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MADHUR KNIT CRAFTS LIMITED

(formerly known as Madhur Knit Crafts Private Limited)

CIN: U17301PB1997PLC020381

Our Company was originally incorporated as Madhur Knit Crafts Private Limited, a private limited company under the provisions of the erstwhile Companies Act, 1956, pursuant to a certificate of incorporation dated August 21, 1997, bearing Corporate Identification Number U17301PB1997PTC020381, issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at an extraordinary general meeting held on January 22, 2025, and a fresh certificate of incorporation dated January 30, 2025, was issued by the Registrar of Companies, Chandigarh, recording the change in the name of our Company to Madhur Knit Crafts Limited.

Registered Office: Village - Seera, Sattowal Road, Rahon Road, Eros Bajra Road, Ludhiana, Punjab, India - 141007 Tel: +91 9878009690; Fax: N.A.; Website: www.mkcpl.in; E-mail: ipo@mkcpl.in
Company Secretary and Compliance Officer: Ms. Nikita Tayal

OUR PROMOTERS: MR. ARUN GUPTA; MR. PIYUSH GUPTA AND MR. CHIRAG GUPTA

INITIAL PUBLIC OFFER OF EQUITY SHARES ON EMERGE PLATFORM OF NSE INDIA LIMITED (NSE) IN COMPLIANCE WITH CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

Our Company is engaged in the business of manufacturing of textiles, comprising a diversified range of fabrics, blankets and garments. Originally incorporated on August 21, 1997 and founded by Mr. Arun Gupta along with his brothers, our Company commenced commercial operations in 2013 with a focus on manufacturing blankets and has since grown into a diversified textile business. Our Company has transitioned from minimal processing to a fully integrated yarn-to-cloth manufacturing model, focusing on complete value addition from converting yarn into finished cloth. Our operations are strategically located at Ludhiana, Punjab, a well-established textile hub, providing access to a reliable network of suppliers, raw materials such as yarns, logistics service providers and national distribution channels. Our production infrastructure includes advanced machinery such as a PLC-controlled multi-chamber system with thermal oil heating, brushing machines, fabric embossing 3D punching machines, bonding machines, dyeing machines, and shearing and printing equipment. Our Company has also ventured into technical textiles, including paint roller fabrics requiring precision processes such as chemical coating and lamination.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 53,26,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF MADHUR KNIT CRAFTS LIMITED ("MKCL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. 100/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 90/- PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING TO RS. 5,326.80 LAKHS ("THE ISSUE"), COMPRISING A FRESH ISSUE OF 53,26,800 EQUITY SHARES AGGREGATING TO RS. 5,326.80 LAKHS BY OUR COMPANY ("FRESH ISSUE"). THERE IS NO OFFER FOR SALE COMPONENT IN THE ISSUE. OUT OF THE ISSUE, 2,66,400 EQUITY SHARES AGGREGATING TO RS. 266.40 LAKHS WERE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. 50,60,400 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 100/- PER EQUITY SHARE AGGREGATING TO RS. 5,060.40 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE CONSTITUTE 28.02% AND 26.62%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- AND ISSUE PRICE IS ₹ 100/-

THE ISSUE PRICE IS 10 TIMES OF THE FACE VALUE OF THE EQUITY SHARE

PRICE BAND: ₹ 95/- TO ₹ 100/- PER EQUITY SHARE | ANCHOR INVESTOR ISSUE PRICE: ₹ 100/-

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE WAS: FRIDAY, AUGUST 21, 2026

BID / ISSUE OPENED ON: MONDAY, AUGUST 24, 2026

BID / ISSUE CLOSED ON: THURSDAY, AUGUST 27, 2026

RISKS TO INVESTORS

Summary description of key risk factors based on materiality

- Our Company has a high geographical concentration in Punjab, with more than 90% of total revenue derived from the State of Punjab over the past three Fiscals, exposing us to region-specific economic, environmental and operational risks.
- A major portion of our revenue depends upon a few customers. Our top 10 customers contributed 34.14% of total revenue for the eleven months ended February 28, 2026, 34.15% in Fiscal 2025, 41.45% in Fiscal 2024 and 48.50% in Fiscal 2023. The loss of any one or more of our major customers would have a material adverse effect on our business operations and profitability.
- Our Company has experienced negative cash flows in the past. Net cash from operating activities was negative in Fiscal 2025 (Rs. -255.82 lakhs), Fiscal 2024 (Rs. -367.70 lakhs) and Fiscal 2023 (Rs. -4.78 lakhs). Sustained negative cash flows could affect our business, results of operations and prospects.
- A substantial portion of our raw materials is sourced from a limited number of suppliers. Any disruption in supply, increase in prices, or inability of these suppliers to meet quality or delivery requirements could materially and adversely affect our operations, production schedules and profitability.
- A significant portion of our raw materials is sourced from Punjab, accounting for 99.26% of total procurement for the eleven months ended February 28, 2026. Any disruption in this region could materially affect our operations, production and financial performance.
- Certain adjustments have been made in the financial statements of our Company by our Auditors on account of provision for gratuity and deferred tax, which differ from the initially audited financials.
- Our Company depends on short-term rental arrangements for certain operational premises and does not own all the premises from which it operates.
- Our Company has entered into certain related party transactions and may continue to do so in the future.
- Volatility in the prices and availability of yarns and other raw materials may adversely affect our business and results of operations.
- Our business is dependent on our manufacturing facility, and any disruption in operations at such facility may adversely affect our business, financial condition and results of operations.
- We have significant working capital requirements, and our inability to meet them may materially and adversely affect our business, results of operations and financial condition.
- Our lenders have a charge over our movable and immovable properties, stock, book debts, plant and machinery in respect of finance availed by us.

DETAILS OF SUITABLE RATIOS:

1) Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

On the basis of Restated financials:

Financial Year	EPS (Basic & Diluted) (Rs.)	Weight
2022-23	0.74	1
2023-24	1.41	2
2024-25	8.51	3
Weighted Average EPS	4.86	6
February 28, 2026*	9.20	-

*Not Annualised.

The figures are based on the Restated Financial Statements of the Company. EPS calculation has been done in accordance with Accounting Standard 20 - Earnings Per Share issued by The Institute of Chartered Accountants of India.

2) Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 100 per Equity Share of face value ₹ 10/- each fully paid up

On the basis of Restated financials:

Particulars	EPS (in Rs.)	P/E Ratio at Issue Price (no. of times)
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2024-25	8.51	11.75
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	4.86	20.58

3) Industry P/E*

Particulars	P/E Ratio
Highest	4.69
Lowest	4.69
Average	4.69

*Currently, our Company has only one listed competitor engaged in comparable lines of business, i.e. Kaytex Fabrics Limited. P/E ratio has been computed based on the closing market price of equity shares on NSE as on June 17, 2026, divided by the diluted EPS for the year ended March 31, 2026.

4) Return on Net Worth (RONW)

On the basis of Restated financials:

Financial Year	Return on Net Worth (%)	Weight
2022-23	6.21%	1
2023-24	10.49%	2
2024-25	37.42%	3
Weighted Average	23.24%	6
February 28, 2026*	28.33%	-

*Not Annualised.

5) Net Asset Value per Equity Share

On the basis of restated financial statements:

Particulars	Net Asset Value (NAV) in Rs.
2022-23	11.99
2023-24	13.40
2024-25	22.75
February 28, 2026*	32.47
NAV after the Issue - at Issue Price	50.96

*Not Annualised.

NAV = Net worth excluding preference share capital and revaluation reserve / weighted average number of Equity Shares outstanding at the end of the year or period.

6) Comparison with industry peers

Name of the Company	CMP (Rs.)	Face Value (Rs.)	Revenue (Rs. in Lakhs)	Basic EPS	Diluted EPS	P/E Ratio	RONW (%)	NAV per Equity Share
Madhur Knit Crafts Limited*	100.00	10	17,163.50	8.51	8.51	11.75	37.42%	22.75
Peer Group								
Kaytex Fabrics Limited	60.00	10	16,283.46	12.79	12.79	4.69	14.96%	79.27

*Financial information for the year ended March 31, 2025. Source: Financial information for the listed industry peer is on a standalone/consolidated basis as available and sourced from the financial reports of the peer company uploaded on the NSE website. P/E Ratio has been computed based on the closing market price of Equity Shares on the

NSE on June 17, 2026, divided by the Diluted EPS. RONW is computed as net profit after tax divided by net worth. NAV is computed as net worth divided by the outstanding weighted average number of Equity Shares during the period.

Notes: Considering the nature and turnover of the business of the Company, the peer is not strictly comparable. However, the same has been included for broader comparison. Similar to our Company, Kaytex Fabrics Limited operates as a fabric manufacturer and manages the complete production process from yarn to finished fabric.

For further details, see the section titled "Risk Factors" beginning on page 17 and the financial information of the Company including profitability and return ratios, as set out in the section titled "Restated Financial Information" beginning on page 181 of the Prospectus, for a more informed view.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs")

Our Company considers that the KPIs included below have a bearing for arriving at the basis for the Issue Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 24, 2025, and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the KPIs herein have been certified by V.V. Bhalla and Co., Chartered Accountants, by their certificate dated July 09, 2026. The members of the Audit Committee have confirmed that these KPIs are consistent with those previously disclosed to investors within the three years preceding the date of filing of the Prospectus.

Restated KPI indicators

Key Performance Indicator	(Rupees in Lakhs, except EPS, % and ratios)			
	28-Feb-26	31-Mar-25	31-Mar-24	31-Mar-23
GAAP Financial Measures				
Revenue from operations	19,469.05	17,163.50	10,838.45	8,932.70
Year-on-year growth in Revenue from Operations	*	58.36%	21.33%	15.41%
PAT	1,235.23	1,103.25	170.43	90.31
PAT Margin (%)	6.34%	6.43%	1.57%	1.01%
Net Worth	4,360.75	2,948.52	1,624.24	1,453.80
Debt	7,354.14	6,719.98	5,778.53	3,417.53
Current Ratio	1.49	1.48	1.41	1.33
Debt-Equity Ratio	1.69	2.28	3.56	2.35
Non-GAAP Financial Measures				
EBITDA	2,567.31	2,327.52	804.40	551.11
EBITDA Margin (%)	13.19%	13.56%	7.42%	6.17%
ROE (%)	28.33%	37.42%	10.49%	6.21%
ROCE (%)	31.11%	33.49%	13.09%	13.78%
Cash Profit after tax	1,478.00	1,340.45	349.00	254.78
Operating Cash flow	443.50	(255.82)	(367.70)	(4.78)
Interest Coverage Ratio	3.43	3.40	1.46	1.25
Operational Measures				
Trade Receivable Days	85	81	95	57
Trade Payable Days	79	48	56	65
Inventory Days	147	120	109	155
Cash Conversion Cycle	153	153	148	147

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

ADDITIONAL INFORMATION FOR INVESTORS

Details of the Pre-IPO Placement undertaken from the date of filing of the Draft Red Herring Prospectus

Our Company, in consultation with the Book Running Lead Manager, undertook a Pre-IPO Placement of 2,72,307 Equity Shares of face value of ₹ 10 each by way of preferential allotment, at a price of ₹ 65 per Equity Share (including a premium of ₹ 55 per Equity Share), aggregating to ₹ 176.99 lakhs, as permitted under applicable law. The Pre-IPO Placement was completed prior to the filing of the Red Herring Prospectus with the RoC, and the amount so raised was reduced from the Fresh Issue. The Pre-IPO Placement did not exceed 20% of the original size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus. The details of the allottees are as under:

Sr. No.	Name of Allottee	Date of Allotment	No. of Equity Shares	% of Pre-Issue Share Capital	Price per Equity Share (₹) / Total Consideration (₹)
1	Indepal Singh	February 28, 2026	76,923	0.56%	65 / 49,99,995
2	Dinesh Garg	February 28, 2026	76,923	0.56%	65 / 49,99,995
3	Dhruv Gupta	February 28, 2026	46,154	0.34%	65 / 30,00,010
4	Sumit Garg	February 28, 2026	16,923	0.12%	65 / 10,99,995
5	Preeti Kapoor	February 28, 2026	16,923	0.12%	65 / 10,99,995
6	Sunita Bansal	February 28, 2026	15,385	0.11%	65 / 10,00,025
7	Ritika	February 28, 2026	7,692	0.06%	65 / 4,99,980
8	Saurabh Makhija	February 28, 2026	7,692	0.06%	65 / 4,99,980
9	Vikas Bansal	February 28, 2026	7,692	0.06%	65 / 4,99,980
Total			2,72,307	1.99%	1,76,99,955

Note: The percentage of pre-Issue share capital is computed on the pre-Issue paid-up equity share capital of 1,36,82,432 Equity Shares. For further details, see "Capital Structure" beginning on page 62 of the Prospectus.

PROPOSED LISTING: TUESDAY, SEPTEMBER 01, 2026*

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), read with Regulation 229(2) of the SEBI ICDR Regulations, as amended, and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”). Our Company, in consultation with the Book Running Lead Manager, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which 33.33% was reserved for domestic Mutual Funds and 6.67% for life insurance companies and pension funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds. Further, not less than 15% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Investors (of which one-third was reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than Rs. 10,00,000, and two-thirds was reserved for applicants with an application size of more than Rs. 10,00,000), and not less than 35% of the Net Issue was made available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process, providing details of their respective ASBA accounts and UPI ID in case of Individual Investors using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts were blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 244 of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause pertaining to NSE. For the purpose of this Issue, the Designated Stock Exchange is the National Stock Exchange of India Limited.

*Subject to the receipt of listing and trading approval from the NSE (“NSE Emerge”).

SUBSCRIPTION DETAILS*

The Issue (excluding the Anchor Investor Portion) received 6,127 Applications for 1,65,75,600 Equity Shares (before technical rejections), resulting in 3.30 times subscription (including the reserved portion of the Market Maker). The details of the Applications received in the Issue from various categories are as under (before technical rejections):

Detail of the Applications Received:

Sr. No.	Category	Number of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
1	Individual Investors	5,790	1,38,96,000	22,77,600	6.10	1,38,89,78,400.00
2	Non-Institutional Investors (more than ₹ 0.2 million and up to ₹ 1 million)	285	11,26,800	7,59,600	1.48	11,25,55,200.00
3	Non-Institutional Investors (above ₹ 1 million)	49	10,82,400	15,18,000	0.71	10,48,80,000.00
4	Qualified Institutional Buyers (excluding Anchor Investors)	2	2,04,000	2,02,800	1.01	2,04,00,000.00
5	Market Maker	1	2,66,400	2,66,400	1.00	2,66,40,000.00
	Total	6,127	1,65,75,600	50,24,400	3.30	1,65,34,53,600.00

*The above figures are category-wise bids received excluding multiple and duplicate bids, and are net of the Anchor Investor Portion of 3,02,400 Equity Shares. The Amount column represents the aggregate value of the Applications received, computed at the respective Bid prices at which the Bids were made, and therefore corresponds to the number of Applications and the number of Equity Shares applied for shown in the same row. Of the Applications so received, Applications for 75,08,400 Equity Shares aggregating to Rs. 74,71,03,200 were banked. After further removing bids (UPI mandates) not accepted / not blocked by investors, bids rejected under “application banked but did not registered” and valid rejection cases, the Issue was subscribed 1.31 times (excluding the Anchor Investor Portion), representing 2,327 valid Applications for 65,88,000 Equity Shares aggregating to Rs. 65,88,00,000. All valid Applications were at the Issue Price of Rs. 100 per Equity Share, Bids below the Issue Price having been rejected.

Final Demand

A summary of the final demand as per NSE as on the Bid/Issue Closing Date at different Bid prices is as under:

Sr. No.	Bid Price (₹)	No. of Equity Shares	% to Total	Cumulative Share Total	Cumulative % of Total
1	95	7,39,200	9.84	7,39,200	9.84
2	96	4,800	0.06	7,44,000	9.91
3	97	4,800	0.06	7,48,800	9.97
4	99	7,200	0.10	7,56,000	10.07
5	100	67,52,400	89.93	75,08,400	100.00
	TOTAL	75,08,400	100.00		

The Basis of Allotment was finalised in consultation with the Designated Stock Exchange, being the National Stock Exchange of India Limited, on Friday, August 28, 2026, and was approved by the National Stock Exchange of India Limited on August 28, 2026 vide its letter Ref: NSE/LIST/7293 dated August 28, 2026.

Summary of Allotment in various categories

Category	Valid Equity Shares Received in each category	Equity Shares available for allocation (as per Prospectus)	Spill Over	Equity Shares Allotted	Total Allotment Amount (₹)
Qualified Institutional Buyers – Anchor Investors	4,00,800	3,02,400	-	3,02,400	3,02,40,000.00
Qualified Institutional Buyers – Mutual Fund	0	10,800	(10,800)	-	0.00
Qualified Institutional Buyers – Others	2,04,000	1,92,000	10,800	2,02,800	2,02,80,000.00
Individual Investors	51,19,200	22,77,600	12,79,200	35,56,800	35,56,80,000.00
Non-Institutional Investors 1 (not more than ₹ 10,00,000)	5,88,000	7,59,600	(1,71,600)	5,88,000	5,88,00,000.00
Non-Institutional Investors 2 (more than ₹ 10,00,000)	4,10,400	15,18,000	(11,07,600)	4,10,400	4,10,40,000.00
Market Maker	2,66,400	2,66,400	-	2,66,400	2,66,40,000.00
Total	69,88,800	53,26,800	-	53,26,800	53,26,80,000.00

Number, value and percentage of all Applications (including ASBA) and of successful allottees

Particulars	Number of Applications	No. of Equity Shares	Value (₹)	% of Applications	% of Equity Shares
Total Applications received (including ASBA and Anchor Investor Applications, excluding multiple and duplicate bids)	6,129	1,69,76,400	1,69,35,33,600	100.00	100.00
Of which: Applications other than Anchor Investors	6,127	1,65,75,600	1,65,34,53,600	99.97	97.64
Of which: Anchor Investor Applications	2	4,00,800	4,00,80,000	0.03	2.36
Valid Applications considered for Allotment (after technical rejections)	2,329	69,88,800	69,88,80,000	38.00	41.17
Successful Allottees	1,678	53,26,800	53,26,80,000	27.38	31.38

The percentages in the last two columns are computed on total Applications received and total Equity Shares applied for respectively. Successful allottees represent 72.05% of the valid Applications considered for Allotment, and the Equity Shares Allotted represent 76.22% of the Equity Shares comprised in such valid Applications. All Applications in the Issue, other than those of Anchor Investors, were made through the ASBA process.

Category-wise number, value and percentage of successful allottees

Category	Number of successful allottees	No. of Equity Shares Allotted	Value of Equity Shares Allotted (₹)	% of allottees	% of Equity Shares Allotted
Qualified Institutional Buyers – Anchor Investors	2	3,02,400	3,02,40,000	0.12	5.68
Qualified Institutional Buyers – Others	2	2,02,800	2,02,80,000	0.12	3.81
Non-Institutional Investors 1 (not more than ₹ 10,00,000)	153	5,88,000	5,88,00,000	9.12	11.04
Non-Institutional Investors 2 (more than ₹ 10,00,000)	38	4,10,400	4,10,40,000	2.26	7.70
Individual Investors	1,482	35,56,800	35,56,80,000	88.32	66.77
Market Maker	1	2,66,400	2,66,40,000	0.06	5.00
Total	1,678	53,26,800	53,26,80,000	100.00	100.00

In terms of Regulation 268(1) of the SEBI ICDR Regulations, the number of allottees in the Issue is 1,678, which is not less than two hundred. Accordingly, the minimum allottee requirement prescribed under the SEBI ICDR Regulations has been complied with.

Allotment to Individual Investors (After Technical Rejections)

The Basis of Allotment to the Individual Investors, who have Bid at the Issue Price of Rs. 100/- per Equity Share, was finalised in consultation with the National Stock Exchange of India Limited. The category has been subscribed to the extent of 2.25 times. The total number of Equity Shares Allotted in this category is 35,56,800 Equity Shares to 1,482 successful applicants. The details of the Basis of Allotment of the said category are as under:

Sr. No.	No. of Shares applied for (Category wise)	No. of Applications received	% to total	Total No. of Equity Shares applied in this category	% of total	Proportionate Shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding)	Total No. of shares allotted	Surplus / Deficit (14)-(7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(12)	(14)	(16)
1	2,400	2,133	100.00	51,19,200	100.00	35,56,800	494 : 711	1,482	35,56,800	0
	Total	2,133	100.00	51,19,200	100.00	35,56,800		1,482	35,56,800	0

Note: The minimum Bid Lot for Individual Investors was 2,400 Equity Shares. Allotment to each Individual Investor was not less than the minimum Bid Lot of 2,400 Equity Shares, subject to availability of Equity Shares in the Individual Investor Portion. The proportionate entitlement per applicant before rounding off was 1,668 Equity Shares. Allotment of the minimum Bid Lot was made on a random draw of lots basis, and the serial numbers of the qualifying applicants are set out in Annexure I to the Basis of Allotment approved by the National Stock Exchange of India Limited. 12,79,200 Equity Shares were spilled over to Individual Investors from the Non-Institutional Investors 1 and Non-Institutional Investors 2 categories.

Allotment to Non-Institutional Investors – Above Rs. 2 Lakhs and Up to Rs. 10 Lakhs (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Investors, who have Bid at the Issue Price of Rs. 100/- per Equity Share, was finalised in consultation with the National Stock Exchange of India Limited. The category has been subscribed to the extent of 0.77 times. The total number of Equity Shares Allotted in this category is 5,88,000 Equity Shares to 153 successful applicants. As the category was undersubscribed, full Allotment was made to all valid applicants and 1,71,600 Equity Shares were spilled over to the Individual Investors category. The details of the Basis of Allotment of the said category are as under:

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding off)	Total No. of shares allotted	Surplus / Deficit (14)-(7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(12)	(14)	(16)
1	3,600	134	87.58	4,82,400	82.04	6,65,271	1 : 1	134	4,82,400	(1,82,871)
2	4,800	13	8.50	62,400	10.61	64,541	1 : 1	13	62,400	(2,141)
3	6,000	4	2.61	24,000	4.08	19,859	1 : 1	4	24,000	4,141
4	9,600	2	1.31	19,200	3.27	9,929	1 : 1	2	19,200	9,271
	Grand Total	153	100.00	5,88,000	100.00	7,59,600		153	5,88,000	(1,71,600)

Note: The minimum Bid Lot for Non-Institutional Investors was 3,600 Equity Shares. The proportionate entitlement per applicant in this category before rounding off was 4,964.70 Equity Shares.

Allotment to Non-Institutional Investors – Above Rs. 10 Lakhs (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Investors, who have Bid at the Issue Price of Rs. 100/- per Equity Share, was finalised in consultation with the National Stock Exchange of India Limited. The category has been subscribed to the extent of 0.27 times. The total number of Equity Shares Allotted in this category is 4,10,400 Equity Shares to 38 successful applicants. As the category was undersubscribed, full Allotment was made to all valid applicants and 11,07,600 Equity Shares were spilled over to the Individual Investors category. The details of the Basis of Allotment of the said category are as under:

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding off)	Total No. of shares allotted	Surplus / Deficit (14)-(7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(12)	(14)	(16)
1	10,800	38	100.00	4,10,400	100.00	15,18,000	1 : 1	38	4,10,400	(11,07,600)
	Grand Total	38	100.00	4,10,400	100.00	15,18,000		38	4,10,400	(11,07,600)

Note: The proportionate entitlement per applicant in this category before rounding off was 39,947.36 Equity Shares.

Allotment to QIBs excluding Anchor Investors (After Technical Rejections)

Allotment to QIBs, who have Bid at the Issue Price of Rs. 100/- per Equity Share, has been done on a proportionate basis in consultation with the National Stock Exchange of India Limited. This category has been subscribed to the extent of 1.06 times of the Net QIB Portion before spill over and 1.01 times after spill over. As the Issue did not receive any Bid in the Mutual Fund category, the 10,800 Equity Shares reserved for Mutual Funds were spilled over to the QIB – Others category. The total number of Equity Shares Allotted in the QIB category is 2,02,800 Equity Shares, which were Allotted to 2 successful Applicants.

CATEGORY	FIs / BANKS	MFs	ICs	NBFCs	AIF	FPI	OTHERS	TOTAL
QIB	0	0	0	0	2,02,800	0	0	2,02,800

The application-size-wise details of the Basis of Allotment of the said category are as under:

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Ratio of allottees to applicants	Number of successful applicants (after rounding off)	Total No. of shares allotted	Surplus / Deficit (14)-(7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(12)	(14)	(16)
1	3,600	1	50.00	3,600	1.76	3,579	1 : 1	1	3,600	21
2	2,00,400	1	50.00	2,00,400	98.24	1,99,221	1 : 1	1	1,99,200	(21)
	Grand Total	2	100.00	2,04,000	100.00	2,02,800		2	2,02,800	0

Note: The Allotment in the QIB category (excluding Anchor Investors) was made entirely to Alternate Investment Funds – Category III.

Allocation to Market Maker (After Technical Rejections & Withdrawal)

The Basis of Allotment to the Market Maker, who has Bid at the Issue Price of Rs. 100/- per Equity Share, was finalised in consultation with the National Stock Exchange of India Limited. The category was subscribed 1.00 times, i.e. for 2,66,400 Equity Shares, and the total number of Equity Shares Allotted in this category is 2,66,400 Equity Shares. The category-wise details of the Basis of Allotment are as under:

No. of Shares Applied for (Category wise)	No. of Applications received	% to total	Total No. of Equity Shares applied in this Category	% of total	No. of Equity Shares allocated / allotted per Applicant	Ratio	Total Number of shares allotted	Surplus / Deficit
2,66,400	1	100.00	2,66,400	100.00	2,66,400	1 : 1	2,66,400	0
Total	1	100.00	2,66,400	100.00	2,66,400		2,66,400	0

Note: The Market Maker to the Issue is NNJM Securities Private Limited. The Market Maker application of 2,66,400 Equity Shares was shifted from the Non-Institutional Investors 2 category.

Allotment to Anchor Investors (After Technical Rejections)

The Company, in consultation with the BRLM, has allocated 3,02,400 Equity Shares to 2 Anchor Investors through 2 Anchor Investor Application Forms at the Anchor Investor Issue Price of Rs. 100/- per Equity Share, aggregating to Rs. 3,02,40,000/-, in accordance with the SEBI ICDR Regulations. This represents 60% of the QIB Category. The Company received 2 Anchor Investor Application Forms for 4,00,800 Equity Shares.

CATEGORY	FIs / BANKS	MFs	ICs	NBFCs	AIF	FPI	OTHERS	TOTAL
ANCHOR	0	0	0	0	2,00,400	1,02,000	0	3,02,400

Note: Allotment in the Anchor Investor Portion was made to one Alternate Investment Fund – Category III (2,00,400 Equity Shares) and one Foreign Portfolio Investor – Corporate – Category I (1,02,000 Equity Shares). As the Issue did not receive any Bid from domestic Mutual Funds or from life insurance companies and pension funds, no Allotment was made in the portions reserved for them within the Anchor Investor Portion.

The Board of Directors of our Company at its meeting held on Friday, August 28, 2026, has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being the National Stock Exchange of India Limited, and has Allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation will be dispatched to the address of the investors as registered with the depositories. In case the same is not received within ten days, investors may contact the Registrar to the Issue at the address given below.

Dates of completion of post-Issue activities

Particulars	Date
Date of finalisation of the Basis of Allotment, approved by the Designated Stock Exchange	Friday, August 28, 2026
Date of completion of instructions to the Self Certified Syndicate Banks by the Registrar for unblocking of funds and transfer to the Public Issue Account	Friday, August 28, 2026
Date of completion of dispatch of refund orders	Not applicable – all Applications, other than those of Anchor Investors, were made through the ASBA process
Date of payment to non-Syndicate brokers	Monday, August 31, 2026
Date of credit of the Equity Shares to the beneficiary accounts of the allottees	On or before Monday, August 31, 2026
Date of filing of the listing application with the National Stock Exchange of India Limited	On or before Monday, August 31, 2026
Expected date of commencement of trading of the Equity Shares	Tuesday, September 01, 2026

The Equity Shares Allotted to the successful applicants are being credited to their beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is in the process of obtaining the listing and trading approval from the National Stock Exchange of India Limited and the trading of the Equity Shares is expected to commence on Tuesday, September 01, 2026.

This advertisement is being published in terms of Regulation 270 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta and the Punjabi regional language newspaper Nawar Zamana (Punjab) being the regional language of Punjab, where the registered office of our Company is situated), each with wide circulation. In terms of Regulation 270(2) of the SEBI ICDR Regulations, the details set out in this advertisement are also being placed on the website of the National Stock Exchange of India Limited at www.nseindia.com.

Corrigendum to the Prospectus dated August 28, 2026

Investors may note that the following changes shall be made to the Prospectus dated August 28, 2026:

- (i) Objects of the Issue – Issue Expenses (page 90): The amount under “Advertising and marketing expenses” shall be read as ₹ 149.90 lakhs in place of ₹ 8.48 lakhs. Further, a new line item titled “Proceeds from Pre-IPO Placement” shall be inserted with an amount of (₹ 141.42 lakhs). Consequently, the corresponding percentages under “% of total estimated expenses” and “% of total Issue size” shall stand revised accordingly. The Total Estimated Issue Expenses shall remain unchanged at ₹ 492.65 lakhs (9.25% of the Issue size).
- (ii) Objects of the Issue – General Corporate Purposes: The following sentence shall be inserted under “General Corporate Purposes”: “Any unallocated proceeds from the Pre-IPO Placement shall be attributed / adjusted towards General Corporate Purposes.”

All other disclosures in the Prospectus dated August 28, 2026 shall remain unchanged. This corrigendum is dated August 28, 2026.

Note: All capitalised terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated August 28, 2026 (“Prospectus”).

The details of the allotment made would also be hosted on the website of the Registrar to the Issue, Skyline Financial Services Private Limited, at www.skylinerta.com.

All future correspondence in this regard may kindly be addressed to the Registrar to the Issue, quoting the full name of the First / Sole applicant, serial number of the Application Form, number of shares applied for and Bank Branch where the application had been lodged, and payment details, at the address of the Registrar given below:

	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020 Contact Person: Mr. Anuj Rana Tel: 011-40450193-97; Fax: N.A. Email: ipo@skylinerta.com; Website: www.skylinerta.com SEBI Registration No.: INR000003241
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Place: Ludhiana

Date: Friday, August 28, 2026

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARE ON LISTING OR THE BUSINESS PROSPECTS OF MADHUR KNIT CRAFTS LIMITED.

Disclaimer: Madhur Knit Crafts Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the Prospectus with the Registrar of Companies, Chandigarh, on August 28, 2026, and thereafter with SEBI and the Stock Exchange. The Prospectus is available on the website of NSE EMERGE at https://www.nseindia.com/market-data/all-upcoming-issues-ipo and is available on the website of the BRLM at www.skicapital.net. Any potential investors should note that investment in equity shares involves a high degree of risk and, for details relating to the same, please refer to the Prospectus, including the section titled “Risk Factors” beginning on page 17 of the Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, 1933, and in accordance with any applicable U.S. State securities laws. The Equity Shares are being issued and sold outside the United States in “offshore transactions” in reliance on Regulation “S” under the Securities Act, 1933, and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

On behalf of the Board of Directors

FOR MADHUR KNIT CRAFTS LIMITED

Sd/-

Nikita Tayal

(Company Secretary and Compliance Officer)