate dated September 24, 2026.

Note- The variation in RoNW during the aforesaid periods is primarily attributable to the significant increase in profitability and net worth of the Company.

The increase in profitability was driven by growth in revenue, improved operational efficiencies, and economies of scale achieved from expansion of business operations. Further, the increase in average net worth on account of growth in reserves and surplus has also impacted the RoNW during the respective periods.

Notes:

1. Revenue from operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
2. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the year and adding back finance costs, depreciation, and amortization expense.
3. EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
4. Net Profit after tax represents the restated profits of the Company after deducting all expenses.
5. Net Profit after tax margin is calculated as restated net profit after tax for the year divided by revenue from operations.
6. Return on Net Worth (%) is calculated as Net Profit after tax as restated for the end of the year divided by Average Net worth as at the end of the year. Average net worth means the average of the net worth of current and previous financial year. Net worth means the aggregate value of the paid-up share capital and other equity, including non-controlling interest.
7. Return on capital employed is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, including total debt (including borrowings and lease liabilities) and deferred tax liabilities (net of deferred tax assets) of the current and previous financial year.
8. Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings, including lease liabilities. Total equity includes the aggregate value of the paid-up share capital and other equity, including non-controlling interest.
9. Net Working Capital Days is arrived at by dividing working capital (current assets excluding cash and cash equivalents less current liabilities excluding short term borrowings and current lease liabilities) by revenue from operations multiplied by the number of days in the year (365).
10. Inventory days is calculated as the number of days in the year (365) divided by (revenue from operations divided by the average inventory at the beginning and end of the year).
11. Debtor days is calculated as the number of days in the year (365) divided by (revenue from operations divided by the average trade receivables at the beginning and end of the year).
12. Creditor days is calculated as the number of days in the year (365) divided by (revenue from operations divided by the average trade payables at the beginning and end of the year).
13. Gold Processed refers to the total quantity of fine gold in kilograms consumed in the manufacturing of jewellery during the period.
14. Sale of LGD Jewellery (in kg) refers to the total quantity of lab-grown diamond jewellery sold by the Company during a given period, measured in kilograms, and excludes the weight of lab-grown diamonds embedded in such jewellery.

8. Risk Factors

The following are the top 10 internal risk factors as disclosed in the RHP:

- i. Our revenue from operations is significantly concentrated among a limited number of B2B customers. During Fiscal 2026 Fiscal 2025 and Fiscal 2024, our top 10 customers contributed ₹1,125.95 million, ₹742.62 million and ₹451.99 million, representing 55.49%, 76.68% and 84.24% of our revenue from operations, respectively. Any reduction in business from such customers or inability to diversify our customer base may materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.
- ii. A substantial portion of our revenue from operations is derived from a limited number of states in India, particularly Gujarat, Karnataka, Telangana, Tamil Nadu and Maharashtra, which together contributed ₹1725.20 million, ₹897.85 million and ₹506.63 million, aggregating to 85.03%, 92.71%, and 94.44% of our revenue from operations during the Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Any adverse developments in these regions could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.
- iii. Our business is working capital intensive, and our working capital requirements have increased from ₹67.65 million in Fiscal 2024 to ₹449.46 million as of fiscal 2026. We intend to utilise a portion of the Net Proceeds towards funding our working capital requirements. Any inability to fund or efficiently manage our working capital could materially and adversely affect our business, financial condition, results of operations and cash flows.
- iv. Our purchases are significantly concentrated among a limited number of suppliers, with our top 10 suppliers contributing 86.16%, 94.31% and 87.05% of our total purchases during the Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Any disruption in supply or adverse changes in terms from such suppliers could materially and adversely affect our business, results of operations, financial condition and cash flows.
- v. Our manufacturing operations are concentrated at a single facility in Surat, Gujarat, and any disruption in operations, failure of machinery, inability to maintain quality standards or underutilisation of capacity could materially and adversely affect our business, financial condition, results of operations and cash flows.
- vi. We are subject to stringent quality requirements, and any failure to maintain quality standards, including instances of product returns by customers, could materially and adversely affect our business, financial condition, results of operations and cash flows.
- vii. We have experienced negative cash flows from operating and investing activities in previous periods and cannot assure that we will not experience negative cash flows in future periods. Negative cash flows may adversely affect our financial condition, results of operations and prospects.
- viii. Our Company has in the Fiscals 2026, 2025 and 2024, entered into certain related party transactions with related parties, in the ordinary course of our business. The absolute sum of all related party transactions as a percentage of revenue from operations for the respective periods was 33.37%, 38.88%, 17.59%, respectively and cannot assure you that such transactions will not adversely affect our financial condition and results of operations.
- ix. The P/E ratio of our Company at the higher and lower ends of the Price Band may be at a premium to the average P/E ratio of our listed industry peers,

and the Issue Price may not be indicative of the market price of our Equity Shares after listing.

- x. At the time of filing the DRHP, our net tangible assets for Fiscal 2023 and our average operating profit for Fiscals 2025, 2024 and 2023 were below the thresholds prescribed under Regulations 6(1)(a) and 6(1)(b), respectively, of the SEBI ICDR Regulations. Although, following the inclusion of Fiscal 2026, we currently satisfy these eligibility requirements and the Issue is now proposed to be undertaken pursuant to Regulation 6(1) of the SEBI ICDR Regulations, our average operating profit marginally exceeds the prescribed threshold, and we cannot assure you that we will maintain or improve our operating profit or other financial parameters in the future.

For further details of the risks applicable to us, see “**Risk Factors**” beginning on page 26. Investors are advised to read the risk factors carefully before making an investment decision in the Issue.

9. Details of weighted average cost of acquisition of Equity Shares of our Promoters

The weighted average cost of acquisition of Equity Shares of our Promoters are as follows:

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of the Red Herring Prospectus*	Average cost price per Equity Share (₹)#
Rajnikant Lallubhai Chanchad	22,440,000	3.43
Sonalben Rajnikant Chanchad	1,716,000	11.82
Savaliya Dhruv Janakbhai	-	0.00

* The number of equity shares includes shares acquired during the one year preceding the date of the Red Herring Prospectus, and has been appropriately adjusted to give effect to the sub-division of equity shares and the bonus issue on both the shares held prior to such period and the shares acquired during such period.

Pursuant to the resolution of the Board of Directors dated February 20, 2026 and the approval of the Shareholders at the Extra Ordinary General Meeting held on March 13, 2026, each equity share of face value of ₹10 each was subdivided into equity shares of face value of ₹5 each.

Further, pursuant to the resolution of the Board of Directors dated February 20, 2026 and the approval of the Shareholders at the Extra Ordinary General Meeting held on March 13, 2026, the Company issued bonus equity shares in the ratio of 10:1, i.e., 10 fully paid-up equity shares of face value of ₹5 each for every 1 fully paid-up equity share of face value of ₹5 each held.

Weighted average cost of acquisition of all Equity Shares transacted in (i) last one (1) year; (ii) last eighteen (18) months and (iii) last three (3) years preceding the date of the Red Herring Prospectus

The weighted average price for all equity shares acquired in the last one year, eighteen months and three years preceding the date of the Red Herring Prospectus is mentioned below:

Period	Weighted average cost of acquisition (in ₹)#	Cap Price is ‘X’ times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)#
Last one (1) year preceding the date of the Red Herring Prospectus	32.67	[●]	Nil-₹40.91
Last eighteen (18) months preceding the date of the Red Herring Prospectus	18.42	[●]	Nil-₹40.91
Last three (3) years preceding the date of the Red Herring Prospectus	14.30	[●]	Nil-₹40.91

Pursuant to the resolution of the Board of Directors dated February 20, 2026, and the approval of the Shareholders at the Extra Ordinary General Meeting held on March 13, 2026, each equity share of face value of ₹10 each was subdivided into equity shares of face value of ₹5 each.

Further, pursuant to the resolution of the Board of Directors dated February 20, 2026 and the approval of the Shareholders at the Extra Ordinary General Meeting held on March 13, 2026, the Company issued bonus equity shares in the ratio of 10:1, i.e., 10 fully paid-up equity shares of face value of ₹5 each for every 1 fully paid-up equity share of face value of ₹5 each held.

Accordingly, the weighted average cost of acquisition price per equity share presented in the above table have been appropriately adjusted to give effect to such sub-division and bonus issue.

**To be updated once the price band information is available.

For details of shareholding of our Promoters, see “**Capital Structure – History of share capital build-up of our Promoters, Minimum Promoter’s Contribution and lock-in requirements**” on page 123.

10. Board of Directors and Key Managerial Personnel

The names and designations of members of the Board of Directors and Key Managerial Personnel are set forth below:

S. No.	Name	Designation
Board of Directors		
1.	Rajnikant Lallubhai Chanchad	Chairman and Managing Director
2.	Sonalben Rajnikant Chanchad	Executive Director
3.	Savaliya Dhruv Janakbhai	Non-Executive Director
4.	Dineshbhai Manjibhai Bhimani	Non-Executive Independent Director
5.	Anu Ashish Amodia	Non-Executive Independent Director
6.	Nair Ajit Velayudhan	Non-Executive Independent Director
Key Managerial Personnel		
1.	Rajnikant Lallubhai Chanchad	Managing Director

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2.	Manvi Meet Shah	Company Secretary and Compliance Officer
3.	Denish Bharatbhai Kalyanpremchandwala	Chief Financial Officer

For further details, see “*Our Management*” beginning on page 255.

11. Auditor Qualifications

The Statutory Auditors of our Company have not expressed any qualification, reservation, adverse remark, matter of emphasis, or other observation on our financial statements for the periods covered in the Red Herring Prospectus.

12. Summary table of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Promoters, Directors, Key Managerial Personnel and members of Senior Management, as on the date of the Red Herring Prospectus in terms of the SEBI ICDR Regulations is provided below:

Name of Entity	Number of Criminal Proceedings	Number of Tax Proceedings	Number of Statutory or Regulatory Proceedings	Number of Material Civil Proceedings	Number of Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five financial years	Aggregate amount involved (₹ million) ⁽¹⁾
Company						
<i>Against our Company</i>	<i>Nil</i>	<i>1</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>29.51</i>
<i>By our Company</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>
Subsidiary						
<i>Against our Subsidiary</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>
<i>By our Subsidiary</i>	<i>1</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>1.33</i>
Directors*						
<i>Against our Directors</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<i>By our Directors</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
Promoters						
<i>Against our Promoters</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<i>By our Promoters</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
KMPs**						
<i>Against our KMPs</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>
<i>By our KMPs</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>
Members of Senior Management						
<i>Against our members of Senior Management</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>
<i>By our members of Senior Management</i>	<i>Nil</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>	<i>Not Applicable</i>	<i>Nil</i>

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page 447.

DECLARATION BY OUR COMPANY

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the 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 in accordance with applicable laws.