Letter of Offer 19th Feb, 2026
For Eligible Equity Shareholders Only

BHANDARI HOSIERY EXPORTS LIMITED

Our Company was incorporated as "Bhandari Hosiery Exports Limited" on 25th November 1993 as a public limited company under the Companies Act, pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab & Chandigarh, (the "RoC") bearing Registration No. 013930. For details of the change in the address of the registered office of our Company, see ***'General Information'*** on page no. 32 of this Draft Letter of Offer.

Corporate Identification Number: L17115PB1993PLC013930
Registered Office: Bhandari House, Village Meharban, Rahon Road, Ludhiana, 141007 Punjab, India
Contact No: 88720-16410 | **Contact Person:** Ms. Shilpa Tiwari, Company Secretary and Compliance Officer;
Email-ID: cs@bhandariexport.com |**Website:** www.bhandariexport.com

PROMOTERS OF OUR COMPANY - MR. NITIN BHANDARI, MS NITIKA BHANDARI, MS. KUSUM BHANDARI, MR. NARESH BHANDARI (Refer note on page. no. 65)

ISSUE OF UPTO 19,20,39,722* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH ('RIGHTS EQUITY SHARES') AT A PRICE OF ₹ 2.56 PER RIGHT SHARE (INCLUDING A PREMIUM OF ₹ 1.56 PER RIGHT SHARE) ('ISSUE PRICE') FOR AN AMOUNT UPTO ₹ 4930 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF BHANDARI HOSIERY EXPORTS LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF 4 RIGHTS EQUITY SHARE FOR EVERY 5 EQUITY SHARES HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, 25.02.2026, ('ISSUE'). THE ISSUE PRICE IS 2.56 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED ***'TERMS OF THE ISSUE'*** BEGINNING ON PAGE NO. 93 OF THIS DRAFT LETTER OF OFFER (DLOF).
*Assuming full subscription

WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS

Neither our Company, nor our Promoters, or Directors are or have been categorized as willful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this 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 this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (**'SEBI'**) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer ***'Risk Factors'*** beginning on Page No. 20 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer 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 Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (together, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be issued pursuant to this Issue vide their letters dated **18.02.2026**. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.

REGISTRAR TO THE ISSUE

MUFG INTIME INDIA PRIVATE LIMITED
(Formerly Link Intime India Private Limited)

Address: *C-101, 1st Floor, Embassy 247, LBS Marg, Surya Nagar, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083, Maharashtra, India*
Telephone: +91 810 811 4949
Email: bhandariexport.rights2026@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Investor Grievance Email: bhandariexport.rights2026@in.mpms.mufg.com
Contact Person: Ms. Shanti Gopalakrishnan
SEBI Registration Number: INR000004058

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
Friday, 06.03.2026	Monday, 16.03.2026	Friday, 20.03.2026

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*
***Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, 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.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the Company', 'we', 'our', 'us' or similar terms are to Bhandari Hosiery Exports Limited as the context requires, and references to 'you' are to the Eligible Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ***'Statement of Tax Benefits', 'Industry Overview', 'Financial Information', 'Outstanding Litigations, Defaults, and Material Developments'*** *and* ***'Terms of the Issue'*** *on page no. 44 47, 65, 175 and 189 respectively, shall have the meaning given to such terms in such sections.*

GENERAL / COMPANY RELATED TERMS

TERM	DESCRIPTION
"Bhandari Hosiery Exports Ltd." / "BHEL" / "The Company" / "Our Company" / "Company"	Bhandari Hosiery Exports Limited, a public limited company incorporated under the provisions of the Companies Act, 2013, as amended from time to time having its Registered Office situated at Bhandari House, Village Meherban, Rahon Road, Ludhiana, Punjab, India. PIN 141007.
We/ us/ our	Unless the context otherwise indicates or implies, refers to Bhandari Hosiery Exports Limited together with its Subsidiaries, on a consolidated basis.

TERM	DESCRIPTION
AoA/ Articles of Association	The Articles of Association of Bhandari Hosiery Exports Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations 2015;
Audited/Reviewed Financial Statements	The audited financial statements of our Company prepared under IND AS for the Financial Years ending March 31, 2025, 2024 & 2023 and Reviewed Financial Statements for Quarter 1 and Quarter 2 of Financial Year 2025-26;
Auditors/ Statutory Auditors/ Peer Review Auditor	The statutory auditor of our Company is M/s Raj Gupta & Co., Chartered Accountants having FRN: 000203N;
Board of Directors/ Board	The Board of Directors of Bhandari Hosiery Exports Limited, including all duly constituted Committees thereof;
Chairman & Managing Director	Mr. Nitin Bhandari;
Companies Act,/ The Act	The Companies Act, 2013 and rules issued thereunder, as amended or The Companies Act, 1956 as the case may be;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company is Ms. Shilpa Tiwari;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company is Mr. Deepak Sharma;
Corporate Social Responsibility (CSR) Committee	The committee of the Board of Directors constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

Directors	The director(s) on the Board of our Company, unless otherwise specified;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Bhandari Hosiery Exports Limited as on the Record Date;
Equity Shares	Equity Share of the Company having face value of ₹ 1/- (Rupee One Only), unless otherwise specified;
Financial Information	Collectively, the Audit Report, the Audited Financial Statements with Annexure and the Limited Reviewed Quarterly Financial Statements;
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ***'Our Management'*** beginning on page no. 61;
ISIN	International Securities Identification Number being INE474E01029;
MoA/ Memorandum of Association	The Memorandum of Association of Bhandari Hosiery Exports Limited, as amended from time to time;
Monitoring Agency	CRISIL Ratings Limited
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations 2015;
Promoters	Mr. Nitin Bhandari, Mrs. Nitika Bhandari, Mrs. Kusum Bhandari, Mr. Naresh Bhandari, ***(*Refer note on page. no.*** 62***)***
Registered Office	The registered office of our Company is located at Bhandari House, Village Meharban, Rahon Road, Ludhiana, 141007, Punjab, India;
Registrar of Companies/ RoC	Registrar of Companies, Punjab and Chandigarh, situated at 1st Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh, 160019, Punjab, India;
Rights Issue Committee	The committee of our Board constituted by the Board of Directors for purposes of the Issue and incidental matters thereof in its meeting held on 2nd January 2026.
Shareholders	The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of the SEBI (LODR) Regulations 2015.

ISSUE RELATED TERMS

TERM	DESCRIPTION
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlements (REs);
Allot/ Allotment/ Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with the provisions of Section 40(3) of the Companies Act;
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottee(s)	Persons to whom Rights Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Draft Letter of Offer, including an ASBA Investor;

Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price;
Application Form/ Common Application Form (CAF)	Unless the context otherwise requires, an application form [including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process] used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	A bank account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors, including Renouncee, shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020';
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being State Bank of India;
Bankers to the Issue Agreement	Agreement entered into by and amongst our Company and the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ***'Terms of the Issue'*** beginning on page no. 95;
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Stock Exchange	BSE Limited ("BSE");
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	Draft Letter of Offer dated 16th January, 2026, filed with BSE Limited ("BSE") and National Stock Exchange of India Ltd. ("NSE"), in accordance with the SEBI (ICDR) Regulations, for their observations and granting in-principle approval;

Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e.,25.02.2026. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders;
Escrow Account(s)	One or more no-lien bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being State Bank of India;
Issue/ Rights Issue	Issue of up to 19,20,39,722 Equity Shares of face value of ₹ 1/- each of our Company for cash at a price of ₹ 2.56 per Rights Equity share (including a premium of Rs. 1.56 per Rights Equity Share) for an amount upto ₹ 4930 Lakhs on a rights basis to the Eligible Shareholders of our Company in the ratio of 4 Rights Equity Share for every 5 Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. 25.02.2026
Issue Closing Date	20.03.2026
Issue Opening Date	06.03.2026
Issue Material	Collectively, the Letter of Offer, the Common Application Form (CAF)/ Application Form and Rights Entitlement Letter;
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ 2.56/- (Rupees Two Point Five Six Only) per Right Share including a premium of ₹ 1.56 (Rupees One Point Five Six Only) per Rights Equity Shares;
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount upto ₹ 4930 Lakhs*; ***(*Assuming full subscription)***
Letter of Offer/ LoF	The final Letter of Offer dated 19.02.2026 filed with the BSE and NSE after incorporating the observations received from the BSE and NSE on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Gross Issue Proceeds. Company will be incurring the Issue Expenses out of its internal generation. For further details, please refer to the section titled ***'Objects of the Issue'*** beginning on page no. 39;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Documents	The Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before 16.03.2026;
Specified Investor(s)	As defined in SEBI (ICDR) Regulations.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being 25.02.2026;
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar to the	MUFG Intime India Private Limited;

Issue/Registrar/RTA	
Registrar Agreement	Agreement dated 10.01.2026 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renouncees	Any person(s) who, not being the original recipient has/have acquired the Rights entitlements from the Equity Shareholders through renunciation in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. 06.03.2026. Such period shall close on 16.03.2026 in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. 20.03.2026;
Retail Individual Investors/ RIIs	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 2,00,000/- (Rupees Two Lakhs Only) in the Issue as defined under Regulation 2(1)(vv) of the SEBI (ICDR) Regulations;
Rights Entitlement (s)/ REs	The number of Rights Equity Shares that an Investor/Eligible Equity shareholder is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being 4 Rights Equity Share for every 5 Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN INE474E20037 will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders;
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment;
SEBI Rights Issue Circulars	Collectively, SEBI circulars bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', 'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020', 'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020', 'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020' and 'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021';
Self-Certified Syndicate Banks/ SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through 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 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time;
Stock Exchanges	Stock Exchange where the Equity Shares are presently listed, being BSE and NSE.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange (BSE Limited);
Willful Defaulter	A Company or person, as the case may be, categorized as a willful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of SEBI (ICDR) Regulations and in accordance with the guidelines on willful defaulters or a fraudulent borrowers issued by the RBI, including any Company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, Working day means all days on which commercial banks in Punjab are open for business. Further, in respect of

	Issue Period, working day means all days, excluding **Sundays and public holidays, on which commercial banks in Ludhiana are open** for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

BUSINESS AND INDUSTRY RELATED TERMS

TERM	DESCRIPTION
CSR	Corporate Social Responsibility
DGFT	The Directorate General of Foreign Trade
GMP+	Good Manufacturing Practice
ISO	International Organization for Standardization
Kg	Kilogram
KW	Kilo Watt
MT	Metric Tons
PLF	Plant Load Factor
TPD	Ton Per Day

TERM	DESCRIPTION
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;
One Trillion	One Crore Lakhs;
Sq. ft.	Square Foot;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic OutDLOOk;

ABBREVIATIONS

TERM	DESCRIPTION
₹/Rs. /Rupees /INR	Indian Rupees, the official currency of the Republic of India;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
AY	Assessment Year;
BSE	BSE Limited; BOMBAY STOCK EXCHNAGE LTD
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020;
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
Depositories Act	The Depositories Act, 1996;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
DIN	Director Identification Number;
DP	Depository Participant;
DP-ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/ loss after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EPS	Earning per Equity Share;

FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors [as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000] registered with SEBI;
FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
Ind AS	Indian Accounting Standards;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, Government of India;
MN / Mn	Million;
N.A. or NA	Not Applicable;
NAV	Net Asset Value;
NEFT	National Electronic Fund Transfer;
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Non-Resident External Account;
NRI	Non-Resident Indian;
NSDL	National Securities Depository Limited;
NSE	National Stock Exchange of India Limited;
OCB	Overseas Corporate Body;
p.a.	Per annum;
P/E Ratio	Price/Earnings Ratio;
PAN	Permanent Account Number;
PAT	Profit After Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
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 Investment Funds) Regulations, 2012;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities Transaction Tax;
Trade Marks Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto;
TDS	Tax deducted at source;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;

NOTICE TO INVESTORS

The distribution of the Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement (collectively "Issue Material") and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, or CAFs may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through speed post/courier the Letter of Offer, Application Form and Rights Entitlement Letter ("Issue Material") only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Draft Letter of Offer will be provided, through email and speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Letter of Offer, the and the Application Form from the websites of the Registrar, our Company, SEBI, and the Stock Exchanges.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with BSE and NSE (the "Stock Exchanges") for observations. Accordingly, the Right Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Material must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Material should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of Letter of Offer, and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Draft Letter of Offer.

Neither the delivery of the Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlement and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the **"US Securities Act"**), or any U.S. State Securities Laws and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Rights Equity Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted, and agreed, that:

1. It is to be noted that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
2. It does not have a registered address (and is not otherwise located) in the United States,
3. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
4. Our Company believes that Application Form (CAF) is incomplete or acceptance of such Application Form (CAF) may infringe applicable legal or regulatory requirements; and
5. Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Our Company reserves the right to treat as invalid any Application form which:

1. Appears to our Company or its agents to have been executed in or dispatched from the United States;
2. Where a registered Indian address is not provided; or
3. Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF CURRENCY OF PRESENTATION

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to "India" contained in this Draft Letter of Offer are to the Republic of India and the "Government" or "GoI" or the "Central Government" or the "State Government" are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our 'Company', 'we', 'our', 'us' or similar terms are to Bhandari Hosiery Exports Limited or, as the context requires, and references to 'you' are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Financial Statements for the financial years ended on 31st March, 2025, 2024 and 2023 of our Company prepared in accordance with Ind AS, Accounting Standards, Companies Act, 2013. For further details, please refer to the section titled '***Financial Information'*** beginning on page no. 65. The financial year of our Company commences on April 1 and ends on March 31.

The Government of India has adopted the Indian Accounting Standards ("Ind AS"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("IFRS") and notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "Ind AS Rules"). The Financial Statements of our Company have been prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act, 2013 read with the Ind AS Rules and other relevant provisions of the Companies Act, 2013 and are reproduced herein in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Indian Rupees.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see '***Financial Information'*** on page no. 68.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to 'Rupees', 'Rs.', '₹', 'Indian Rupees' and 'INR' are to Rupees, the official currency of the Republic of India.

All references to 'U.S. $', 'U.S. Dollar', 'USD' or '$' are to United States Dollars, the official currency of the United States of America.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in ***'Risk Factors'*** on Page No. 20. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'will', 'may', 'aim', 'is likely to result', 'believe', 'expect', 'continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'project', 'should', 'pursue' and similar expressions or variations of such expressions, that are 'forward looking statements'.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions 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 its industry and incidents of any natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- General economic and business conditions Globally, in India and in the markets in which we operate and in the local, regional, and national economies;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to manage our operating costs and impact on the financial results
- Our ability to successfully implement our business strategies and the Expansion Plan;
- Failure to effectively implement our production schedules, or prevent unanticipated or prolonged interruptions at our manufacturing operations.
- Changes in general, political, social and economic conditions in India and elsewhere;
- Fluctuations in the exchange rate between the Indian rupee and foreign currencies;
- Reduction in demand or in the production of edible oil products;
- 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 and in turn, impact our sales.
- Our revenue significantly depends on the sale of our Garments and Fabrics. Any decline in the sale of our products, in the market would have a material adverse effect on our business, financial condition and results of operation.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled **'*Risk Factors*'** beginning on Page No. 20. By their nature, certain market risk disclosures are only estimates and could materially be different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not 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 and Stock Exchanges requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled ***'Risk Factors'***, ***'Objects of the Issue'***, ***'Business Overview'*** and ***'Outstanding Litigations, Defaults and Material Developments'*** beginning on page no. 20, 39, 55 and 79 respectively.

SUMMARY OF INDUSTRY AND OF ECONOMY

The global economy is undergoing a period of profound transformation, marked by persistent short-term disruption and heightened uncertainty as well as long-term structural change. The World Economic Forum's latest Chief Economists' Outlook, paints a picture of resilience amid turbulence, but with growth prospects that remain subdued and risks skewed to the downside. Geoeconomic fragmentation is accelerating, with trade tensions at its heart. The US has imposed sweeping tariffs on a large number of economies, prompting a realignment of supply chains and a recalibration of global investment flows. The dollar's sharp depreciation has granted emerging economies greater monetary flexibility, but also amplified the domestic impact of tariffs. Meanwhile, the rapid pace of artificial intelligence (AI) development is adding another layer of uncertainty, with most chief economists expecting the technology to become commercially disruptive within the next year, while views on labour market impacts remain divided.

Regional divergence is increasingly pronounced. The US outlook remains subdued, against a backdrop of major trade policy shifts and elevated inflation risks. Europe's recovery is fragile but improving, buoyed by steady employment and subdued inflation. China's growth remains relatively strong, though momentum is slowing and deflationary risks persist. East Asia and the Pacific faces mounting trade headwinds, while Latin America and the Caribbean continues to make modest progress amid stabilizing inflation. The Middle East and North Africa stands out for their robust growth prospects, driven by resource expansion and diversification, while Sub-Saharan Africa and South Asia face a mixed outlook amid new tariff pressures and policy adjustments. Beneath these regional trends lies a deeper transformation. The global economy is undergoing one of its most turbulent periods in decades, with interconnected shifts reverberating across all domains.

Growth expectations for South Asia (including INDIA) have softened slightly. Thirty-one percent of chief economists expect strong or very strong growth in the year ahead, down from 33% in April 2025, while the share expecting moderate growth has risen from 55% to 66%. India's growth for 2025 is projected by the IMF at 6.4%, but its manufacturing ambitions face headwinds from newly announced US tariffs of 50% on exports, a development that weighs heavily on the regional outlook. Inflation has eased sharply, creating space for more stable policy settings. India's central bank held rates steady in early August, following a drop in consumer price inflation (CPI) to 1.55% in July, the lowest level since 2017 and before CPI readings rebounded to 2.07% in late August. The government remains committed to a 4.4% budget deficit target and has introduced sweeping changes to the goods and services tax regime. Across South Asia, 64% of surveyed chief economists expect moderate inflation over the next year, 74% anticipate no change in monetary policy and 80% expect fiscal policy to remain steady.
[Source: https://reports.weforum.org/docs/WEF_Chief_Economists_Outlook_September_2025.pdf]

For further details, please refer chapter titled '**Industry Overview'** at page no. 47.

SUMMARY OF OUR BUSINESS

Incorporated in year 1993, Bhandari Hosiery Exports Limited, with main objects of manufacturing garments, knitted fabric and fabric dyeing has been successfully operating its plant at village Meherban, Rahon Road, Ludhiana, Punjab, India. The Company is presently having Production Facility of Fabric Knitting , Dyeing & Rotary Printing, Fabric Processing capacity along with Garment manufacturing facility in the existing infrastructure comprising of land, building, and Plant and Machinery.

The Garments manufactured in the Production facility of the Company are sold by the Company to demanding reputed domestic and international customers and the turnover of the Company is a mix of domestic and export sales. For further details, please refer to the section titled **'Business Overview'** on page no. 55.

OUR PROMOTERS

Promoters of our Company are Mr. Nitin Bhandari, Ms. Nitika Bhandari, Ms. Kusum Bhandari, Mr. Naresh Bhandari; Tikani Exports Limited is part of promoter group. The Promoters and the Promoter Group are collectively referred to as "Promoter" or "Promoters". For details please refer note on page no. 65.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS IN THE ISSUE

The Promoters of our Company amongst themselves, through their letters dated 16th January 2026, have confirmed that they jointly, and/or severally intend to subscribe full extent of their Rights Entitlement in this Issue and to the extent of unsubscribed portion (if any) of this Issue to the extent permissible. Our Promoters hold 31.02% equity in the equity share capital of the company. Any such subscription for Rights Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds raised through the Issue towards the following objects:

Particulars	Amount (₹ in Lakhs)
Term Loan Reduction	687
Utilization towards Long-term working capital requirements of the Company#	3400
General Corporate Purposes $	743
Right Issue Expenses @	100
Gross Proceeds from the Issue	**4930**
Less : Issue Expenses	100
Net Proceeds from the Issue	**4830**

#Assuming full subscription.

$ The amount utilized for General Corporate Purposes shall not exceed 25% of the Gross Proceeds.

If there is any reduction in the amount of the Gross Proceeds on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the amount of utilization towards long-term working capital requirements will be reduced.

@ Any saving in the Issue Expenses shall be utilized towards long-term working capital or for General Corporate Purposes.

For further details, please refer to the section titled ***'Objects of the Issue'*** beginning on page no. 39

FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements prepared in accordance with Ind AS and the Companies Act, 2013 for the Financial Year ending March 31, 2025, March 31, 2024, and March 31, 2023.

(₹ in lakhs)

Particulars	Six months ended on/ as on 30.9.2025	2025	2024	2023
Equity Share Capital	2400.50	2400.50	1634.38	1465.27
Net Worth[1]	15638.31	15314.62	9958.71	8712.29
Total Revenue	13133.97	27882.21	26705.58	28331.13
Profit / (loss) after tax	368.82	771.32	653.35	650.64
Basic EPS (in ₹)	0.15	0.32	0.40	0.44
Diluted EPS (in ₹)	0.15	0.36	0.42	0.44
Net asset value per Equity Share (in ₹)	6.51	6.38	6.09	5.95
Total borrowings[2]	96.63	97.04	11672.29	12431.95

[1]Equity Share Capital and Other Equity

[2]consists of borrowings under non-current liabilities, current maturities of long-term debts, borrowings under current liabilities and interest accrued but not due under current liabilities.

For further details, please refer to the chapter titled ***'Financial Information'*** beginning on page no. 68.

AUDITOR QUALIFICATIONS

There are no auditors qualifications. However, for further details on auditor qualifications, please refer to page 76 and the section titled ***'Financial Statements'*** beginning on page no. 68.

OUTSTANDING LITIGATIONS

Name	By / Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved*# (₹ in lacs)
Company	By		4	-	-	158.32
	Against	2	-	-	-	53.05
Promoter	By	-	-	-	-	-
	Against	-	-	-	-	-
Group Companies/Entities	By	-	-	-	-	-
	Against	-	-	-	-	-
Directors other than Promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

*****To the extent quantifiable*

For further details, please refer to section titled ***'Outstanding Litigations, Defaults and Material Developments'*** beginning on page no. 79

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled ***'Risk Factors'*** beginning on Page No. 20.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled ***'Financial Statements'*** beginning on page no. 68

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled ***'Financial Statements'*** beginning on page no. 68.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby the Promoters, our Directors and their relatives have financed the purchase of Equity Shares by any other person other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Draft Letter of Offer.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing of this Draft Letter of Offer.

SECTION III – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in ***'Business Overview'****,* ***'Industry Overview'****, and* ***'Financial Statements'*** *beginning on page* no. *55, 47 and 68 respectively in this Draft Letter of Offer, before making an investment in our Equity Shares.*

The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to 'we', 'us', 'our' refers to our Company.

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. *Some events may not be material individually but may be found material collectively,*
2. *Some events may have material impact qualitatively instead of quantitatively, and*
3. *Some events may not be material at present but may have a material impact in future.*

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Bhandari Hosiery Exports Ltd.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS

1. ***Our operations are dependent on the supply of raw materials, such as cotton, spun and polyester yarn of different counts and twist and of right 'micronaire' value at a remunerative price. Such raw material is sourced from yarn spinning mills located in Northern and Southern India. Availability of our raw material depends upon availability of Cotton as a crop and any change in global weather patterns may have an adverse effect on the availability of raw materials to our suppliers.***

   Our business depends on the availability of reasonably priced and high-quality raw materials in the quantities required by us. We source the raw materials from spinning mills located in Northern and Southern parts of India. The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production of cotton and transportation cost, duties and taxes and territorial trade restrictions. Unfavourable local and global weather patterns including extremes such as drought, floods and natural disasters, may have an adverse effect on the availability of raw materials as around 95% of our total procurement is through suppliers from state of Punjab.

   The availability of the raw materials for our operations may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought caused by weather patterns. For example, natural disasters, excessive rainfall. Such events may have an adverse impact on the availability and prices of raw materials for our operations, which may increase the costs of our operations as well as negatively affect our business, results

of operations and financial condition. Adverse weather conditions may also result in decreased availability of water, which could impact our manufacturing operations.

2. ***Our inability to anticipate, respond to and meet the 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 and in turn, impact our sales.***

Our results of operations and future growth plans are largely dependent upon the demand for our products. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences, fashion trends, the level of consumer confidence as well as on macroeconomic factors such as the condition of the economy and per capita income. Over a period of time, there have been significant changes in consumers' preferences in apparel and garments. Our success depends on our ability to anticipate fashion trends viz. the trends of wearing apparel in consumers and to offer affordable products that appeal to their needs and preferences in a timely manner. Consumer fashion trends and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer fashion trends and preferences, demand for our products may decline. We must, on a regular basis, keep pace with the preferences and quality requirements of our consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand and any sudden change in Government regulations may adversely affect our liquidity and financial condition. During the FY 25 sales returns made by the customers were around 0.45% of the total sales achieved in FY 25 and there were no complaints that were filed by the Customers.

3. ***We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. However, some of the approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals in time. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

All the approvals, valid licenses, registrations and permits required are there with the Company.

4. **We derive all our revenue from our Fabrics and Garments business segment and any reduction in demand or *in the production of such products could have an adverse effect on our business, results of operations and financial condition.***

We derive all our revenue from our Fabrics and Garments business segment and any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of Fabrics and Garments could have an adverse effect on our business, results of operations and financial condition. In FY 25 we sold Fabrics (Knitted cloth) worth Rs. 22,941 Lacs (82.36%), Garments worth Rs. 4908 lacs (17.62%) and Yarn worth Rs. 7 lacs (0.02%).

5. ***We generate a major portion of sales from our operations in certain geographical regions especially Delhi, Haryana, Himachal, Punjab and Tirupur. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

We generate a major portion of sales from our operations in certain geographical regions. Such geographical concentration of our business heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside our present geographical markets may adversely affect our business prospects, financial conditions and results of operations.

6. ***Fluctuation in the exchange rate between the Indian rupee and foreign currencies may have an adverse effect on our business.***

Although we follow established risk management policies, including the use of derivatives, such as foreign exchange forward contracts to hedge our exposure to foreign currency risks, we are nevertheless exposed to risks from foreign exchange rate fluctuations since part of our revenues are through exports entailing foreign exchange transactions, in currencies including the U.S. Dollar and Euro. Exchange rates between some of these currencies and the Indian rupee in recent years have fluctuated and may do so in the future, thereby impacting our results of operations and cash flows in Indian rupee terms.

The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect the Company to the extent of cost of goods traded in foreign currency terms. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company's profitability, since part of sales/ exports is done in foreign currency. In FY 25 the Exports contributed to 4.87% of the total sales of the Company and major countries where the exports were made are Ethiopia, Mexico, Kenya and Spain.

7. ***The textile and apparels industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The textile and apparel industry in India is a competitive and fragmented market with multiple national and regional companies. Some of our competitors may be larger than us or develop alliances to compete against us, have more financial and other resources and have products with greater brand recognition than ours. We also face competition from new players in the apparel industry.

If our competitors develop more efficient production facilities which enable them to produce their products at significantly lower costs, they could sell at lower prices and could require us to lower the prices we charge. Our competitors in certain regions may also have better access to raw materials required in our operations and may procure them at lower costs than us, and consequently be able to sell their products at lower prices. As a result, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.
Further, we cannot assure you that we will be able to retain our existing customers or maintain our market share with our retail customers which may have an adverse effect on our business, financial condition and results of operations.

8. ***A slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.***

Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our units for maintenance, statutory inspections and testing, or may shut down certain units for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing units or while setting up new units, which may delay or halt our operations. Although we have not experienced any significant disruptions at our manufacturing units in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

9. ***Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may render us liable to liabilities amounting to around Rs. 53.05 lacs. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to Civil, Criminal, Tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Company have been set on page No. 19.***

For further details, see *"Outstanding Litigation and Material Developments"* on page no. 175. Decisions in any of the aforesaid proceedings adverse to our interests may have an adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against our Company we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could

increase our expenses and our liabilities.

In complaints made by us against NAB Productions Pvt Ltd and Samar Gulati (Proprietor of New Oxygen2) the accused respondents have been declared as proclaimed offender since the accused are not appearing the court proceedings and the court has directed to serve notice to the respondent through proclamation. In the matter against Kanti Gupta (proprietor of Ambika Traders) in Appeal Arguments will be held on the next date. In the matters against Riddhima Exports and Loyal Clothing (proprietor Nikita Beri) filed in recent years the cases are proceeding ahead as per the process.

In complaints made against us by CHD Chemicals both parties have filed their claims and counter claims and the next hearings are in the month of April 2026. In the matter filed against us by Marvel Dyers the company, as per court directions, we deposited a Bank Guarantee in the Court and the next date of hearing is in March 2026.

10. ***Any major change in the technology may render our current technologies old or require us to make substantial capital investment to cope with the market.***

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. We are taking all the possible steps to keep our manufacturing facilities in line with the latest technology. However, any further upgradation in the technology may render our current technology old and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur further capital expenditure which could affect our cash flows and result of operations.

11. ***Our manufacturing activities are dependent upon availability of skilled and semi-skilled labour.***

Ludhiana being an industrial township adequate labour is available. We do not have any permanentarrangement of labour and the recruitment are made as per requirements of the work force except for those who are on permanent pay rolls of our Company. Our manufacturing activities are dependent on availability of skilled and semi-skilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We are subject to adherence of industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.

We are subject to adherence of applicable labour laws that protect the interests of our workers, including legislation that stipulates laid-down procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers in case of default of the employer. While we have not experienced any labour unrest in the past, strikes, lock-outs and other labour action, in future, may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition.

12. ***We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

13. ***Our promoters hold 31.02% equity shares in the company and through this shareholding they retain control over our Company, however after the Rights Issue the shareholding stake of the Promoters may vary.***

Our Promoter hold 31.02% equity share capital in the company and through that they retain control over our company, however after the Rights Issue the shareholding stake of the Promoters may vary. Through Control over the management of the Company our promoters have the ability to control our business including matters relating to the timing and distribution of dividends and the election or termination or appointment of its officers and directors.

14. ***Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

Our Company has entered into certain transactions with our related parties. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

During FY 25 the related party transactions are for Rs. 1921 lacs in the form of sale of products that constitute 6.89% of the gross revenue. The related party transactions undertaken by the Company are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws.

15. ***If we are unable to introduce new designs, new products and respond to changing consumer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and financial condition.***

The success of our business depends upon our ability to anticipate and identify changes in consumer preferences and offer designs and products that consumers require. Our failure to successfully introduce new designs in a cost effective and a timely manner could lead us losing our sales and market share in the market.

16. ***Our inability to assess customer demand, negotiate price with our customers for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.***

Our businesses depend on our ability to negotiate prices of our products, in desired order quantities, with our customers. If we have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we get from our customers a forecast for their demand and also indicative prices for our products and accordingly we plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. At times when we have overestimated demand, we may have incurred costs to build capacity or purchased more raw materials and manufactured more products than required. Our inability to accurately judge demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

17. ***Shortage or non-availability of electricity, fuel or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. The production process requires significant power. We currently source our water requirements from bore wells and depend on state electricity boards for our energy requirements. Although we have diesel generators to meet exigencies at our unit, we cannot assure you that our unit will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

18. ***Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.***

We are subject to a broad range of safety, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the noise emissions, air and water discharges; on the storage, handling, discharge and disposal of treated water, employee exposure to hazardous substances and other aspects of our operations. Further, any accidents at our facilities may result in personal injury or loss of life of our employees, contract laborers or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable and could adversely affect our reputation. The government or the relevant regulatory bodies may require us to shut down our units, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant

and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition. We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our production activities. We cannot assure that we will not be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

We confirm that we are compliant, as on date, to all applicable regulations with respect to Safety, Healthand Environmental Laws and there have not been any past instances or non-compliances in the company in relation to safety, health and environmental laws and regulations. We also confirm that the Company is holding the applicable licenses that are all valid.

***19.* The price of the Equity Shares may be highly volatile after the Issue.**

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

20. As the Equity Shares of our Company are listed on the BSE & NSE, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on BSE & NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. For the quarter ending on September 2020 we were penalized under rule 17(1), 18(1) and 19(1) of the SEBI (LODR) for non-compliances that included not appointing woman director, not constituting Audit Committee and Nomination & Remuneration Committee for the quarter ending on September 2020. The said non- compliance was due to the practical difficulties aroused by the impact of COVID 19 pandemic. Company made itself compliant on August 18, 2020 by appointing Independent Woman Director on the Board and complied with the requirement of formation of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as per the applicable laws and regulations.

Further on 17.04.2025, Company received Notice from National Stock Exchange for non-compliance of Regulation 31A(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in matter connected with Reclassification of Promoters and attracted penalty as the Company sought pre-approval of BSE only and it failed to seek pre-approval of NSE also for such Reclassification.

Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in an adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

21. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be

adversely affected.

22. ***We sell our products in highly competitive markets and our inability to compete effectively, market our products relative to our competitors may lead to lower market share, and adversely affect our operations and profitability.***

Our Company operates in highly competitive markets and faces competition; however, it is not possible to compute the present market share of our Company since the Indian market comprises of players that are organized and unorganized also. Further, the competition in these markets is based primarily on demand creation and as a result, to remain competitive in our markets, we must continuously strive to effectively market our products. In the event of price competition from our competitors, we may be required to reduce the price of our products while maintaining quality standards and our Company may not always be able to do so. Some of our competitors may have greater financial resources, generate higher revenues, and therefore, be able to better respond to market changes and shifts in consumer spending patterns and changes in consumer sentiments and tastes. Accordingly, we cannot be certain that we will be able to compete effectively with these competitors or that we will not lose customers to these competitors. If we are not able to compete effectively, our business, results of operations and financial condition could be adversely affected.

23. ***Our Promoters and Directors may have interest in our Company other than normal remuneration or benefits and reimbursement of expenses incurred.***

Our Promoters and Directors and Group Companies may be deemed to be interested in our Company, in addition to normal remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares or other securities, held by them and their relatives (if any) and their dividend or bonus entitlement, and benefits arising from their directorship in our Company and are also interested to the extent of sitting fee payable to them for attending each of our Board and Committee Meetings.

24. ***We rely for our success upon the knowledge and experience of our Promoters, Directors and our management team. Loss of any of our directors and management team or our inability to attract and retain them could adversely affect our business, operations and financial condition.***

Our Company depends on the management skills and guidance of our Promoter and Directors for development of new designs, business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our management team for execution of the plans. Our future performance will depend largely on our ability to retain the continued service of our management team. There is regular demand for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Managers. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled *"Our Management"* on page no. 61 of this Draft Letter of Offer.

25. ***Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as fire, riots, third party liability claims, loss-in-transit and natural disasters. Presently, we have obtained certain policies such as standard fire and special perils policy. These policies insure our building, furniture, fittings, electrical installation, office equipment, stationery, meter wires, cables, godowns, meeting rooms, building superstructure, any other office contents from earthquake, fire, shock, terrorism, etc. There are many events that could cause significant damages to our operations, or expose us to third party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position. We confirm that there have not been any past instance or non compliance in the Company in relation to Insurance cover which could adversely affect our business. For further details on our Insurance Policies, please refer to page no. 58 of this Draft Letter of Offer.

26. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

ISSUE SPECIFIC RISKS

27. Our Company will not distribute the Draft Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Letter of Offer, Rights Entitlement Letter and Application Form (the "**Offering Materials**") to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addressees outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail.

28. Any future issuance of Equity Shares may dilute your shareholdings and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Any future issuances of equity or convertible instruments by the Company may lead to the dilution of investors' shareholdings in the Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of the Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

***29.* SEBI has, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and October 01, 2021 and vide amendments made in SEBI (ICDR) Regulations in April 2025 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and ICDR and in this Draft Letter of Offer.**

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders was introduced by the SEBI. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, and October 01, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see ***'Terms of the Issue'*** on page no. 93.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

30. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of Equity Shares will not decline below the Issue Price.

31. Any sale of Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. The disposal of Equity Shares by any of our Promoter or the perception that such sales may occur may affect the trading price of the Equity Shares. We cannot assure you that our Promoter will not dispose of, pledge or encumber their Equity Shares in the future.

32. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will be granted by the Stock Exchanges after receiving the relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

EXTERNAL RISK FACTORS

33. ***Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

34. ***Taxes and other levies imposed by the Government of India or other State Governments and any other statutory authorities, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments and any other statutory authorities in India that affect our industry include:

- Custom duties (including anti-dumping duties, etc.) on imports of products;
- Goods and Service Tax;
- Direct Taxes.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

35. ***Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

36. ***Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.***

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

37. ***Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the commercial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, and other acts of violence overseas and in India may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

38. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a signification portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors in its meeting held on 2nd January, 2026 in pursuance of Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions wherein the empowered Rights Issue Committee (RIC) was formed. The Rights Issue Committee in its meeting held on 16th January, 2026 approved the Draft Letter of Offer and other ancillary documents. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by the RIC at its meeting held on 19th February, 2026.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled ***'Terms of the Issue'*** on page no. 93.

EQUITY SHARES OUTSTANDING PRIOR TO THE ISSUE	24,00,49,652 Equity Shares;
RIGHTS EQUITY SHARES OFFERED IN THE ISSUE	Up to 19,20,39,722 Rights Equity Shares*;
EQUITY SHARES OUTSTANDING AFTER THE ISSUE (ASSUMING FULL SUBSCRIPTION FOR AND ALLOTMENT OF THE RIGHTS ENTITLEMENT)	43,20,89,374Equity Shares;
RIGHTS ENTITLEMENT	4 Rights Equity Shares for every 5 Equity Shares held on the Record Date;
RECORD DATE	25.02.2026
FACE VALUE PER EQUITY SHARE	₹ 1/- (Rupee One Only) each;
FRACTIONAL ENTITLEMENT	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the ***Eligible Equity Shareholders is less than 1 Equity Share,*** the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement, if any.
ISSUE PRICE PER EQUITY SHARE	₹ 2.56 including a premium of ₹ 1.56 per Rights Equity Shares.
ISSUE SIZE	Upto 19,20,39,722 Fully Paid Equity Shares of face value of ₹ 1/- each for cash at a price of ₹2.56 (Including a premium of ₹ 1.56 per Rights Equity Share amount upto ₹ 4930 Lakhs;
TERMS OF THE ISSUE	Please refer to the section titled ***'Terms of the Issue'*** beginning on page no. 93;
USE OF ISSUE PROCEEDS	Please refer to the section titled ***'Objects of the Issue'*** beginning on page no. 39;
SECURITY CODE/ SCRIP DETAILS	**ISIN**: INE474E01029 **BSE Scrip Code:** 512608 **NSE Symbol:** BHANDARI **ISIN for Rights Entitlements:** INE474E20037

For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than 1 Equity Share , **the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements.* However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement, if any.

TERMS OF PAYMENT

AMOUNT PAYABLE PER RIGHT EQUITY SHARE	FACE VALUE	PREMIUM	TOTAL
On Application	1/-	1.56	2.56
Total	**1/-**	1.56	2.56

ISSUE SCHEDULE

Issue Opening Date	Friday, 06.03.2026

Last date for On Market Renunciation of Rights*	Monday, 16.03.2026
Last date for Off Market Renunciation of Rights	Wednesday, 18.03.2026
Issue Closing Date**	Friday, 20.03.2026

**Eligible Equity Shareholders are requested to ensure that renunciation through off- market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date*

***The Board of Directors or the empowered Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

GENERAL INFORMATION

Our Company was incorporated as a public company under the name of Bhandari Hosiery Exports Limited on November 25, 1993 under the provisions of the Companies Act, pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab & Chandigarh, bearing Corporate Identification Number L17115PB1993PLC013930 and Certificate for Commencement of Business was issued to our Company on 7th December, 1993. One of the Main Objects of the Company at the time of its incorporation was to take over the running business, along with all assets and liabilities, of partnership firm "Bhandari Hosiery Exports" of Mr. Naresh Bhandari, Ms. Kusum Bhandari, Mr. Nitin Bhandari and Ms. Nitika Bhandari. The Company took over the running business of this Partnership firm, Bhandari Hosiery Exports as on 25.1.1994 as a going concern and the assets and liabilities of the firm were acquired at book value as per the balance sheet of the firm drawn on 25.1.1994 without any revaluation of assets. The Partners of the firm were issued 12,85,000 fully paid-up equity shares of Rs. 10 each of Bhandari Hosiery Exports Limited in consideration of the acquisition of their partnership firm.

The Company successfully came up with its Initial Public Offer (IPO) in year 1994 where fresh 32,47,700 equity shares of Rs. 10 each were allotted at par. The equity shares of our company were listed in year 1994 on BSE and in year 2017 on NSE.

The Company, post IPO, raised further its share capital as per details below to improve upon its production capacities.

(a) By way of Preferential Allotments:

- October 2006 - to Promoters and to Public Shareholders duly complying with the applicable legal provisions. The size of the preferential allotment was Rs. 252 lacs where equity shares of Rs. 10 each were allotted at a share premium of Rs. 8 each.
- March 2008 - to Promoters and to Public (also by way of conversion of share warrants held by Promoters) duly complying with the applicable legal provisions. The size of the preferential allotment was Rs. 270 lacs where equity shares of Rs. 10 each were allotted at a share premium of Rs. 8 each.
- August 2012 - to Public Shareholders duly complying with the applicable legal provisions. The size of the preferential allotment was Rs. 2018.50 lacs where equity shares of Rs. 10 each were allotted at a share premium of Rs. 34 each.

(b) By way of Capitalization of Profits:

- Company capitalized its profits amounting to Rs. 260.95 lacs in year 2011 and allotted Bonus Shares to its Equity Shareholders in the ratio of seven fully paid equity shares against twenty fully paid equity shares held in the Company.

(c) By way of Rights Issue:

- Company issued and allotted 1,69,11,111 number of equity shares of Re. 1 each on Rights Basis in year 2023 at a total price of Rs. 4.50 per share, including premium of Rs. 3.50 per share.
- Company issued and allotted 7,66,11,591 number of equity shares of Re. 1 each on Rights Basis in year 2024 at a total price of Rs. 6.26 per share, including premium of Rs. 5.26 per share.

Promoters of the Company, in the year 2008, acquired equity shares from the non-promoter shareholders of the company through an Open Offer under the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations.

CHANGES IN OUR REGISTERED OFFICE

The registered office of our Company is situated as follow:

ADDRESS		EFFECTIVE FROM	REASON FOR CHANGE
FROM	TO		
Bhandari Building, Chowk Madhopuri, Ludhiana - 141008	Bhandari House, Village Meherban, Rahon Road, Ludhiana – 141007	15th Feb 1995	For general business improvement

REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

BHANDARI HOSIERY EXPORTS LIMITED
Registered Office Address: Bhandari House, Village Meherban, Rahon Road, Ludhiana India, 141 007
Contact No.: +91-8872016434
Email: cs@bhandariexport.com
Website: www.bhandariexport.com
CIN: L17115PB1993PLC013930

ADDRESS OF THE REGISTRAR OF COMPANIES

THE REGISTRAR OF COMPANIES, Punjab and Chandigarh
Address: 1st Floor, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Chandigarh 160 019
Contact No.: 0172-2639415/2639416
Email id: roc.chandigarh@mca.gov.in

BOARD OF DIRECTORS

NAME	DESIGNATION	DIN	ADDRESS
Mr. Nitin Bhandari	Chairman & Managing Director	01385065	Queens Enclave, South City, Ayali Khurd, Ludhiana
Mr. Rohit Kumar Chhabra	Independent Director	11131326	B-36/220 Vikas Nagar, Pakhowal Road, Ludhiana 141002
Mr. Vikas Nayar	Non-Executive Director	00071047	27, SECTOR 18 A, CHANDIGARH 160018
Mr. Rajesh Kumar	Non-Executive Director	05160964	Village Janhan, Post Office Samtana, Hamirpur, Himachal Pradesh 176042
Mrs. Komal Bhalla	Independent Director	09106916	House No. HM 292 PHB Colony, Jamalpur, Focal Point, Ludhiana,141010,
Ms. Alka Gambhir	Independent Director	09044278	House No. 67-B, Civil Lines, Udham Singh Nagar, Ludhiana-141001
Ms. Sharon Arora	Independent Director	09450764	MIG Flat No. 1132, Sector 32, Behind Vardhman Chandigarh Road, Ludhiana 141010

For further details of our Board of Directors, please refer to the section ***'Our Management'*** beginning on page no. 61.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Shilpa Tiwari
Address: House No, 11-A, Pink Avenue, Opp MBD Mall, Ferozepur Road, Ludhiana 141012
Tel No: +91 88 72 01 6434
Email: cs@bhandariexport.com
Website: www.bhandariexport.com

CHIEF FINANCIAL OFFICER

Mr. Deepak Sharma
Address: House No. 1138/1, Street No. 4, Pavittar Nagar, Haibowal Kalan, Ludhiana – 141001.
Tel No: 98 55 45 3001
Email: cfo@bhandariexport.com
Website: www.bhandariexport.com

STATUTORY AUDITOR OF OUR COMPANY

M/s. Raj Gupta & Co., Chartered Accountants
Address: 271, Maya Nagar, Civil Lines, Ludhiana, Punjab 141001
Tel No: 9815643637
Email: carajguptaco@gmail.com
Contact Person: Mr. Sandeep Gupta
Membership No.: 0529774
Firm Registration No.: 000203N
Peer Review No.: 012527

REGISTRAR TO THE ISSUE

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

Address: C-101, 1st Floor, Embassy 247, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India.
Telephone: +91 81081 14949
E-mail: **bhandariexport.rights2026@in.mpms.mufg.com**
Website: www.in.mpms.mufg.com
Investor Grievance E-mail: **bhandariexport.rights2026@in.mpms.mufg.com**
Contact Person: Shanti Gopalakrishnan
SEBI Registration Number: INR000004058

BANKER TO THE ISSUE/ REFUND BANK

State Bank Of India
3rd Floor, Financial Institutions Branch,
Mumbai Main Branch Building,
N G N Vaidya Marg, Horniman Circle,
Fort, **Mumbai 400 001**
Telephone Number: 022-2271 9117/113
Website: www.sbi.co.in
E-mail: nib.11777@sbi.co.in
Contact Person: Mr. Akhilesh Gupta
SEBI Registration Number: **INBI00000028**

BANKERS OF OUR COMPANY

State Bank of India **Address:** IFB Branch, Golden Tower, Dholewal Chowk, GT Road, Ludhiana 141003 **Tel:** 0161-4037008 **Email:** 04046@sbi.co.in **Website:** www.sbi.co.in **Contact Person:** Mr. Pankaj Kumar **SEBI Registration No.:** INBI00000038	**Union Bank of India (earlier Andhra Bank)** **Address:** B-XV-295/B &B-XV-295/c, Near Oswal Street, Millerganj, GT Road, Ludhiana 141003 **Tel:** 0161-2545764-65 **Email: ubin0803405@unionbankofindia.bank** **Website:** www.unionbankofindia.com **Contact Person:** Mr. Nikhil Jain **SEBI Registration No.:** INBI00000006
HDFC Bank **Address:** Focal Point, Industrial Branch, Ludhiana 141010 **Tel:** 061- 61606161 **Email:** pankaj.kumar106@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Mr. Pankaj Kumar **SEBI Registration No.:** INBI000000xx	**South Indian Bank** **Address**: Om Shanti Complex, Cheema Chowk, Ludhiana 141003; **Tel**: 0161-2652404 **Email**: prateeknegi@sib.co.in **Website**: www.southindianbank.com **Person**: Mr. Prateek Negi **SEBI Registration No.**: INBI000000xx

LEGAL ADVISOR TO THE ISSUE

MM Legal Net LLP
Address: Chamber No. 528, District Court Complex, Surajpur, Greater Noida, Uttar Pradesh
Tel: +91-9711131740, 9868463148
Email: legalnet.mm@gmail.com
Contact Person: Mani Mittal (Ms.), Advocate

ADVISOR TO THE ISSUE

Bharat Bhushan Mithal, FCA ACS
Chartered Accountant, Company Secretary
Address: D-157, Sector 40, Noida 201301
Tel: +91 **-** 9818188442
Email: mittalbb.mittal@gmail.com

GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar to the Issue or the Company Secretary & Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled ***'Terms of the Issue'*** beginning on page

no. 93.

EXPERT

Except as stated below, our Company has not obtained any expert opinion.

Our Company has received a written consent dated 8th January, 2026 from the Statutory Auditor, M/s. Raj Gupta & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Annual Financial Statements, Limited Reviewed Quarterly Financial Statements, and the statement of special tax benefits dated 8th January, 2026, included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	Thursday, 26.02.2026
Issue Opening Date	Friday, 06.03.2026
Last Date for On Market Renunciation of Rights Entitlements	Monday, 16.03.2026
Date of Closure of Off-Market Transfer of Rights Entitlements#	Wednesday, 18.03.2026
Issue Closing Date*	Friday, 20.03.2026
Finalization of Basis of Allotment (on or about)	Monday, 23.03.2026
Date of Allotment (on or about)	Monday, 23.03.2026
Date of credit (on or about)	Tuesday, 24.03.2026
Date of listing (on or about)	Wednesday, 25.03.2026

#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;

**Our Board or the Rights Issue Committee, the duly authorized committee, will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date i.e. by Monday, 16.03.2026 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., by Wednesday, 18.03.2026.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled ***'Terms of the Issue'*** beginning on page no. 93.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.in.mpms.mufg.com after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled ***'Terms of the Issue'*** beginning on page no. 93.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As this proposed Issue is of Rights Equity Shares, the appointment of a Credit Rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Rights Equity Shares, the appointment of Debenture Trustee is not required.

MONITORING AGENCY

Name : Crisil Ratings Limited
Address: Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai 400 072
Email: crisilratingdesk@crisil.com
Investor Grievance Email Id: crisilratingdesk@crisil.com
Website: www.crisilratings.com
Contact Person: Mr. Shounak Chakravarty
SEBI Registration Number: IN/CRA/001/1999

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been removed. Therefore, the Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be filed with SEBI for information and dissemination and will be filed with the Stock Exchanges.

MINIMUM SUBSCRIPTION

The objects of the Issue do not involve financing of capital expenditure. Further, our Promoters have undertaken that they shall subscribe to the full extent their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favor of any other Promoters or to Specified Investor, if any) subject to the aggregate shareholding of our Promoters being compliant with the minimum public shareholding requirements under the SCRR and the SEBI LODR Regulations.

In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription of 90% is not applicable to the Issue because

(a) The object of the issue involves financing other than financing of capital expenditure for a project; and

(b) The promoters of the issuer have undertaken to subscribe fully to their portion of rights entitlement, and do not renounce their rights except to the extent of renunciation by any of them in favour of any other Promoter/ Promoter Group entity.

In the event of any eventual under subscription, the Rights Issue shall be closed and completed to the extent of the subscription received, including the applications received for additional shares, if any.

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

(Amount in ₹ Lakhs, except data relating to shares)

PARTICULAR	AGGREGATE NOMINAL VALUE	AGGREGATE VALUE AT ISSUE PRICE
Authorized Equity Share capital		
50,00,00,000 Equity Shares of face value of ₹ 1 each	5000.00	NA
Issued, subscribed and paid-up Equity Share capital before this Issue		
24,00,49,652 Equity Shares of face value of ₹ 1 each	2400.50	NA
Present Issue in terms of this Draft Letter of Offer		
19,20,39,722 Equity Shares of face value of ₹ 1 each	1920	4930
Issued, subscribed and paid-up Equity Share capital after the Issue		
43,20,89,374 Fully Paid Equity Shares of face value of ₹ 1 each	4320	NA
Securities Premium account		
Before the Issue		6181.41
After the Issue		9177.23

Notes:

(a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in its meeting conducted on January 2, 2026 wherein empowered Rights Issue Committee was also formed;

(b) Assuming full subscription for allotment of Rights Equity Shares;

(c) Subject to finalization of Basis of Allotment and Allotment;

(d) Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;

2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;

4. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is not required to be disclosed as no exemption is availed under Regulation 3(2) of the SEBI SAST Regulations;

5. As on the date of this Draft Letter of Offer, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

6. As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.

7. None of the Equity Shares held by the Promoters of the Company are locked-in, pledged and encumbered.

8. None of our Promoters acquired any Equity Share of the Company in the last one year prior to the filing of the Draft Letter of Offer except in the Rights Issue of Equity Shares of the Company that was held in the year 2024 and where the shares were allotted on 3rd August 2024.

9. Our Promoter Ms. Nikita Bhandari transferred 100,000 number of her shares held in the Company to our Associate Company/ Promoter Group Company M/s Tikani Exports Limited, as inter-se transfer amongst promoters on the prevailing market price and the same was reported to the Stock Exchanges on 25th June 2025 under Regulation 30(1) of SEBI (LODR) Regulations. Tikani Exports Limited holds 0.04% of the total share capital of the Company as part of the Promoter Group.

10. **Intention and participation by the Promoters**

Our Promoters (including the Promoter Group entity) *vide* their letter dated 16th January, 2026 ("**Subscription Letter**"), have undertaken that they, jointly and/or severally, shall subscribe in the Issue, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter / Promoter Group entity). The acquisition of Rights Equity Shares by our Promoters, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

11. In case this Issue or part of the Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

12. No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue.

13. At any given time, there shall be only one denomination of the Equity Shares of our Company.

14. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up at the time of Allotment.

15. Shareholding Pattern of our company

The shareholding pattern of our Company as on 30th September 2025 is as follows:

a) The details of the shareholding pattern of our Company as on 30th September 2025 can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/bhandari-hosiery-exports-ltd/bhandhos/512608/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BHANDARI&tabIndex=equity

b) The details of shareholders of our Company holding 1% or more of the paid-up capital as on 30th September 2025 can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/bhandari-hosiery-exports-ltd/bhandhos/512608/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BHANDARI&tabIndex=equity

OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue ("**Gross Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") for the following objects (collectively, referred to as the "**Objects**"):

1. To meet long-term working capital requirements of our Company;
2. To pre-pay certain long term debts and
3. General Corporate Purposes.

(collectively, known as "**Objects**")

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. In addition to the aforementioned objects, our Company intends to further strengthen its capital base.

ISSUE PROCEEDS

The details of the Issue Proceeds are set forth in the table below:

(₹ in Lakhs)

PARTICULARS	AMOUNT
Gross Proceeds from the Issue#	**4930**
Less: Estimated Issue related Expenses	100
Net Proceeds from the Issue	**4830**

#Assuming full subscription and allotment.

REQUIREMENT OF FUNDS AND UTILISATION OF PROCEEDS

The proposed use of the Net Proceeds of the Issue by our Company is set forth in the following table:

(₹ in Lakhs)

SR. NO.	PARTICULARS	AMOUNT TO BE DEPLOYED FROM NET PROCEEDS	ESTIMATED DEPLOYMENT OF NET PROCEEDS DURING THE FINANCIAL YEAR ENDED ON 31st March	
			2026	2027
1.	Reduction in long term bank loans	687	687	-
2.	Utilization towards long-term working capital requirement of our Company	3400	3400	xx
3.	General Corporate Purposes $	743	743	xx
	Total Net Proceeds**	**4830**	**4830**	**XX**

***Assuming full subscription in the Issue and subject to the finalization of the basis of Allotment and the allotment of the Rights Equity Shares.*

***$** The amount utilized for General Corporate Purposes shall not exceed 25% of the Gross Proceeds.*

There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, Directors, key managerial personnel or associate companies (as defined under Companies Act, 2013).

Means of Finance

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, or other modes of financing. Our management expects that such alternate arrangements would be available to fund any such shortfall. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management in compliance with all applicable laws and regulations.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds of the Rights Issue. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation

62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Details of the Objects of this Issue

1. To reduce Long Term Debts

To improve the Debt Equity Ratio of the Company and also to reduce time-bound pressure on the Working capital for servicing the Term Loans, the Company proposes pre-payment of part of the existing Term Loans amounting to Rs. 687 lacs as per details below. All the loans availed by us are standard assets and there is no stress.

	Name of Bank	Reference/ date of Sanction	Amount – Rs in Lacs	Charge Id - SRN No.
A	State Bank of India	58I/04046/2022-23/AMT-I/135 Date: 19.10.2022	349	Consolidated charge under Consortium Charge ID 90179719; SRN AA8474045 #
B	HDFC Bank	CAM010807220020 Date 06.08.2022	170	
C	South Indian Bank	SIB/BR/LDH/GEN/339/2022-23 Dated 18.01.2023	115	
D	Union Bank of India	LUD;ADV;174:22-23 Dated 25.05.2022	53	
	Total		**687**	

Date of Creation of charge 22.12.1995; date of last Modification of charge 12.06.2024.

2. To meet Long term working capital requirements of the Company

Our business is working capital intensive and we will need additional working capital for the growth of our business. The aim of our working capital management is to ensure that we are able to continue our operations, increase our business operations and have sufficient cash flow/ Liquidity to satisfy both maturing short-term debt and upcoming operational expenses. Based on our Company's past experience and taking into consideration the business requirements, we expect our working capital for FY 2026 and FY 2027 to be as mentioned below. The long term working capital funds raised through the rights issue under this head will be used to purchase raw material, yarn, fabric and chemicals for buildup of two months inventory by making an advance payment to suppliers to ensure regular supply and smooth manufacturing operations and making payment towards MSME/ pressing creditors and current maturities of term loans. Our Customers are also demanding additional credit period on sales beyond the historical credit period in line with the contemporary market trends. The details of our Company's working capital include "cash and cash equivalents" are tabulated below:

Rs. in lacs

Working Capital Requirement	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**
		Audited	**Audited**	**Projected**	**Projected**
Accounts Receivable	6856	5945	8876	9800	10300
Inventory:					
Raw Material	2126	2518	2021	3450	3550
Work in Process	2457	2614	3003	2800	2800
Finished Goods	2936	2984	2890	2600	2600
Stores and Spares	446	448	365	500	600
Cash and Cash Equivalents	286	192	212	1607	1954
Advances to Suppliers of Raw Materials	517	1448	1884	2400	2400
Advance Tax, GST, Export Incentives	665	894	771	1176	1310
Other Current Assets	90	97	102	200	200
Total Current Assets (TCA)	***16379***	***17140***	***20124***	***24534***	***25714***
Accounts Payable	1272	1796	1014	1000	1050
Short Term Provisions	225	165	260	276	310
Other Current Liabilities	722	1056	852	318	318
Total Current Liabilities (TCL)	***2219***	***3017***	***2126***	***1594***	***1678***
Working Capital (TCA - TCL)	**14160**	**14123**	**17998**	**22939**	**24036**
Funding Pattern:					
Working Capital Loans from Banks	6777	6965	7000	7000	7000

Internal Accruals and Reserves*	7383	7158	10998	12539	17036
Net Proceeds from the Rights Issue to support Working Capital*				3400	

**The final amount shall be dependent on the Rights Issue pricing and/or subscription and shall be adjusted accordingly, In case of any shortfall in the Rights Issue proceeds, due to pricing or due to levels of subscription, such shortfall for funding of the working capital gap shall be fulfilled from Internal Accruals / Short Term Borrowing.*

Basis of Estimation - Holding Period (Number of days)

	Particular Basis		FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
			Audited	Audited	Audited	Projected	Projected
1	Inventories:						
	b. Raw Material	No. of days	37	45	36	60	60
	d. Work in Process	No. of days	39	39	43	39	38
	f. Finished Goods	No. of days	37	44	42	36	35
2	Trade Receivable	No. of days	81	83	116	120	126
3	Trade Payable	No. of days	28	32	18	17	18

Justification for holding period levels

Inventories	**Raw Materials**: The average raw material inventory holding level in FY 2023, FY 2024 and in FY 2025 was 37, 45 days and 36 days respectively, which is expected to be at 60 days for FY 2026 and for FY 2027. We believe that considering the overall economic conditions and the expected sales, this inventory period shall be required to ensure uninterrupted production.
	Work in progress: The average Work in Progress for FY 2023, FY 2024 and FY 2025 have been 39, 39 & 43 days. Our Company streamlined logistics and internal working during the year through better production planning and pre-estimation in sales and as a result expect to reduce work in process to around 39 days in FY 2026 and to around 38 days in FY 27.
	Finished Goods: The average Finished Goods holding period for FY 2023, FY 2024 and FY 2025 remained 37 days, 44 days and 42 days respectively. We expect that average Finished Goods holding period will be reduced to 36 days in FY 2026 and will come down to 35 days in FY 2027. This level of closing stock of Finished Goods shall also result in maintaining cost competitiveness and also in efficient and effective utilisation of working capital.
Receivables / Debtors	The debtors' realization period for FY 2023, FY 2024 and FY 2025 was around 81, 83 and 116 days respectively. We expect the levels to rise to 120 days in FY 2026 and 126 days in FY 2027 due to market conditions, practices and trends.
Payables/ Creditors	During FY 2023, FY 2024 and FY 2025, our average creditors' payment period was around 28 days, 32 days and 18 days respectively. In FY 2026 the average creditors' payment period is expected to be around 17 days and around 18 days in FY 2027.

3. General Corporate Purpose:

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for General Corporate Purposes shall not exceed 25% of the Gross proceeds of the Issue. ***Our Board will have flexibility in applying the balance amount towards general corporate purposes, including funding our growth opportunities i.e. strengthening marketing capabilities and brand building exercises and opting to take any strategic initiatives and incur expenses on such specific strategic projects (salaries and wages, administration expenses), insurance related expenses, meeting of exigencies which our Company may face in the course of business as may be approved by the Board in compliance with all applicable laws and regulations.***"

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The management/board may also plan to partly pay the long term debts other than the debts mentioned in the details of objects of this issue subject to successful completion of right issue. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time in compliance with all applicable laws and regulations.

Deployment of funds

Our Company proposes to deploy major part of the entire Net Proceeds towards the objects as described herein during Fiscal 2026 itself. However, if the Net Proceeds raised are not completely utilised for the objects stated above by Fiscal 2026 due to various factors beyond our control, such as market conditions, competitive environment, and other commercial considerations, the same would be utilised in Fiscal 2027 in compliance with all applicable laws and

regulations. The Board of Directors may utilize the Rights Issue funds for optimum utilization of short term bank limits and maintain liquid funds for smooth working.

Estimated Expenses related to the Issue:

The total expenses to the Issue are estimated below.

Particulars	Amount – Rs. in lacs	% of Estimated Expenses related to the Issue	% of Estimated Issue Size
Advertisements etc.	15	15%	0.30%
Fee of Stock Exchanges	20	20%	0.41%
Fee of NSDL/ CDSL and ASBA related	25	25%	0.51%
ASBA related Fee	15	15%	0.30%
Monitoring Agency	3	3%	0.06%
Fee of Professionals and Legal Advisor	6	6%	0.12%
Printing and Stationery	4	4%	0.08%
RTA Payments	12	12%	0.24%
Total Issue Expenses	**100.00**	**100%**	**2.03%**

APPRAISAL OF THE OBJECTS TO THE ISSUE

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

STRATEGIC AND/ OR FINANCIAL PARTNERS

There are no strategic and financial partners to the Objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds in compliance with all applicable laws and regulations. Pending utilization for the purposes described above, our Company intends to deposit the funds in the Special Account with the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for any investment in the equity markets.

Additionally, in compliance with Regulation 66 of the SEBI ICDR Regulations, our Company confirms that it shall not use the Issue Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or our Group Companies.

MONITORING OF UTILIZATION OF FUNDS

Our Company has appointed M/s Crisil Ratings Limited as the Monitoring Agency for the Issue. Our Board and Monitoring Agency shall monitor the utilization of the Gross Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross 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 instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Director's report, after placing it before the Audit Committee.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, if so required, the notice issued to the Shareholders in relation to the passing of such special resolution (the ***'Postal Ballot Notice'***) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and on in the vernacular language of the jurisdiction where the Registered Office is situated.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

However, consents, permissions and licenses held by the Company so far with respect to Fire, Air and Water will be modified/ revised / validated in normal course of business.

INTEREST OF PROMOTERS AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE

The Promoters and Promoter Group entity of our Company through their letters dated 16th January, 2026, have undertaken to subscribe, in part or in full extent of their Rights Entitlement among themselves or through a Specified Investor, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR.

OTHER CONFIRMATIONS

There is no material existing or anticipated transactions in relation to the utilization of the Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Proceeds will be paid as consideration to any of them. None of our Promoters or Directors are interested in the Objects of the Issue except to the extent of their being the shareholders in the Company. No part of the proceeds from the Issue will be paid by the Company as consideration to our Directors or to our Key Managerial Personnel.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue except as mentioned in the para above dealing with Key Industry Regulations for the Objects of the Issue.

STATEMENT OF TAX BENEFITS
Statement of possible special tax benefits available to the Company and its Shareholders

To
The Board of Directors
Bhandari Hosiery Exports Limited
Bhandari House, Village Meherban, Rahon RoadLudhiana, Punjab
(hereinafter the "**Company**")

Dear Sirs,

Re: Proposed rights issue of equity shares of Face Value of Re. 1/- each (the "Equity Shares") of Bhandari Hosiery Exports Limited (the "Company" and such offering, the "Issue").

We report that, the enclosed statement in the Annexure, there is no special tax benefits under direct tax laws i.e. Income tax Rules, 1962 including amendments made by the Finance Act, 2025 (hereinafter referred to as "Income Tax Laws"), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and Letter of Offer for the proposed rights issue of the Company to the existing shareholders which are available to the Company and its shareholders.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and tothe shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were 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 Issue.

We have conducted our examination in accordance with the '*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*' and *'Guidance Note on the Reports in Company Prospectuses (revised 2019)'* ('**the Guidance Notes**') issued by the Institute of Chartered Accountants of India ('**ICAI**'). The Guidance Notes require that we comply with ethical requirements of the *Code of Ethics* issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, QualityControl for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance andRelated Services Engagements We do not express any opinion or provide any assurance as to whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits ,where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions

indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our 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. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.
This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

Yours faithfully, For and on behalf of
Raj Gupta & Associates
Chartered Accountants
Firm Registration No. FRN 000203N

Sd/
CA Sandeep Gupta
Partner
Membership No. 529774
Place: Ludhiana

Date:08/01/2026
UDI No. 26529774UNMGQO3572

ANNEXURE

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO BHANDARI HOSIERY EXPORTS LIMITED (THE "COMPANY") AND IT'S SHAREHOLDERS

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the "Act")

a) **Special tax benefits available to the Company under the Act -** N.A.

b) ***Special tax benefits available to the shareholders under the Act -*** N.A.

Notes:

a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

b) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

c) The above statement of special tax benefits is as per the current direct tax laws relevant for the assessment year2022-23.

d) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (GSTAct"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "indirect tax")

1) **Special indirect tax benefits available to the Company under the Act - N**.A.
2) ***Special indirect tax benefits available to the shareholders under the Act -*** N.A.

Notes:

a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.

b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

c) This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

d) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-structured or re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. 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, projection forecasts and assumptions that may prove to be incorrect.

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Letter of Offer, including the information in the sections **"Risk Factors"** on page no. 20. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section **"Risk Factors"** on Page No. 20. Accordingly, investors should not place undue reliance on information.*

GLOBAL ECONOMIC OUTLOOK

The global economy is undergoing a period of profound transformation, marked by persistent short-term disruption and heightened uncertainty as well as long-term structural change. The World Economic Forum's latest Chief Economists' Outlook, drawing on a survey of leading chief economists, paints a picture of resilience amid turbulence, but with growth prospects that remain subdued and risks skewed to the downside. In total, 72% of chief economists expect global economic conditions to weaken in the year ahead. Geoeconomic fragmentation is accelerating, with trade tensions at its heart. The US has imposed sweeping tariffs on a large number of economies, prompting a realignment of supply chains and a recalibration of global investment flows. The dollar's sharp depreciation has granted emerging economies greater monetary flexibility, but also amplified the domestic impact of tariffs. Meanwhile, the rapid pace of artificial intelligence (AI) development is adding another layer of uncertainty, with most chief economists expecting the technology to become commercially disruptive within the next year, while views on labour market impacts remain divided.

Regional divergence is increasingly pronounced. The US outlook remains subdued, against a backdrop of major trade policy shifts and elevated inflation risks. Europe's recovery is fragile but improving, buoyed by steady employment and subdued inflation. China's growth remains relatively strong, though momentum is slowing and deflationary risks persist. East Asia and the Pacific faces mounting trade headwinds, while Latin America and the Caribbean continues to make modest progress amid stabilizing inflation. The Middle East and North Africa stands out for their robust growth prospects, driven by resource expansion and diversification, while Sub-Saharan Africa and South Asia face a mixed outlook amid new tariff pressures and policy adjustments. Beneath these regional trends lies a deeper transformation. The global economy is undergoing one of its most turbulent periods in decades, with interconnected shifts reverberating across all domains.

Trade and global value chains are experiencing their most significant disruption in generations, with long-term fragmentation expected to cement new patterns of economic activity. The rise of AI is driving a structural shift in technology and innovation, as well as reshaping energy demand and fueling geopolitical competition over high-tech inputs. Natural resources, energy and the environment are under strain, while the weakening of global economic institutions may exacerbate broader economic vulnerabilities. The chief economists surveyed point to advanced economies' reliance on technology and human capital, with frontier innovation and skills competition driving productivity. Developing economies, by contrast, depend relatively more on access to capital and natural resources, even as technology and human capital remain important. Respondents pointed to the importance of enabling factors such as trade openness, human capital development and innovation ecosystems, but also highlighted that growth is likely to be inhibited by factors including political instability, weak institutions and trade barriers. The reduction in development aid and funding for global institutions is expected to exacerbate health, migration, security and climate risks. These factors carry different weights for developing and advanced economies, and as economies adapt to both short- and long-term shifts, growth pathways are likely to diverge.

The chief economists point to substantial untapped growth potential in developing regions, notably Sub-Saharan

Africa, South Asia, and Latin America and the Caribbean. Unlocking this potential will require political will, targeted financing and a sustained commitment to international collaboration. The global economy is transitioning from short-term disruptions to an emerging new order defined by heightened uncertainty, accelerated innovation and adaptive, multistakeholder responses. The contours of this system remain in flux, presenting both significant risks and transformative opportunities for policy-makers and business leaders alike.

The global economy has shown resilience in the face of major turbulence this year, but the outlook remains weak and risks are firmly skewed to the downside. Conditions remain heavily shaped by developments in the US, where economic orthodoxy is being challenged sharply, particularly on trade and monetary policy. Geopolitical tensions are also casting a long economic shadow, not so much reducing global integration as redrawing it.

Rapid advance of artificial intelligence (AI) is widely expected to trigger significant structural change, even as its precise economic impact remains highly uncertain. The World Economic Forum's latest survey of chief economists reflects this picture of fragility: expectations for 2025 remain subdued, but sentiment has steadied somewhat in recent months as economies adjust to a new set of realities.

The International Monetary Fund (IMF) now projects 3% global GDP (gross domestic product) growth in 2025, a modest upward revision from April's 2.8% forecast, but still well below the 2000-2019 average of 3.7%. Even this limited expansion is notable against the backdrop of extraordinary disruption: the greatest dislocation in global trade in recent memory; conflicts in Ukraine, the Middle East and South Asia; record-breaking climate events; and an ongoing reconfiguration of global economic and geopolitical power.

All major parts of the global economy are undergoing disruptions that the chief economists view as significant and long-lasting. Geoeconomic fragmentation is accelerating. Of respondents surveyed, 82% expect this to intensify in the year ahead, with trade tensions at the heart of this shift. The US has imposed sweeping tariffs on a wide range of its trading partners and introduced new export taxes on domestic chipmakers. These measures have not reduced global trade; in fact, trade volumes increased by $300 billion in the first half of this year, driven by frontloading of shipments ahead of expected tariff changes. Supply chains are realigning with Chinese exporters increasingly redirecting shipments away from the US, even as the US extended a 90-day tariff truce in the context of Chinese pressure on access to strategic resources.

Global investors are recalibrating their positions in response to US policy shifts. The US dollar depreciated by more than 10% since January 2025, the steepest decline since 1973. Seventy eight percent of the chief economists surveyed expect the dollar to weaken further in the year ahead. While this gives emerging and developing economies greater monetary policy flexibility, it also amplifies the domestic impact of tariffs in the US by further raising the cost of imports. The rapid pace of AI development and adoption adds another layer of uncertainty. Sixty-eight percent of respondents now expect AI to become commercially disruptive within the next year, up sharply from 45% in April 2025. The technology's productivity impact might take longer to materialize. There is widespread hope that AI may unleash faster productivity growth, but only 40% of chief economists expect productivity to increase in the year ahead. Although recent OECD (Organisation for Economic Cooperation and Development) estimates suggest that AI could raise labour productivity growth in the G7 by 0.2-1.3 percentage points annually over the next 10 years, chief economists are split on the question of AI-induced labour market disruption.

The global picture masks notable regional variation. While some economies are performing steadily, others face mounting pressure from trade tensions, policy uncertainty and international conflict. Inflation dynamics are diverging, with a particularly stark contrast between the inflationary pressures facing the US and the deflationary challenges confronting China. Fiscal and monetary paths are also fragmented, reflecting different priorities and levels of resilience. The sections that follow highlight major developments across key regions, focusing on growth prospects, policy direction and vulnerabilities.

Growth expectations for South Asia (including INDIA) have softened slightly. Thirty-one percent of chief economists expect strong or very strong growth in the year ahead, down from 33% in April 2025, while the share expecting moderate growth has risen from 55% to 66%. India's growth for 2025 is projected by the IMF at 6.4%, but its manufacturing ambitions face headwinds from newly announced US tariffs of 50% on exports, a development that weighs heavily on the regional outlook. Inflation has eased sharply, creating space for more stable policy settings. India's central bank held rates steady in early August, following a drop in consumer price inflation (CPI) to 1.55% in July, the lowest level since 2017 and before CPI readings rebounded to 2.07% in late August. The government remains committed to a 4.4% budget deficit target and has introduced sweeping changes to the goods and services tax regime. Across South Asia, 64% of surveyed chief economists expect

moderate inflation over the next year, 74% anticipate no change in monetary policy and 80% expect fiscal policy to remain steady.

Developing Economies - For developing economies, by contrast, capital is overwhelmingly seen as the critical input for growth, highlighted by 93% of respondents. Yet access to capital remains a persistent challenge. At the firm level, unmet financing needs are weighing on private-sector growth. In the World Bank's Enterprise Survey, access to finance is identified as the biggest obstacle to business in key regions, including the Middle East and North Africa, East Asia and the Pacific, South Asia, and Sub-Saharan Africa. Public investment is also under pressure, with many developing economies facing net capital outflows as debt-servicing costs increase more rapidly than new disbursements. Resources and energy are also seen as crucial growth inputs for developing economies, as highlighted by 82% of respondents. Two-thirds of developing economies remain commodity dependent, including more than 80% of the world's least-developed countries. This dependence has long been seen as a double-edged sword, leaving countries vulnerable to price volatility on international commodity markets, a risk that 53% of chief economists surveyed expect to increase in the year ahead. Core inputs alone are not sufficient to deliver growth.

Whether economies can translate capital, talent, technology and resources into sustained development depends on a range of enabling factors. These growth drivers include trade openness, skills development, innovation capacity and investment attractiveness. In the context of the recent tariff turmoil, it is perhaps unsurprising that trade and market access was cited most frequently as a key growth driver in the evolving global economy. Fifty-five percent of chief economists included it in their top three for advanced economies, rising to 59% for developing economies.

[Source: https://reports.weforum.org/docs/WEF_Chief_Economists_Outlook_September_2025.pdf]

INDIAN ECONOMIC OUTLOOK

India's economic journey over the past few years has been marked by remarkable growth and a steady rise in its position on the global stage. After overtaking the United Kingdom (UK) to become the fifth largest economy in Q1 FY23, India has continued this upward trajectory to surpass Japan in June 2025 to become the fourth largest economy in the world. With a nominal Gross Domestic Product (GDP) of Rs. 3,31,03,000 crore (US$ 3.78 trillion), India's growth reflects a combination of strong domestic demand and policy reforms positioning the country as a key destination for global capital.

Further, India is projected to reach a GDP of Rs. 4,26,45,000 crore (US$ 5 trillion) by 2027 and is on course to surpass Germany by 2028. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Market Size

India's Real Gross Domestic Product (GDP) or GDP at Constant Prices stood at Rs. 47.89 lakh crore (US$ 544.20 billion) in Q1 of FY26, up from Rs. 44.42 lakh crore (US$ 504.77 billion) in Q1 FY25, registering a growth rate of 7.8%. Nominal GDP or GDP at Current Prices for the same period was estimated at Rs. 86.05 lakh crore (US$ 977.84 billion), compared to Rs. 79.08 lakh crore (US$ 898.64 billion) in the corresponding quarter of the previous year, showing a growth rate of 8.8%.

As on October 14, 2025, India is home to 123 unicorns, with six new startups achieving unicorn status in 2025.

India's current account recorded a deficit of Rs. 21,288 crore (US$ 2.37 billion) in Q1 FY26 (April-June), compared to Rs. 76,282 crore (US$ 8.6 billion) in the same period of FY25, according to the Reserve Bank of India (RBI). The improvement reflects a narrower merchandise trade gap and steady growth in service exports. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With India's economy showing resilient growth, supported by strong domestic demand, policy reforms, and a healthy investment pipeline, several new projects and developments are underway across key sectors. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- On the FDI front, according to the Department for Promotion of Industry and Internal Trade (DPIIT), India's cumulative FDI inflow stood at Rs. 97,22,411 crore (US$ 1.09 trillion) between April 2000-June 2025; with major share coming from Singapore at Rs. 12,57,392 crore (US$ 142.88 billion) with a total share of 24%, followed by Mauritius at Rs. 11,10,692 crore (US$ 126.22 billion) with 21%, the USA at Rs. 5,41,654 crore (US$ 61.56 billion) with 10%, the Netherlands at Rs. 3,68,694 crore (US$ 41.90 billion) with 7%, and Japan at Rs. 2,88,090 crore (US$ 32.74 billion) with 6%.

- As on October 3, 2025, India's foreign exchange reserves stood at Rs. 62,14,364 crore (US$ 701.24 billion).

- India registered 301 Private Equity (PE) deals worth Rs. 49,745 crore (US$ 5.7 billion) in Q3 2025, recording a 7% rise over the previous quarter. India-focused PE-VC funds raised Rs. 21,576 crore (US$ 2.47 billion) across 22 funds, a 148% YoY increase, driven by strong inflows into the IT & ITeS sector (US$ 2.4 billion). Mumbai led in investment value, while Bangalore topped in deal volume, reaffirming their positions as India's leading investment hubs.

- Foreign Institutional Investors (FIIs) have been net sellers in the Indian equity market since July, withdrawing over Rs. 1 lakh crore (US$ 11.36 billion) between July 1, 2025, and September 8, 2025, including Rs. 7,800 crore (US$ 886.4 million) in September, while in August 2025, Domestic Institutional Investors (DIIs) recorded their 25th straight month of net inflows, investing Rs. 94,829 crore (US$ 10.8 billion), the highest in 10 months. In the first five months of FY26, DIIs invested Rs. 3.24 lakh crore (US$ 37.6 billion), already 53% of the total investment made in FY25.

- India's manufacturing sector strengthened further in August 2025, supported by firm demand that drove higher factory orders and production. Firms increased input purchases and hiring, backed by improved business confidence. Input inventories continued to rise and finished goods stocks expanded for the first time in nine months. The HSBC India Manufacturing Purchasing Managers' Index (PMI) rose from 59.1 in July to 59.3 in August, marking the strongest improvement in operating conditions in over 17 years, with moderate cost pressures and a sharper rise in selling prices.

- India's Consumer Price Index (CPI)-based inflation eased to an over eight-year low of 1.54% in September 2025, down from 2.05% in August 2025, driven by lower food and fuel prices, according to data from the Ministry of Statistics and Program Implementation (MOSPI).

- India's GST collections reached an all-time high of Rs. 2.37 lakh crore (US$ 26.93 billion) in April 2025, rising 12.6% YoY. The growth was supported by strong domestic demand and higher imports, with domestic revenues up 10.7% and import revenues up 20.8%.

- Indian airlines carried over 1.36 crore passengers (13.6 million) in June 2025, marking an increase from the same period last year, as per official data.

- The government is focusing on renewable energy sources and has achieved a major clean energy milestone by generating 50% of its power from renewable sources, five years ahead of its 2030 target. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.

- In May 2025, the overall Index of Industrial Production (IIP) stood at 156.6 (base 2011–12 = 100), reflecting a YoY growth of 1.2%. The mining, manufacturing and electricity sectors stood at 136.6, 154.3 and 216 respectively.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.

- India's wheat procurement for FY26 has reached 29.7 million tonnes as of May 22, 2025, the highest in four years and up 13.5% YoY. Strong production of 115.43 million tonnes, favourable weather, and bonuses above the Minimum Support Price (MSP) in key states have driven this growth. The Food Corporation of India expects procurement to hit 32.5 million tonnes by season end, raising stocks to 44 million tonnes, well above the 18.4 million tonnes needed for the Public Distribution System.

Road Ahead – India's economy grew by 6.5% in FY25. With a 7.4% growth rate in Q4 FY25, the RBI has revised India's GDP growth forecast for FY26 upwards to 6.8% from earlier estimate of 6.5%.India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. In 2024, India rose to 15th place globally in FDI rankings and retained its position as South Asia's top recipient.

In H1 FY25, India's growth-focused approach was underscored by the government's capital expenditure outlay of Rs. 15,02,000 crore (US$ 176 billion), reinforcing its commitment to infrastructure-led development. In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10% to Rs. 11,21,000 crore (US$ 131 billion) over Rs. 10,18,000 crore (US$ 119 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.
India's total goods and service exports surged by 76% over the past decade, touching Rs. 70,36,425 crore (US$ 825 billion) in FY25, driven by strong performance in engineering goods, electronics, and pharmaceuticals. With a reduction in port congestion, supply networks are being restored. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.
(Source: Indian Economy: Overview, Market Size, Growth, Development, Statistics...IBEF)

INDIAN TEXTILE INDUSTRY & GARMENTS MARKET

India's textiles sector is one of the oldest and most diverse industries in the country, with roots stretching back centuries. It spans from traditional hand-spun and handwoven clusters to sophisticated capital-intensive mills, supported by a robust base of fibres and yarns ranging from cotton, jute, silk, and wool to polyester, viscose, and acrylic. The decentralised power loom, hosiery, and knitting segment remains the largest component, reflecting the industry's ability to cater to multiple consumer markets. Its close linkage with agriculture, reliance on natural resources like cotton, and strong cultural heritage give the Indian textiles industry a unique identity compared to other manufacturing sectors.

Over the years, India has built the capacity to serve a wide spectrum of demand, from affordable mass-market apparel to niche high-value categories, both domestically and internationally. The industry today employs more than 45 million people, underlining its role as one of the country's largest generators of livelihoods. Forecasts suggest the domestic textile and apparel market could reach US$ 225 billion by 2025, growing at 10-12% annually, with exports expected to rise sharply in parallel.

To sustain competitiveness and attract investment, the government has been actively supporting the sector through targeted initiatives such as the Scheme for Integrated Textile Parks (SITP), the Technology Upgradation Fund Scheme (TUFS), and the Mega Integrated Textile Region and Apparel (MITRA) Park scheme. These measures, along with new investments in technology, innovation, and design, are positioning the textiles sector not only as one of India's oldest industries but also as one of its most future-ready.

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 2.3 billion by 2030. India ranks among the top five global exporters in several textile categories, with exports expected to reach US$ 100 billion. The textiles and apparel industry now contributes approximately 2% of India's GDP and about 11% of manufacturing GVA (Gross Value Added) as of August 2025. The textile industry in India is predicted to double its contribution to the GDP to approximately 5% by the end of this decade. Global fibre demand is expected to reach around 149 million tonnes in 2030, with increasing population and growth in per-capita consumption.

The Indian Technical Textiles market is the fifth largest in the world. The technical textiles industry was valued at US$ 29 billion in 2024 and is projected to grow to US$ 45 billion by 2026, US$ 123 billion by 2035, and US$ 309 billion by 2047. The India mobiltech textile market (a division of technical textiles for automotive use) is projected

to grow from US$ 2.32 billion in FY25 to US$ 4.57 billion by FY33, at a CAGR of 8.84%. This growth is driven by rising demand for advanced materials, electric vehicles, and sustainability focus. India's sports technology market was valued at US$ 185.3 million in 2023 and is projected to reach US$ 830.3 million by 2030, growing at a CAGR of 23.9% from 2024 to 2030. India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reach US$ 23.32 billion in 2032 from US$ 10.78 billion in 2023. Technical textiles are revolutionizing the textile industry in India by offering innovative solutions across various sectors. These specialized fabrics are designed for specific performance attributes and applications, ranging from automotive and aerospace to healthcare and construction. With a growing emphasis on technology and research, India is positioning itself as a global leader in this field, leveraging its strong textile heritage and advanced manufacturing capabilities.

The Indian composites market is expected to reach an estimated value of US$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027. India is the world's largest producer of cotton. India's total production of cotton in the 2024-25 season have been estimated at 302.25 lakh bales of 170 kgs. In current cotton season 2024-25, up to March 31, 2025, Government of India, through its nodal agency, the Cotton Corporation of India Ltd. (CCI) under Ministry of Textiles has successfully procured 525 lakh quintals of seed cotton, equivalent to 100 lakh bales, under Minimum Support Price (MSP) operations. This procurement accounts for 38% of the total cotton arrivals of 263 lakh bales and 34% of the estimated total cotton production of 294.25 lakh bales in the country.

India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics. The global apparel market was valued at US$ 1.8 trillion in 2024 and is expected to grow at a CAGR of over 3.3% from 2025 to 2034. Growth is driven by rising demand for casualwear and athleisure, social media trends, higher disposable incomes, and e-commerce expansion.

In FY26 (April-June 2025) the total exports of textiles and apparels (incl. handicrafts) stood at US$ 9.40 billion. Ready Made Garments (RMG) category with export of US$ 4,193 million has the largest share (45%) in the total exports US$ 9.40 billion during FY26 (April-June 2025), followed by Cotton Textiles (30%, US$ 2,860 million), Man- Made Textiles (12%, US$ 1,167 million). The sector employs over 45 million people and produces approximately 22,000 million pieces of garments annually.

Road Ahead

The future of India's textiles industry looks promising, supported by rising domestic demand, growing exports, and policy interventions that are strengthening competitiveness. The sector, which already contributes around 2% to GDP and employs over 45 million people, is expected to see its share in the economy nearly double by the end of the decade.

Technical textiles will play a pivotal role in this growth. The segment, valued at US$ 29 billion in FY24, is projected to expand rapidly, reaching US$ 45 billion by 2026 and continuing on a strong trajectory thereafter. Within this, mobiltech textiles for automotive use are expected to nearly double from US$ 2.32 billion in FY25 to US$ 4.57 billion by FY33, driven by the rise of electric vehicles and demand for advanced materials.

Sustainability and innovation are emerging as defining themes for the industry. Companies are increasingly adopting eco-friendly processes and recyclable fibres to align with global trends, while government schemes like MITRA Parks and support for integrated textile hubs are encouraging value addition and modernisation.

With household incomes rising, urbanisation expanding, and demand from sectors like housing, healthcare, and hospitality growing steadily, India's textile and apparel market is projected to reach US$ 350 billion by 2030. This positions India not only to strengthen its domestic market but also to expand its global footprint in textiles and apparel.

References: *Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24, Union Budget 2025-26*

GOVERNMENT INITIATIVES – Indian Textile Industry and Garments

Indian government has come up with several export promotion policies for the textile sector. It has also allowed 100% FDI in the sector under the automatic route. Other initiatives taken by the Government of India are:

- In July 2025, the Union Minister of Textiles, Mr. Giriraj Singh has approved a Rs. 1,894 crore (US$ 216.09

million) plan for the PM MITRA Park in Virudhunagar, Tamil Nadu. Spanning 1,052 acres, the park will focus on technical textiles and integrated processing. Targeted for completion by September 2026, it is expected to attract Rs. 10,000 crore (US$ 1.14 billion) in investments and create one lakh jobs.

- In April 2025, Madhya Pradesh has secured approval for the Rs. 2,100 crore (US$ 239.59 million) PM MITRA Park, a project poised to revolutionize the state's textile industry. This integrated park, spanning 2,100 acres, will feature advanced facilities and residential complexes, attracting significant investment and creating numerous jobs.

- The government signed an MoU with the Brand & Sourcing Leaders' Association to boost Madhya Pradesh's textile sector, aligning with the PM MITRA Park in Dhar. Over Rs. 16,000 crore (US$ 1.83 billion) in investment intent letters have been received, with Rs. 3,500 crore (US$ 399.32 million) already invested. The state is promoting organic cotton and modern textile infrastructure under India's Five 'F' Vision.

- The Khadi and Village Industries Commission (KVIC) recorded a record turnover of US$ 20.5 billion in 2024-25, marking a strong revival of Khadi. A 20% wage hike for spinners will take effect from April 2025 to support artisans. Rising demand, job creation, and modern design innovations are driving Khadi's transformation into a sustainable fashion choice for younger generations.

- The Samarth Scheme extended for FY25 and FY26 with Rs. 495 crore (US$ 56.6 million) budget, aims to train three lakh people in textile skills. It is demand-driven, placement-focused, covers the entire textile value chain except spinning and weaving, and supports job creation and productivity enhancement. As of July 2025, over 4.57 lakh beneficiaries have been trained, with 3.55 lakh placed, including 88% women.

- As of March 2025, about 1.8 lakh weavers, artisans, and handloom-related entities have been registered on the Government e-Marketplace (GeM) portal.

- The Central government aims to achieve Rs. 86,680 crore (US$ 10 billion) in technical textile exports under the National Technical Textiles Mission, launched in FY21 and extended until FY26 with a financial outlay of Rs. 1,480 crore (US$ 170.74 million). India's technical textile exports range between Rs. 17,336 crore (US$ 2 billion) and Rs. 26,004 crore (US$ 3 billion).

- The Prime Minister Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme aims to establish 7 world-class mega textile parks with state-of-the-art infrastructure, plug-and-play facilities, and a fully integrated textile value chain with a total investment of US$ 541.82 million (Rs. 4,445 crore) for the years up to 2027-28 was approved by the government. These parks are expected to attract investments worth Rs. 85,370 crore (US$ 10 billion).

- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.

- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.

- Textile Minister of India discussed the roadmap to achieve the target of US$ 250 billion in textiles production and US$ 100 billion in exports by 2030.

- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.

- In June 2023, the Government approved R&D projects worth US$ 7.4 million (Rs. 61.09 crore) in the textile sector.

- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.

- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US$ 536.4 million). Out of this, Rs. 900 crore (US$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US$ 54.99 million) for National Technical Textiles Mission,

and Rs. 60 crore (US$ 7.33 million) for Integrated Processing Development Scheme.

(Source https://www.ibef.org/industry/textiles)

PEER COMPARISIONS

There are no precisely comparable listed companies that can be referred here as Peer Group of our company.

BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our plans and strategies, contain forward- looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk.

*For a discussion of certain risks in connection with investment in the Equity Shares, you should read **'Risk Factors'** on Page No. 20, for a discussion of the risks and uncertainties related to those statements, as well as **'Financial Information'** and **'Management's Discussion and Analysis of Financial Condition and Results of Operations'** on pages 68 and 73 respectively, 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. Unless otherwise stated, the financial information used in this section is derived from our Financial Statements.*

OUR BUSINESS

Bhandari Hosiery Exports Limited (BHEL) is one of the leading manufacturers of Knitted Fabric and Garments with strong designing capability. The products are sold by the Company to its domestic and international customers. Over the years, BHEL has established a strong loyal customer base in various countries across continents.

The Company owns State of the Art production facility with designing capability equipped with latest equipment and technology at village Meherban, Rahon Road, Ludhiana, Punjab, India. Ludhiana is an established market place for knitted fabric, garments and embroidery. Ludhiana is extremely well connected with the entire country and with abundant availability of skilled and semi-skilled work force.

MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. To acquire and takeover as a going concern the business now being carried on at Ludhiana under the name & style of "Bhandari Hosiery Exports" together with all or any of the assets, rights, privileges and liabilities of that partnership business used in connection therewith or belonging thereto with effect from such date and upon such terms and conditions as may be negotiated and decided by the Directors of the Company, for consideration either by way of allotment of shares in the Company or in cash or partly in one way and parly in other and after such takeover the above firm shall cease to exist.
2. To manufacture, make, produce, cultivate, process, re-process, consume, formulate, prepare, bale, double, cure, comb, blend, spin, weave, gin, refine, alter, convert, exchange, pack, bleach, dye, print, tuft, buy, sell, store, supply distribute, finish, scour, size and otherwise deal in all kinds, descriptions and grades of cotton, silk, linen, nylon, terene, terelene, rayon, jute, hemp, textile, flax, silk, wool, yarn threads, hair, coir, sisai, fiber and fibrous substances, wool, hairs. Carpets, druggist, rugs, floor coverings, linen, cloth, textile, fabrics, felted, netted, looped or flocked staple fiber, other natural, synthetic, man-made fibers and/or fibrous substances including polyesters, poly-acryulonitrate, poluvinyl, acetate, cashmillon, acrylic, fabrics, poly propylene, polymers, monomers, elastomers and resins of all grades and compolymer formulations and forms or as processed goods, poluthelene, polythrene, polyvinyl, chloride, polymethyl, methacy-late, epoxy resins, alykyed resins, melamine polycarbonate, polyamides and all other fibres, allied products, by- products and substitute for or any of them, or dealers of material from the waste realized from the above mentioned products either on its own account or on commission basis.
3. To carry on the business as drapers, dealers, manufacturers, importers, exporters, preparers, buyers, sellers, merchants and financiers of furnishing fabrics, readymade garments, apparel, outfit, knitwear, dress and mantile makers, silk mercers, makers and suppliers of clothing waste of every kind fumers, drapers, haber dashers, milliners, hosiers, gloves makers, lace makers, rope makers, felt and tarpauline makers, feather dressers, tapes and such other articles as may be conveniently produced or manufactured and other woven and knitted fabrics and fabricated cotton, raw cotton, jute, silk, wool, nylon, acrylics, rayon, polyester, velvet or any other type of man made fabrics by whatever name called or made under any process, whether natural or artificial and my mechanical or other means, dealers in and manufacturers of yarn, fabrics, and dealers of materials or all kinds.
4. To carry on the business of manufacturing machinery or providing consultancy or to render designing and engineering services and provide technical knowhow to run and maintain plants and machinery for manufacture of all or any of the above types of goods, materials, raw materials thereof.
5. To carry on the business of dealers, exporters and importers, processors, representatives, agents of all kinds of goods and merchandise whether manufactured by the Company or not and as financiers thereof.

6. To establish, purchase, sell, take or lease, hire or otherwise acquire and work any textile mills, handlooms, powered looms, cotton, ginning and pressing factory, jute, hemp or other fiber presses, spinning mills, weaving mills, waste plant process, for pressing merchandise into bales process, buy, sell, import, export, pledge, speculate enter into forward transaction or otherwise deal in jute, cotton, kapas, cotton, seed, flex, hemp, silk and products made thereof.

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

SR. NO.	PARTICULARS	DATE OF MEETING	TYPE OF MEETING
1.	Clause V of the Memorandum of Association of the Company: Increasing the Authorized Share Capital of the Company from Rs. 5,00,00,000/- (Rupees Five Crores only) comprising of 50,00,000(Fifty lacs) equity shares of face value of Rs. 10.00/- (Rupees Ten Only) each to Rs. 12,00,00,000 /- (Rupees Twelve Crores only) comprising of 1,20,00,000 (One crore and twenty lakhs) equity shares of face value of Rs. 10.00/- (Rupees Ten only) each;	25.02.1995	Resolution dated 25th February, 1995 of Board of Directors
2.	Clause V of the Memorandum of Association of the Company: Increasing the Authorized Share Capital of the Company from Rs. 12,00,00,000/- (Rupees Twelve Crores only) comprising of 1,20,00,000(one crore and twenty lakhs) equity shares of face value of Rs. 10.00/-(Rupees Ten Only) each to Rs. 25,00,00,000 /- (Rupees Twenty five Crores only) comprising of 2,50,00,000 (Two crore and Fifty lakhs) equity shares of face value of Rs. 10.00/- (Rupees Ten only) each;	26.10.2006	Resolution dated 26th October, 2006 of Board of Directors
3.	Sub-division of One Equity Share of Rs. 10 each to Ten Equity Shares of Re.1/= each. Present Authorised Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five crores only) comprising of 25,00,00,000 (Twenty Five crores) equity shares of face value of Re. 1/= each.	29.01.2016	Resolution passed by members of the Company vide Postal Ballot, results declared on 29.01.2016

BUSINESS OPERATIONS OF OUR COMPANY

Our Company is a Knitted Fabric and Garment manufacturer with designing capabilities and with fabric dyeing and fabric processing. Our Company also manufactures processes and trades dyed and un-dyed fabrics.

Our manufacturing unit is located at Bhandari House, Village Meherban, Rahon Road, Ludhiana-141007, Punjab, India.

The products of the Company are knitted hosiery garments such as t-shirts, pullovers, sweat shirts, barmudas, polo-shirts, track suits, pajamas, lowers, ladies knitted tops with embroidery and prints etc. These products are sold in domestic as well as overseas markets.

Company has no Brands of its own.

Company has not imported any technology from abroad. However, the company has been using imported machinery and in the process is making efforts for absorption of latest technology. Company has necessary research and quality control facilities. These efforts have resulted into improvement in efficiency and in quality and reduction in cost of production.

PRODUCTION FACILITIES, CAPACITIES & PROCESSES

We operate at our manufacturing facility fabric knitting, Fabric Dying, and fabric stentor and compactor processing along with garment manufacturing. Part of the dying and processing capacity is also used for job work.

Our main production processes include knitting, dyeing, cutting, sewing, finishing, packing and dispatch of

knitted garments. Production processes and storage is performed in seven building blocks all situated at the same location.

The manufacturing unit of the Company is accredited and rated by "amfori BSCI" [https://www.amfori.org/content/amfori-bsci]. We hold amfori ID – 356-001020-002 and we were successfully rated by way of a full audit , Full Audit By SMETA-sedex report reference no. ZAA600041300 and also certified by BMG for quality certification for ISO 9001 :2015 valid for three years i.e. till 16.01.2027.

RAW MATERIALS

Cotton, Spun and polyester yarns of different counts (fineness) and twist is used as a raw material for manufacturing of knitted fabrics which is sourced from yarn spinning mills in north India from Punjab, Himachal Pradesh and Rajasthan and also from the south India where there are numerous export-quality spinning mills using cottons of right 'micronaire' value. Cotton yarns of usable counts 1/20s, 1/24s, 1/30s and 1/34s are being produced by few nearby mills in the Derabassi-Lalru area in Punjab and Baddi-Nalagarh area in Himachal Pradesh.

Specially blended yarns like cotton-lycra, cotton modal, viscose etc. are also used for knitting fabrics and is procured from specialized suppliers/ manufacturers depending upon the quantity needed.

Prices of our Raw material are determined by market forces of demand and supply and are also based on the market prices of the base raw-material i.e. cotton, polyester filament and viscose etc.

Quality Dyes and Chemicals are required for processing fabrics.

Primary and secondary packing material is procured for packing and dispatches of finished garments.

MANUFACTURING AND OTHER PROCESSES

Our Plant at Ludhiana is engaged in the following manufacturing processes.

- Yarn Purchase
- Knitting
- Dyeing/ Washing
- Fabric Finishing (Stenter/ Compaction)
- Rotary Printing
- Cutting
- Printing/ Embroidery
- Stitching
- T-cutting/ Raw checking/ Final checking
- Packing
- Dispatch

UTILISATION CAPACIT OF OUR COMPANY

	FINANCIAL YEAR 2025-26 Q1 + Q2			FINANCIAL YEAR 2025			FINANCIAL YEAR 2024		
FACILITY/ Unit of measurement	Installed Capacity	Processed Quantity	Capacity Utilization *(%)	Installed Capacity	Processed Quantity	Capacity Utilization (%)	Installed Capacity	Processed Quantity	Capacity Utilization (%)
Fabric Processing (MT)	6000	2475	82.50	6000	5188	86.47%	6000	5273	87.88%
Garment manufacturing (pieces)	2100000	698500	66.52	2100000	1392579	66.31%	2100000	1457665	70%
Fabric Printing (TPA) *	900	275	61.11	900	224	25%	900		-

*Fabric Printing equipment was installed in the last week of March 2024.

Collaborations

We do not have any collaborations currently.

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("CSR") policy approved by the Board. We have set up a CSR committee in compliance with the requirements of the Companies Act and the relevant rules. We understand our

responsibility towards the society in which it operates and is initiating small but significant steps in bringing positive changes in the environment for sustainable development taking into the consideration the interest of various stakeholders with the rapidly changing corporate environment, more functional autonomy, operational freedom etc.

Insurance

All properties and insurable interests of the Company including buildings, plant & machinery and stocks have been adequately insured. We have obtained following insurance policies from United India Insurance Company Limited.

- Standard Fire and Special Perils Policy – Building and Stocks
- Machinery Breakdown Insurance Policy – Machinery
- Burglary First Loss Policy – Stock in trade or all sort of goods in the custody of the Insured
- Boiler and Pressure Plant Insurance Policy –
- Public Liability Industrial Policy – with indemnity cover for Garment Makers

These policies insure our building, furniture, fittings, office equipment, machinery, inventory of whatever kind, any other office contents from earthquake, fire, etc. and also against machinery breakdown.

Although, we will take appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

Human Resources

Throughout the year under review, the Company continues to make strides towards improving HR processes and practices to build the organization for long-term sustainability. The Company emphasizes on fostering personal growth and development within an environment that promotes professionalism and excellent performance. The Company has focused on developing staff capabilities as this will enable it to achieve higher operational standards.

Following is a department wise employee break-up:

DEPARTMENT	No.	Department	No.
Accounts	10	Grey Fabrics	8
Administration	8	HR Department	4
Boiler	10	House Keeping	4
Cutting Department	8	Knitting	6
Color Store	8	Laboratory	11
Dispatch	7	Merchandising	13
Dyeing	34	Maintenance	9
Dyeing and Finishing	37	Printing	27
Electrical	11	Sample Department	10
Embroider	3	Stitching	89
ETP	8	Stores	2
EDP	6	Security	13
Exports	1	Quality Control Department	5
Fabric	6	Yarn Stores	4
Finishing	16	**Total**	**378**

The total strength of employees may vary due to fresh appointments or resignations from time to time. The Company is authorized to employ upto 500 employees as per its license issued under the provisions of the Factories Act.

Retirement Benefits offered to the work force are :

a.	Short term benefits	Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
b.	Long term post retirement	Post retirement benefits comprise of Provident fund and gratuity which are accounted for as follows:

	i. Provident fund	This is a defined contribution plan, and contributions made to the fund are charged to revenue. The company has no further obligation for future provident fund benefits other than monthly contribution.
	ii. Gratuity fund	This is a defined benefit plan. The liability of the company is determined based on the actuarial valuation using projected unit credit method. Actuarial gains and losses are recognized in full in the Statement of profit and loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as per Actuarial Valuation.
	iii. Leave with wages	Provisions for leave with wages are made on the basis of leave accrued to the employee during the year.

Competition

We face competition from other manufactures of Garments and Apparels products in the domestic market as well as in international market. Even with a diversified product portfolio, quality approach, modern and innovation-based technology we may have to face competitive pressures. We believe the principal elements of competition in our industry are price, quality, timely delivery and reliability. We compete against our competitors by establishing ourselves as a product-based Company driven by plans to introduce new designs and products that have good market value and satisfy a wide range of customers.

Health Safety and Environment

We aim to comply with applicable health and safety regulations and other requirements in our operations. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and warehouses, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. Our policy with respect to health, safety and environment intends to:

- Manage and maintain health, safety and ergonomics at the workplace.
- Prevent incidents and occupational health hazards.
- Provide Personal Protective Equipment (PPE) as per designated area of activity.
- To ensure upkeep and proper housekeeping of the entire plant premises.
- Follow a documented emergency evacuation procedure and communication protocol.
- Have regular interaction with employees regarding matters affecting their health and safety.
- To ensure adequate ventilation and illumination for a safe and ergonomic workplace.
- To reuse and recycle packaging material.
- Efficient use of water and energy.
- To review and revise policy regularly.

MARKETING & DISTRIBUTION NETWORK

The Company sells its products to identified wholesale customers and through them our products are sold out to actual users of more than 15 states across India. Our exports are primarily to buyers from Mexico, Spain, Dubai, Kenya, Qatar and Ethiopia.

However, we are yet to establish our own brand.

OUR STRENGTHS

Experienced Promoters and Locational Advantage:
Company's promoters have decades-long experience in the business of Textiles and apparel and is having long standing relationships with suppliers and customers.

Location:
Ludhiana is an established market for fabric as well as for knitted printed garments with regular visits of buyers in this established market which also enjoys cordial proximity for the raw material providing yarn mills/ fabric mills.

Sound Market Position and Trusted Strong Clientele:
The Company has its own strong and trusted customer clientele which is comfortable with and supportive to the efforts being made by the company of introducing new designs and also experimenting with modifications in fabric textures. Majority of customers enjoy full comfort and confidence while working with the company which is so essential for long term relationships.

Efficient working capital management :
Company efficiently manages its working capital, with adequate inventory levels and moderate debtors' cycle. Efforts are on to further streamline the same in fiscal 2025-26 and onwards.

Sound operating efficiency:
The healthy operating efficiency is reflected in healthy return on capital employed backed by low yet improving operating margin and faster rotation of capital and scaling-up of operations. The average capacity utilization in last three audited financial years remained 76.12% in case of Fabric Processing and 95.38% in case of Garment manufacturing. Fabric Printing capacities were installed only during the last quarter of Q4 of FY 24 and its impact will be felt in FY 25 and onwards in the form of better margins and high value-added products.

Credit Rating – Long Term and Short Term - Upward revision in April 2025

CRISIL Limited has provided following rating action on the credit ratings vide their Report dated 30th April 2025. Credit Ratings have been "retained" for Long Term to be CRISIL BBB/Stable and for Short Term CRISIL A3+.

SN	Bank Facility	Bank	Amount (Rs. in lacs)	Outstanding Rating
1	Bank Guarantee	State Bank of India	20	CRISIL A3
2	Cash Credit	The South Indian Bank Limited	1000	CRISIL BBB-/Stable
3	Cash Credit	State Bank of India	4100	CRISIL BBB-/Stable
4	Cash Credit	HDFC Bank Limited	1000	CRISIL BBB-/Stable
5	Foreign Exchange Forward	State Bank of India	24	CRISIL A3
6	Proposed Fund Based Bank Limits	State Bank of India	1914	CRISIL BBB-/Stable
7	Proposed Long Term Bank Loan Facility	-	1620	CRISIL BBB-/Stable
8	Standby Line of Credit	State Bank of India	200	CRISIL BBB-/Stable
11	WC Demand Loan	HDFC Bank Limited	244	CRISIL BBB-/Stable
12	WC Demand Loan	State Bank of India	420	CRISIL BBB-/Stable
13	WC Demand Loan	The South Indian Bank Limited	140	CRISIL BBB-/Stable
14	WC Demand Loan	Union Bank of India	1909	CRISIL BBB-/Stable
	Total		**12591**	

OUR MANAGEMENT

BOARD OF DIRECTORS

Articles No. 85 of our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 14 (Fourteen) Directors, unless otherwise determined by our Company in a General Meeting.

As on date of this Draft Letter of Offer, our Company currently has 7 (Seven) directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

NAME, DESIGNATION, ADDRESS, OCCUPATION, TERM, NATIONALITY, DATE OF BIRTH AND DIN	AGE	OTHER DIRECTORSHIPS
Mr. Nitin Bhandari **Designation:** Chairman & Managing Director **DIN: 01385065** **Date of Birth: 24th August 1983** **Occupation :** Business **Address:** Queens Enclave, South City, Ayali Khurd, Ludhiana **Nationality:** Indian **Original Date of Appointment: 29th Sep 2015**	42	• Tikani Exports Limited
Mr. Vikas Nayar **Designation:** Non Executive Director **DIN: 0071047** **Date of Birth:** 11th Oct 1973 **Occupation :** Business **Address:** 27, SECTOR 18 A, CHANDIGARH 160018 **Nationality:** Indian **Original Date of Appointment:** 29th October, 2004	52	
Mr. Rajesh Kumar **Designation:** Non Executive Director **DIN: 05160964** **Date of Birth: 20th February 1971** **Occupation :** Business **Address:** Village Janhan, Post Office Samtana, Hamirpur, Himachal Pradesh 176042 **Nationality:** Indian **Original Date of Appointment:** 17th March 2020	55	
Mr. Rohit Kumar Chhabra **Designation:** Independent Director **DIN:** 11131326 **Date of Birth:** 11th December 1982 **Occupation:** Profession **Address:** B-36/220 Vikas Nagar, Pakhowal Road, Ludhiana – 141002 **Nationality:** Indian **Original Date of Appointment:** 30th May 2025 **Re-appointment as Independent Director:** NA	43	NIL

Ms. Alka Gambhir **Designation:** Independent Director **DIN: 09044278** **Date of Birth: 9-12-1976** **Occupation :** Academics Teaching **Address:** House No. 67-B, Civil Lines, Udham Singh Nagar, Ludhiana-141001 **Nationality:** Indian **Original Date of Appointment: 31st August, 2022**	48	• Tikani Exports Limited
Ms. Komal Bhalla **Designation:** Independent Director **DIN: 09106916** **Date of Birth: 18th November, 1992** **Occupation :** Professional **Address:** HM 292, PNB Colony, Jamalpur, Focal Point, Ludhiana, Punjab-141010 **Nationality:** Indian **Original Date of Appointment: 28th August 2023**	33	• Ritesh International Ltd.
Ms. Sharon Arora **Designation:** Independent Director **DIN: 09450764** **Date of Birth: 18th June, 1990** **Occupation:** Service **Address:** MIG Flat No. 1132, Sector 32, Behind Vardhman Chandigarh Road, Ludhiana 141010 **Nationality:** Indian **Original Date of Appointment: 30th May 2025** **Re-appointment as Independent Director:** NA	35	• Paos Industries Ltd. • Ultra Portfolio Management Pvt Ltd. • Ritesh International Ltd.

BRIEF DETAILS OF OUR DIRECTORS

1. **Mr. Nitin Bhandari**

   Mr. Nitin Bhandari aged 42 years, a resident Indian national, is the Promoter-Director of our Company. He is currently serving as Chairman and Managing Director. He has done Masters in Business Administration from Institute from UK.

   He has developed vast experience in the fields of Finance, Production Management, Merchandising, setting up of green field textile projects and their modernization and expansion, viability studies, liaison with foreign and domestic buyers, marketing, cost optimization, and wastage control etc. Besides our Company he is also on the Board of Directors of Tikani Exports Limited.

2. **Mr. Vikas Nayar**

   Mr. Vikas Nayar is around 52 years of age; he has an intense exposure of over 22 years of Knitting, Hosiery and Embroidery business, funds planning and resources management. He also has strong exposure in Merchandising, Retailing, Cost Optimization, Waste reduction and in dealing with international and domestic customers. He has been a contributor to the growth of the Company. He does not hold Directorship in any company other than our Company.

3. **Mr. Rajesh Kumar**

   Mr. Rajesh Kumar is around 55 years of age; he holds a Post Graduate Diploma in Human Resource and Industrial Management with over 30 years of HR exposure. He is Head of the HR Department of Bhandari Hosiery Exports Limited. He remained HR Executive in several companies before joining Bhandari Hosiery Exports Limited. He does not hold Directorship in any company other than our Company.

4. **Mr. Rohit Kumar Chhabra**

   Mr. Rohit Kumar Chhadha, aged around 43 years and experience of over 10 years as a practising Advocate in

Ludhiana court. He has done LL.B. (Professional), Master of Arts in Public Administration (Development Administration) and Post Graduate Diploma in Global Business Management. He is an Independent Director in our Company. He does not hold Directorship in any company other than our Company.

5. **Ms. Alka Gambhir**

Ms. Alka Gambhir aged around 48 years, is an Independent Director in our company. She holds Masters in Management, Masters in English, and also Bachelors in Education. She has exposure of over 14 years in academics. Besides our Company she is also on the Board of Directors of Tikani Exports Limited.

6. **Ms. Komal Bhalla**

Ms. Komal Bhalla is an Independent Director in our Company. She is a Company Secretary by profession. She is around 33 years of age and has experience of more than 8 years in profession. She has valuable knowledge of the Companies Act and other applicable corporate and security laws. She also holds position as Independent Director in Ritesh International Limited.

7. **Ms. Sharon Arora**

Ms. Sharon Arora is an Independent Director in our Company. She is a Company Secretary with rich exposure in handling issues related to compliance, corporate governance, and strategic leadership. She is around 35 years of age and has experience of around 11 years in profession. She also holds position as Director/ Independent Director in Paos Industries Limited, Ultra Portfolio Management Private Limited and Ritesh International Limited.

PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

Further, none of our Directors are or were 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 during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

COMMITTEES OF OUR BOARD

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Rights Issue Committee

Details of each of these committees are as follows:

1. Audit Committee

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015. The quorum of the said Audit Committee Meetings is 2 (Two) members or one third (1/3) of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

During the financial year 2024-25, five meetings of the Audit Committee were held on 12.04.2024, 28.05.2024, 14.08.2024, 14.11.2024 and 14.02.2025. During the current FY 26 upto the date of the DLOF the Audit Committee meetings were held on 30.5.2025, 14.8.2025 and 14.11.2025. The gap between two Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the period are detailed below:

SR. NO.	Name	Designation/ Position	Meetings attended (FY 25)	Meetings attended (FY 26)
1	Mr. Surinder Kumar Kapoor**	Independent Director	5	-

2	Ms. Komal Bhalla**	Independent Director, Chairperson	-	3
3	Mr. Nitin Bhandari	Managing Director, Member	4	3
4	Ms. Alka Gambhir	Independent Director, Member	5	3

**Mr. Surinder Kumar Kapoor remained Chairman of the Audit Committee till the Audit Committee was reconstituted on 14th February 2025 and since then Ms. Komal Bhalla is the Chairperson of the Audit Committee. Term of Shri Surinder Kumar Kapoor as Independent Director of the Company concluded on 30.5.2025.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee met once during the financial year 2024-25 on 14.8.2024 and met thrice in FY 26 till the date of the DLOF on 30.5.2025, 24.7.2025 and 14.11.2025. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the period are detailed below:

SR. NO.	Name	Designation/ Position	Meetings attended (FY 25)	Meetings attended (FY 26)
1	Mr. Surinder Kumar Kapoor**	Independent Director	1	-
2	Ms. Komal Bhalla**	Independent Director, Chairperson	-	3
3	Mr. Vikas Nayar	Director, Member	1	3
4	Ms. Alka Gambhir	Independent Director, Member	1	3

** Mr. Surinder Kumar Kapoor remained Chairman of the Nomination and Remuneration Committee till the Committee was reconstituted on 14th February 2025 and since then Ms. Komal Bhalla is the Chairperson of the Committee. Term of Shri Surinder Kumar Kapoor as Independent Director of the Company concluded on 30.5.2025.

3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee met one time during the financial year 2024-25 on 13.02.2025. The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2024-25 are detailed below:

SR. NO.	Name	Designation/ Position	Meetings Attended
1	Mr. Vikas Nayar	Director, Chairman	1
2	Mr. Surinder Kumar Kapoor **	Independent Director, Member	1
3	Ms. Komal Bhalla**	Independent Director, Member	-
4	Mr. Nitin Bhandari	Managing Director, Member	1

** Mr. Surinder Kumar Kapoor remained Member of the Stakeholders Relationship Committee till the Committee was reconstituted on 14th February 2025 and since then Ms. Komal Bhalla is the Member of the Committee. Term of Shri Surinder Kumar Kapoor as Independent Director of the Company concluded on 30.5.2025.

4. Corporate Social Responsibility (CSR) Committee

The CSR Committee of our Board provides oversight of CSR Policy and monitors execution of various activities to meet CSR objectives. The Corporate Social Responsibility Committee met four times during the financial year 2024-25 on 14.08.2024, 14.11.2024, 14.02.2025 and 28.03.2025. During FY 26 the Committee met twice on 28.4.2025 and on 14.11.2025. The composition of the Corporate Social Responsibility Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the period are detailed below:

SR. NO.	Name	Designation/ Position	Meetings attended (FY 25)	Meetings attended (FY 26)
1	Mr. Surinder Kumar Kapoor**	Independent Director	3	-
2	Ms. Komal Bhalla**	Independent Director, Chairperson	1	2
3	Mr. Nitin Bhandari	Chairman, Managing Director, Member	4	2

4	Mr. Vikas Nayar	Independent Director, Member	4	2

*Mr. Surinder Kumar Kapoor remained Member of the CSR Committee till the Audit Committee was reconstituted on 14th February 2025 and since then Ms. Komal Bhalla is the Member of the Committee. Term of Shri Surinder Kumar Kapoor as Independent Director of the Company concluded on 30.5.2025.

The Company adopted CSR Policy as per the regulatory norms. BHEL considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. BHEL CSR initiatives are on the focus areas approved by the Board benefiting the community.

"Rights Issue Committee" (RIC) for Rights Issue 2026 was formed by our Board of Directors in its meeting held on 2nd day of January, 2026 with specific objective to finalise the terms of the Rights Issue and to appoint and deal with the Intermediaries with reference to the Rights Issue. RIC, for Rights Issue 2026, is Chaired by the Independent Director Ms. Komal Bhalla, other members part of RIC are Mr. Nitin Bhandari and Ms. Alka Gambhir. CFO of the Company and the Company Secretary & Compliance Officer are the KMPs who participate in the meetings of the RIC.

OUR PROMOTERS

Promoters:

- **Mr. Nitin Bhandari –** Presently he is the Chairman and Managing Director of our Company; he did his Masters in Business Administration in Entrepreneurial Management from The European Business School, London, UK in year 2006. He holds 18.39% of the equity of the Company and is the biggest shareholder in the Company.
- **Ms. Nitika Bhandari –** She did her studies in Pearl Institute of Apparel Designing in year 2003. She holds 10.52% of the equity of the Company and is the second largest shareholder in the Company. She is sister of Mr. Nitin Bhandari.
- **Ms. Kusum Bhandari –** She is graduate in Arts and she is mother of Mr. Nitin Bhandari and wife of Mr. Naresh Bhandari and has been associated with the Company since its beginning. She holds 2.04% of the equity of the Company.
- **Mr. Naresh Bhandari –** He is an entrepreneur who developed the business; he is a Commerce Graduate with overall experience of over 50 years. He is father of Mr. Nitin Bhandari.
- **Mr. Suresh Bhandari** – He is deceased and shares held by him in the Company (comprising 0.02 % of the total share capital of the Company) will be transmitted to his legal heirs once decided by the family.
- **Tikani Exports Limited**

  Tikani Exports Limited ("TIL"), is one of our Associated Companies having CIN U18202PB2019PLC049906. Its registered office is situated at KH 400/413 Bhandari House, Village Meharban, Rahon Road, Ludhiana, Punjab, India, 141007, since inception and related party transactions between BHEL and TIL have regularly been reported in the Financial Statements of BHEL and TIL. Authorised Share Capital of TIL is Rs. 23,15,00,000 (Rupees Twenty Three Crore Fifteen Lacs) only and its present Paid Up share capital is Rs. 23,13,46,000 (Rupees Twenty Three Crore Thirteen Lacs Forty Six Thousand) only held by Mr. Nitin Bhandari holding 16880100 shares (72.96%), Mr. Kusum Bhandari holding 6234150 shares (26.95%), Mr. Manoj Kumar holding 4070 shares, Mr. Naveen Kumar holding 4070 shares, Mr. Sudhanshu Kumar holding 4070 shares, Ms. Aneeta Dutt holding 4070 shares and Mr. Chhinder Kumar holding 4070 shares. Its present Directors are Mr. Nitin Bhandari, Mrs. Kusum Bhandari, Mr. Abhishek Mishra and Mrs. Alka Gambhir.

Shareholding of Promoters/ Promoter Group in the Compamy

As on date of Draft Letter of Offer, Shareholding of Promoters in the Company:

SR. NO.	NAME	NO. OF SHARES	PERCENTAGE (%)
1	Mr. Nitin Bhandari	4,41,35,898	18.39

2	Ms. Nitika Bhandari	2,52,60,587	10.52
3	Ms. Kusum Bhandari	48,92,756	2.04
4	Mr. Naresh Bhandari	11,058	0.00
	Sub Total - Shares held by Indian Resident Individual Promoters	**7,43,00,299**	**30.95**
5	Mr. Suresh Bhandari, *(Since deceased)*	51,332	0.02
	Total Holding of Individual Promoters	**7,43,51,631**	**30.98**
6	Tikani Exports Limited – Promoter Group	**100,000**	**0.04**
	Total - Shares held by Indian Resident Promoters	**7,44,51,631**	**31.02**

OUR DIVIDEND POLICY

Our Company has formulated Dividend Distribution Policy which is available on the website of the Company.

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to working capital requirements, profit earned during the Fiscal, capital expenditure requirements, cash flow to meet contingencies, liquidity, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities.

Our Company has been declaring dividends in the past; since FY 2018-19 the company has regularly declared dividend @ 1% i.e. Re. 0.01 per Equity share of Face Value of Re. 1/= each. The Board of Directors of the Company recommended a final dividend based on its working of FY 25 @ 2% i.e. Re. 0.02 per Equity Share of Face Value of Re. 1/= each which was approved by the Members in the ensuing AGM of the Company held on 28th August 2025.

Following critical members are part of our Company.

Name	Profile/ Designation	Qualification	Years of Experience
Mr. Nitin Bhandari	Managing Director	MBA	19
Mr. Naresh Bhandari	Exports Advisor	BA	44
Mr. Aditi Bhandari	Head of Department - Administration	MBA	20
Mr. Deepak Sharma	Chief Financial Officer	B.Com	22
Mr. Atul Girdhar	Production Manager	Graduate	22
Mr. Deepak Kumar Thakur	Dyeing Master	Diploma in Textile Processing	15
Mr. Vinod Bharadwaj	Head Of Department - Sales	MBA	14
Mr. Ram Singh	Head of Department - Garments	Matriculation	35
Mr. Rajesh Thakur	HR Head	PGDPMIR	34
Ms. Shilpa Tiwari	Company Secretary & Compliance Officer	M.Com, ACS, LL.B.	7
Mr. Parveen Malhotra, FCA	Chartered Accountant Consultant	B.Com FCA	36

Following Financial Statements along with Audit Reports/ Review Reports thereon issued by the Statutory Auditors of the Company can be accessed on the links provided below.

(i) Audited Financial Statements for FY 23, FY 24 and FY 25 along with Audit Report thereon.

Link for Audited Financial Statements for FY 23:

https://www.bhandariexport.com/pdfs/fi/Outcome-of-BM-26.05.2023-compressed.pdf

Link for Audited Financial Statements for FY 24:

https://www.bhandariexport.com/pdfs/fi/OUTCOME-OF-BM-280524.pdf

Link for Audited Financial Statements for FY 25:

https://www.bhandariexport.com/pdfs/fi/OUTCOME-BM-300525.pdf

(ii) Unaudited Financial Results for half year ended on 30.9.2024 and 30.9.2025,

Unaudited Financial Results for half year ended on 30.9.2024

https://www.bhandariexport.com/pdfs/fi/OUTCOME-BM-141124.pdf

Unaudited Financial Results for half year ended on 30.9.2025

https://www.bhandariexport.com/pdfs/fi/Outcome-BM-300925-14-11-2025.pdf

For Accounting Ratios please refer Page No. 69

ACOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Audited Financial Information for the Financial Years ending March 31, 2025, March 31, 2024 and March 31, 2023 and for first half year of FY 2026.

PARTICULARS	First half year of FY 2026	2025	2024	2023
Basic Earnings per Equity Share (₹)	0.15	0.32	0.40	0.44
Diluted Earnings per Equity Share (₹)	0.15	0.36	0.42	0.44
Return on Net Worth (%)	2.36	5.04	6.56	7.47
Net Asset Value per Equity Share (₹)	6.51	6.38	6.09	5.95
EBITDA (₹ in lakhs)	1346.82	2841.77	2537.87	2343.46

The formula used in the computation of the above ratios is as follows:

PARTICULAR	COMPUTATION OF FORMULAS
Basic earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares);
Diluted earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares (including convertible securities);
Return on Net Worth (%)	(Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/ (Net worth at the end of the year);
Net Asset Value per Equity Share (₹)	(Net Worth)/ (Number of Equity Shares outstanding for the year);
EBITDA (₹)	Profit for the year before finance costs, tax, depreciation, amortization and exceptional items as presented in the statement of profit and loss;

(Amount in ₹ lakhs)

PARTICULARS	First Half year of FY 2026	2025	2024	2023
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (A)	368.82	771.32	653.35	650.64
Net worth at the end of the year (B)	15638.31	15314.62	9958.71	8712.29
Return on Net Worth (%) [(A)/(B)]	**2.36**	**5.04**	**6.56%**	**7.47%**

(Amount in ₹ lakhs)

PARTICULARS	As on 30.9.2025	2025	2024	2023
Net Worth (A)	15638.31	15314.62	9958.71	8712.29
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (B)	240049652	240049652	163438061	146526950
Net Asset Value per Equity Share (₹) [(A)/(B)]	**6.51**	**6.38**	**6.09**	**5.95**

(Amount in ₹ lakhs)

PARTICULARS	As on 30.9.2025	2025	2024	2023
Equity Share capital (A)	2400.50	2400.50	1634.38	1465.27
Reserves and Surplus (B)	13237.85	12914.12	8324.33	7247.02
Net Worth (₹) [(A)/(B)]	**15638.31**	**15314.62**	**9958.71**	**8712.29**

(Amount in ₹ lakhs)

PARTICULARS	First Half year of FY 2026 (six months)	2025	2024	2023
Net Profit/ (loss) after tax (A)	368.82	771.32	653.35	650.64
Income tax expenses (B)	115.22	247.72	220.18	138.38
Finance Cost (C)	514.64	1136.06	1119.49	1033.77
Depreciation and Amortization expense (D)	348.14	686.66	544.85	520.68
EBITDA (A+B+C+D)	**1346.82**	**2841.77**	**2537.87**	**2343.47**

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STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on the BSE and NSE and the Rights Equity Shares issued pursuant to this Issue will be listed on BSE - the Designated Stock Exchange and NSE. For further details, please refer to the section titled ***'Terms of the Issue'*** on page no. 93.

Our Company has received an in-principle approval for listing of the Rights Equity Shares on the BSE vide letter No. LOD/RIGHT/HC/FIP/1721/2025-26 dated 18th February 2026 and NSE vide letter No. NSE/LIST/53054 dated 18th February 2026. Our Company shall also make applications to BSE and NSE to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

STOCK MARKET DATA OF THE EQUITY SHARES

The high, low and average prices recorded on the BSE during the preceding 3 (Three) completed Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

FINANCIAL YEAR	DATE OF HIGH	HIGH	VOLUME ON DATE OF HIGH (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME ON DATE OF LOW (NO. OF EQUITY SHARES)	AVERAGE PRICE FOR THE FINANCIAL YEAR
2024-25	13-Jun-24	9.60	1174807	9-Aug-2024	6.43	690109	7.39
2023-24	8-Feb-24	12.49	508392	03-Apr-23	4.30	362347	6.44
2022-23	05-Apr-22	8.18	116108	29-Mar-23	3.66	66448	5.76

Source: www.bseindia.com

FINANCIAL YEAR	DATE OF HIGH	HIGH	VOLUME ON DATE OF HIGH (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME ON DATE OF LOW (NO. OF EQUITY SHARES)	AVERAGE PRICE FOR THE FINANCIAL YEAR
2024-25	13-Jun-24	9.60	1174807	9-Aug-24	6.43	690109	7.39
2023-24	08-Feb-24	12.45	2268412	03-Aug-23	4.50	130962	6.45
2022-23	04-Apr-22	8.05	584130	29-Mar-23	3.65	594635	5.76

Source: www.nseindia.com

The high, low, and average prices recorded on the BSE and NSE, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

MONTH	DATE OF HIGH	HIGH	VOLUME (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
Dec–25	04-Dec-25	4.83	39687	30-Dec-25	3.85	221402	4.00
Nov-25	19-Nov-25	5.10	34899	26-Nov-25	4.30	13434	4.48
Oct-25	03-Oct-25	5.54	81838	20-Oct-25	4.45	34107	4.73
Sep -25	02-Sep-25	5.29	84992	30-Sep-25	4.60	45547	4.96
Aug– 25	01-Aug-25	5.46	40800	6-Aug-25	4.61	74773	5.02
Jul– 25	24-Jul-25	6.37	19873	31-Jul-25	4.96	31041	5.67

Source: www.bseindia.com

MONTH	DATE OF HIGH	HIGH	VOLUME (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
Dec–25	08-Dec-25	4.50	152009	30.Dec-25	3.85	333301	4.04
Nov-25	03-Oct-25	4.72	160411	28-Nov-25	4,24	311181	4.70
Oct-25	24-Oct-25	5.13	544630	17-Oct-25	4.46	107373	4.65
Sep-25	02-Sep-25	5.25	396900	30-Sep-25	4.46	575130	4.95

Source: www.nseindia.com

The high, low, and average prices recorded on the BSE and NSE, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

MONTH	DATE OF HIGH	HIGH	VOLUME (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
Dec 2025	04-Dec-25	4.83	39687	30-Dec-25	3.85	221402	4.00

Source: www.bseindia.com

MONTH	DATE OF HIGH	HIGH	VOLUME (NO. OF EQUITY SHARES)	DATE OF LOW	LOW	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
Dec 2025	08-Dec-2025	4.5	152009	30-Dec-2025	3.97	333301	-

Source: www.nseindia.com

The Board had approved the Issue at their meeting held on 2nd January, 2026. The high and low prices of Equity Shares as quoted on the BSE and NSE on 3rd January, 2026, the day on which the trading in the Equity Shares happened immediately following the date of the Board meeting are as follows:

DATE	HIGH	LOW	Closing Price	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
05.01.2026	4.49	3.62	4.17	25019	4.10

Source: www.bseindia.com

DATE	HIGH	LOW	Closing Price	VOLUME (NO. OF EQUITY SHARES)	WEIGHTED AVERAGE PRICE
05.01.2026	4.24	4.10	4.15	225261	4.17

Source: www.nseindia.com

The Issue Price of ₹ 2.56 per Equity Share has been arrived at by our Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OFOPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the Fiscal 2025 and Fiscal 2024 and reviewed data for Quarter 1 and Quarter 2 of Fiscal 2026 included in this Draft Letter of Offer. Our Audited Financial Statements for Fiscal 2025 and Fiscal 2024 are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company and for Q1 and Q2 is derived from the reviewed Operational Results.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve- month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Bhandari Hosiery Exports Limited, our Company.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be *"Forward looking Statements"* within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our company is into manufacturing of garments, knitted fabric and fabric dyeing with present production capacity of Fabric Knitting & Dyeing 20 Tonnes per day (TPD), Fabric Processing capacity of 20 TPD along with Garment manufacturing facility of capacity of 7,000 garments per day in the existing infrastructure comprising of land, building, and Plant and Machinery. For further details, please refer to the chapter titled ***'Business Overview'*** beginning on page no. 55.

FINANCIAL PERFORMANCE

The financial performance of our Company for the year ended on as on March 31, 2025 and March 31, 2024 and half years ended on 30th September 2024 and 2025 respectively is as follows:

(Amount in ₹ Lakhs)

Particulars	Half year ending Sep 30, 2025	Half year ending Sep 30, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	13124.14	12632.08	27855.45	26673.48
EBITDA	1346.82	1354.24	2841.77	2537.87
Profit before Tax	484.04	422.47	1019.04	873.53
Net Profit after Tax available for Equity Shareholders	368.82	309.71	774.80	643.91

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled ***'Risk Factors'*** on Page No. 20.

Our Company's future results of operations could be affected potentially by the following factors:

1. Company's ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Changes in laws and regulations relating to the industries in which we operate;
7. Intensified competition in industries/sector in which we operate;
8. Our ability to attract, retain and manage qualified personnel;
9. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

10. Changes in political and social conditions in India or in countries that we may enter, 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;
11. Our ability to expand our geographical area of operation.

SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled ***'Financial Statements'*** beginning on page no. 68, there has been no change in accounting policies during the Fiscal years 2025 and 2024 and in the Fiscal year 2023.

The Auditors' Report and Secretarial Auditors' Report do not contain any qualifications, reservations or adverse remarks in CARO except as mentioned below.

RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN REPORT OF INDEPENDENT AUDITORS

(a) In respect of reporting of figures of Inventories and Debtors to the secured lenders vs actual figures as per books - Sub para (b) of Para (ii) of Annexure B to the Independent Auditors Report. Please refer Chapter Financial Information commencing from page 65.

(b) In respect of Statutory dues - Sub para (a) of Part (vii) of Annexure B to the Independent Auditors Report. Please refer Chapter Financial Information commencing from page 68.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Revenue

Our revenue comprises of:

i. Revenue from operations

Revenue from operations is on account of sales of processed knitted fabrics and of garments in domestic and international markets.

Segment Revenue

Particulars	Half Year ending on 30.9.2025 (Rs. Lacs)	2024-25 (Rs. lacs)	2023-24 (Rs. lacs)
Export sales	395.65	1355.98	1234.02
Domestic sales	12728.48	26499.47	24439.45
Total	**13124.13**	**27855.45**	**26673.47**

ii. Other Income

Other income primarily comprises recurring income which includes interest earned, freight received and insurance claims received.

Expenses

Our expenses primarily comprise cost of raw material consumed, purchase of raw material and semi-finished goods, changes in inventories of finished goods and work-in-progress, employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

i. Cost of material consumed

The Cost of material consumed comprises of opening stock of raw material and semi finished goods; add purchase of raw material and semi finished goods; less closing stock of raw material and semi finished goods. We do not purchase any material that is sold without doing any value addition to the same.

ii. Employee benefit expense

Employee benefit expense consists of remuneration to Directors, salaries to staff, wages to workers, bonus, contribution to provident fund & other funds and staff welfare expenses.

iii. Finance cost

Finance cost comprises bank charges, interest expense on secured loans i.e. term loans cash credit limits utilized for the purpose of working capital. We are not paying any interest on unsecured loans from promoters.

iv. Depreciation and Amortization Expense

Depreciation and amortization expense comprises of depreciation on buildings, temporary fittings, plant and

equipment, furniture & fixtures, office equipment, electric fitting and equipment, cars and vehicles.

v. Other expenses

Other expenses comprise of auditors remuneration, brokerage, provision of bad & doubtful debts & advances, consumption of spares and tools, goods outward expenses export, freight outwards – domestic, manufacturing expense, power and fuel expense, rent rates & taxes, freight & forwarding charges, legal and professional fees, repairs and maintenance on assets and general expenses.

vi. Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

RESULT OF OUR OPERATION

PARTICULARS	FOR THE 6 MONTHS PERIOD ENDED ON SEP 30, 2025		FOR THE YEAR ENDED ON MAR 31, 2025		FOR THE YEAR ENDED MARCH 31, 2024	
	AMOUNT IN ₹ LAKHS	% OF TOTAL INCOME	AMOUNT IN ₹ LAKHS	% OF TOTA L INCOM E	AMOUNT IN ₹ LAKHS	% OF TOTA L INCOM E
I. Revenue from Operations	13124	99.92	27855	99.90	26674	99.88
II. Other Income	10	0.08	27	0.10	32	0.12
III. Total Income	**13134**	**100**	**27882**	**100.00**	**26706**	**100.00**
IV. Expenses:						
Cost Of Materials Consumed	9958	75.82	20158	72.30	20137	75.40
Changes In Inventories Of Finished Goods Work-In- Progress And Stock in Trade	(960)	(7.31)	(295)	(1.46)	(206)	(0.77)
Employee Benefit Expense	668	5.09	1325	6.57	1034	3.87
Finance Cost	515	3.92	1136	5.63	1120	4.19
Other Expenses	2121	16.15	3852	13.82	3202	11.99
Depreciation And Amortization Expense	348	2.65	687	2.46	545	2.04
Total Expenses	**12650**	**96.31**	**26863**	**96.35**	**25832**	**96.73**
V. Profit/(Loss) Before Tax	**484**	**3.69**	**1019**	**3.65**	**874**	**3.27**
VI. Tax Expense:						
(1) Current Tax	121	0.92	(256)	(0.92)	(162)	(0.61)
(2) Deferred Tax Liability/ (Assets)	6	0.05	9	0.03	(59)	(0.22)
(3) Excess/ (Short) Provision of Earlier Years						
VII. Profit/ (Loss) for the Period	369	2.81	771	2.77	653	2.44

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2025 WITH FINANCIAL YEAR ENDED MARCH 31, 2024

A) Total Revenue:

Our total revenue for the Fiscal 2025 was ₹ 27882 lakhs as compared to ₹ 26706 lakhs for the Fiscal 2024, representing an increase in value terms of 4.40 %. Total revenue comprises of:

i) Revenue from Operations

Our revenue from operations for the Fiscal 2025 was ₹ 27885 lakhs as compared to ₹ 26674 lakhs for the Fiscal 2024, representing an increase in monetary terms of 4.54%. This increase in revenue from operations in monetary value was primarily due to the fact that we increased our sales with high value items in Garments as well fabrics resulting in improved margins. .

ii) Other income

Other income for the Fiscal 2025 was ₹ 27 lakhs as compared to ₹ 32 lakhs for the Fiscal 2024. Dip in other

income in FY 2025 is on account of reduced interest receipts exchange fluctuation..

B) Expenses

Our total expenditure for the Fiscal 2025 was ₹ 26863 lakhs as compared to ₹ 25832 lakhs for the Fiscal 2024, representing an increase of 3.99%. Total expenditure comprises of:

i) Cost of Material Consumed

The Cost of Material Consumed for the Fiscal 2025 was ₹ 20158 lakhs as compared to ₹ 20137 lakhs for the Fiscal 2024, representing a increase of 0.10%. This marginal increase was due to increase in yarn prices during FY25 as compared to FY24.

ii) Changes in Inventories of finished goods and work-in-progress

The changes in inventories of finished goods and work-in-progress for the Fiscal 2025 were ₹ -295 (negative) lakhs as compared to ₹ -206 (negative) lakhs for the Fiscal 2024, primarily due to increase in closing stock of finished goods and in work in progress.

iii) Employee benefit expenses

Employee benefit expense for the Fiscal 2025 was ₹ 1325 lakhs as compared to ₹ 1034 lakhs for the Fiscal 2024, representing an increase of around 12.81%. This increase was due to increase in the salary of employees and addition of new employees.

iv) Finance cost

Finance cost for the Fiscal 2025 was ₹ 1136 lakhs as compared to ₹ 1119 lakhs for the Fiscal 2024, representing an increase of 1.43%. The increase in finance cost is due to utilisation of higher funds and increase in Repo Rate by RBI.

v) Depreciation and Amortization Expenses

Depreciation and amortization expense for the Fiscal 2025 was ₹ 687 lakhs as compared to ₹ 545 lakhs for the Fiscal 2024, representing an increase of 26%. This is due to depreciation charged on Fixed Assets that were capitalized in year 2024.

vi) Other expenses

Other expenses for the Fiscal 2025 were ₹ 3852 lakhs as compared to ₹ 3202 lakhs for the Fiscal 2024, representing an increase of 20.30%. The increase was mainly due to increased cost of dyes & chemicals, consumables and increase in Machine Repairs and increase in the cost of Power & Fuel.

C) Profit/(loss) before tax:

Profit/(loss) before Tax for Fiscal 2025 was ₹ 1019 lakhs as compared to ₹874 lakhs for Fiscal 2024, representing an increase of 20.30%. This increase in profit was primarily due to increased margins on value added sales.

D) Tax expenses:

Total tax expense for the Fiscal 2025 was ₹ 248 lakhs as compared to ₹ 220 lakhs for Fiscal 2024. Deferred Tax expenses amounting to (Rs. 8.75) lacs in FY 24-25 and (Rs. 58.60) lacs in FY 23-24 is due to difference in depreciation on assets capitalized in FY 2024.

E) Profit/(loss) after tax:

For the reasons discussed above, the profit/(loss) after tax for the Fiscal 2025 was ₹ 771 lakhs as compared to ₹ 653 lakhs for the Fiscal 2024 representing an increase of 18.07%.

F) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations:

Other than as described in the chapter titled ***'Risk Factors'*** and chapter *titled* ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on page no. 20 and 73, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

G) Unusual or Infrequent Events or Transactions:

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

H) Expected future changes in relationship between costs and revenues, in case of events such as future

increase in labour or material costs or prices that will cause a material change are known:

Other than as described in the chapter titled ***'Risk Factors'*** and chapter *titled* ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on page no. 20 and 73 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

I) Significant dependence on a Single or Few Suppliers or Customers:

There is no significant dependence on a single or few customers or suppliers.

J) Related Party Transactions:

For details, please see the chapter titled ***'Financial Statements'*** beginning on page no. 68.

K) Significant developments after March 31, 2025 that may affect our future results of operations:

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2025, i.e. the date of the latest Financial Statements included in this Draft Letter of Offer that may materially affect our future results of operations.

COMPARISON OF HALF YEAR ENDED SEPTEMBER 30, 2025 WITH HALF YEAR ENDED SEPTEMBER 30, 2024

A) Total Revenue:

Our total revenue for the first half year of Fiscal 2025 was ₹ 13,133.97 lakhs as compared to ₹ 12,641.30 lakhs for the first half year of Fiscal 2024, representing an increase in value terms of 3.90 %. Total revenue comprises of:

i) Revenue from Operations

Our revenue from operations for the first half year of Fiscal 2025 was ₹ 13124.14 lakhs as compared to ₹ 12632.08 lakhs for the first half year of Fiscal 2024, representing an increase in monetary terms of 3.90 %. This increase in revenue from operations in monetary value was primarily due to increase in sales of value added products.

ii) Other income

Other income for the first half year of Fiscal 2025 was ₹ 9.84 lakhs as compared to ₹ 9.22 lakhs for the first half year of Fiscal 2024. Dip in other income in this period is on account of reduced interest rates and exchange fluctuations.

B) Expenses

Our total expenditure for the first half year of the Fiscal 2025 was ₹ 12,649.93 lakhs as compared to ₹ 12,218.83 lakhs for the first half year of Fiscal 2024, representing an increase of 3.53%. Total expenditure comprises of:

iii) Cost of Material Consumed

The Cost of Material Consumed for the first half year of Fiscal 2025 was ₹ 9957.91 lakhs as compared to ₹ 9429.02 lakhs for the first half year of Fiscal 2024, representing an increase of 5.61%. This marginal increase was due to increase in cost of raw materials i.e. yarn and fabric during the comparable periods of six month each.

iv) Changes in Inventories of finished goods and work-in-progress

The changes in inventories of finished goods and work-in-progress for the first half year of Fiscal 2025 were ₹ 250.01 lakhs as compared to ₹ (-) 767.98 lakhs for the first half year of Fiscal 2024, primarily due to increase in closing stock of finished goods and in work in progress.

v) Employee benefit expenses

Employee benefit expense for the first half year of Fiscal 2025 was ₹ 668.01 lakhs as compared to ₹ 574.79 lakhs for the first half year of Fiscal 2024, representing an increase of around 16.22_%. This increase was due to increase in the salary of employees and addition of new employees.

vi) Finance cost

Finance cost for the first half year of Fiscal 2025 was ₹ 514.64 lakhs as compared to ₹ 588.51 lakhs for the first half year of Fiscal 2024, representing a decrease of 12.65 %. The decrease in finance cost is

due to optimized utilisation of working capital and repayment of Term Loans.

vii) Depreciation and Amortization Expenses

Depreciation and amortization expense for the first half year of Fiscal 2025 was ₹ 348.14 lakhs as compared to ₹ 343.26 lakhs for the first half year of Fiscal 2024, representing an increase of 1.42 %.

viii) Other expenses

Other expenses for the first half year of Fiscal 2025 were ₹ 2121.32 lakhs as compared to ₹ 2051.23 lakhs for the first half year of Fiscal 2024, representing an increase of 3.42%. The increase was mainly due to higher cost of dyes & chemicals and increase in the cost of Power & Fuel.

C) Profit/(loss) before tax:

Profit/(loss) before Tax for first half year of Fiscal 2025 was ₹ 484.04 lakhs as compared to ₹ 422.47 lakhs for first half year of Fiscal 2024, representing an increase of 14.57 %. This increase in profit was primarily due to sale of value added products and increased sales.

D) Tax expenses:

Total tax expense for the first half year of Fiscal 2025 was ₹ 115.22 lakhs as compared to ₹ 112.76 lakhs for first half year of Fiscal 2024.

E) Profit/(loss) after tax:

For the reasons discussed above, the profit/(loss) after tax for the first half year of Fiscal 2025 was ₹ 368.82 lakhs as compared to ₹ 309.71 lakhs for the first half year of Fiscal 2024 representing an increase of 19.08 %.

F) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations:

Other than as described in the chapter titled ***'Risk Factors'*** and chapter *titled* ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on page no. 20 and 73, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

G) Unusual or Infrequent Events or Transactions:

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

H) Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known:

Other than as described in the chapter titled ***'Risk Factors'*** and chapter *titled* ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on page no. 20 and 73 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

I) Significant dependence on a Single or Few Suppliers or Customers:

There is no significant dependence on a single or few customers or suppliers.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations involving our Company whose financial statements are included in the Draft Letter of Offer including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- *In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';*

- *For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the SEBI (LODR) Regulations;*

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory

Authorities

Details of dues under Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company which are due / under dispute as on the date of the DLOO. These amounts appeared in the audited Financial Statements of FY 24 as Contingent Liabilities and were deposited to the concerned authorities during FY 23-24 . There is no contingent liability for taxes in 2024-25.

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount*(Rs. In lacs)	Amount Unpaid (Rs. In lacs)
Income-tax Laws	Income-tax (other than TDS)	The Amount has been rectified and demands have been cleared	A.Y. 2019-20, A.Y. 2018-19, A.Y. 2009-10	5.00	Nil
Income-tax Laws	Income-tax (TDS & TCS)	The Amount has been rectified and demands have been cleared	F.Y. 2021-22, F.Y. 2020-21, F.Y. 2019-20	4.00	Nil

**** Amount as per dispute/as per demand orders including interest and penalty wherever quantified in the Order.***

2) <u>LITIGATIONS BY THE COMPANY:</u>

<u>Civil / Criminal proceedings:</u>

a. Bhandari Hosiery Exports Limited Vs NAB Productions Pvt Ltd.

These are eight criminal complaints filed by us under Section 138 of the Negotiable Instruments Act bearing Nos. 3575/2019, 4475/2019, 5729/2019, 6611/2019, 24268/2019, 28683/2019, 30885/2019 and 2603/2020 and are processed in Ludhiana District Court. The complaints are against cheque bouncing committed by NAB Productions Pvt Ltd. in the year 2019 and the total principal amount involved is Rs. 18,38,021 in total 19 number of cheques that got bounced. The matter is still pending and is being processed as per the applicable statutes. Despite issuance of non bailable warrants the accused has failed to put up his appearance in the court. The court has directed now to serve through proclamation u/s 82 Cr.P.C. by way of Publication in the newspaper.

b. Bhandari Hosiery Exports Ltd. Vs Samar Gulati (proprietor of M/s New Oxygen O2)

These are two criminal complaints under Section 138 of the Negotiable Instruments Act bearing Nos. 1257/ 2020 and 1258/2020 and are processed in Ludhiana District Court. The complaints are against cheque bouncing committed by New Oxygen O2 in the year 2019 and the total principal amount involved is Rs. 15 lacs involved in total three number of cheques that got bounced. The matter is still pending and is being processed as per the applicable statutes. The accused has been declared as proclaimed offender. The Complainant has to file the list of property of the accused for further proceedings.

c. Bhandari Hosiery Exports Ltd. Vs Kanti Gupta & Ors. (proprietor of M/s Ambika Traders, Ludhiana) now against the legal heirs Mr. Johny Gupta and Ms. Sonia Gupta.

BHEL used to purchase Yarn from Ambika Traders and in the process advanced amounts to Ambika Traders. Ambika Traders, during the year 2007, failed to supply yarn to BHEL and as a result BHEL lodged civil suit No. 474/2007 in the Court of Civil Judge, Junior Division, Ludhiana for recovery of Rs. 16,48,922 and future interest @ 24% per annum since 16.05.2007 which was dismissed by the Court vide order dated 5th March 2015.

BHEL appealed against the dismissal of the Recovery Suit in the High Court of Chandigarh in year 2019 where the Legal heirs of Mr. Kanti Gupta were also included in the other parties. In Appeal Bhandari Hosiery & Exports Limited vs Kanti Gupta since deceased through his LRS RSA-741/2019 (O&M) the matter is still pending for Arguments. Next date of hearing is 2nd March 2026.

d. **Bhandari Hosiery Exports Ltd Vs Ridhima Exports**

Ridhima Exports has been one of the customers of the Company. Four legal cases, Nos. COMA 5344/25, 5345/25, 5346/25 and 5347/25 have been filed by the Company against Ridhima Exports in Ludhiana District Court u/s 138 of the Negotiable Instruments Act for recovery of total Rs. 6,68,527 from the accused. Proceedings are going on, Bailable warrants were issued for case nos 5346/25 and 5347/25 and summons were issued for case no. 5344/25 and 5345/25. Next dates of hearing in the cases are fixed in the month of March 2026.

e. **Bhandari Hosiery Exports Ltd Vs Loyal Clothing (Proprietor Nikita Beri)**

Loyal Clothing, Ludhiana has been one of the customers buying knitted fabric from the Company. Four legal cases, Nos. COMA 2929/25, 2930/2025, 5093/2025, 5632/2025 and 5095/2025 have been filed by the Company against Loyal Clothing (proprietor Ms. Nikita Beri) in Ludhiana District Court u/s 138 of the Negotiable Instruments Act for recovery of total Rs. 58.99 Lacs from the accused. Proceedings are going on and the next date of hearing in the first four cases is 24th February, 2026 and in the fifth case is 28th April 2026.

3) <u>LITIGATIONS FILED AGAINST THE COMPANY:</u>

<u>Civil proceedings:</u>

a. CHD Chemicals Limited Vs Bhandari Hosiery Exports Limited.

BHEL was purchasing chemicals from CHD Chemicals Limited and due to quality issues in the year 2017 CHD Chemicals issued Credit Notes to BHEL in some sort of commercial settlement of disputes. Under the Purchase Orders issued by BHEL to CHD Chemicals there was a clause of Arbitration in case of any dispute to refer the matter for Arbitration u/s 11 of the Arbitration and Conciliation Act, 1996. CHD Chemicals raised a dispute vide a Legal Notice dated 14.9.2017 to recover Rs. 20,04,687 + interest @ 12% per annum from 1st April, 2017 till actual date of realization.

BHEL, in a counter dispute, appointed a sole arbitrator Dr (CS) SP Sharma, Advocate Punjab and Haryana High Court to adjudicate the dispute to recover an amount of Rs. 5,00,000 from CHD Chemicals Limited towards damages. Arbitral Tribunal met several times between April 2018 to August 2018 and the Arbitral Award dated 11.08.2018 in the matter Bhandari Hosiery Exports Limited Vs CHD Chemicals Ltd. was awarded dismissing the claim of BHEL to recover Rs. 5,00,000 from CHD Chemicals Ltd.

CHD Chemicals Limited instituted case No. ARB/848/2018 as Application u/s 34 of the Arbitration and Conciliation Act, 1996 before the District and Sessions Court Chandigarh which is pending for receipt of Arbitral Records in the court and for presence of the Arbitrator to participate in the proceedings. Next date of hearing is 27th April, 2026.

CHD Chemicals approached the Hon'ble High Court for the States of Punjab and Haryana at Chandigarh

on 3.1.2018 in the form of Arbitration Case No. ARB-46-2018 CHD Chemicals Limited Vs Bhandari Hosiery Exports Ltd. and others agitating against appointment of Sole Arbitrator by BHEL, challenging and requesting to set aside the Sole Arbitration Award dated 11.08.2018 and requesting for appointment of Arbitrator u/s 11 of the Arbitration and Conciliation Act, 1996 for adjudication of the disputes to recover Rs. 20,04,687 + interest @ 12% per annum from 1st April, 2017 till actual date of realization of the amount.

On 10.11.2022 the petition was "… adjourned sine die to await decision of the objecting Court (Additional District Judge, Chandigarh in ARB/848/2018 u/s 34 of the Arbitration and Conciliation Act) with liberty given to the petitioner to file an appropriate application for revival of the present case (if need be) after decision by the objecting Court."

b. Marvel Dyers Vs Bhandari Hosiery Exports Limited.

Marvel Dyers used to receive goods from BHEL for dyeing purposes on job work basis and in the year 2013 due to defective dyeing done by Marvel Dyers BHEL suffered losses and business from its customers and therefore deducted part of the amount in the invoices raised by Marvel Dyers. Marvel Dyers agitated against such deductions made by BHEL lodged case No. 1210/ 2015 in the court of Civil Judge, Junior Division, Ludhiana District Court for recovery of Rs. 18,13,636.94 (principal amount) + interest @ 18% per annum from 10.5.2013 to 20.2.2015 + future interest @ 18% from the date of filing of the suit till realization of the amount. The plaintiff in the year 2019 moved application u/s 151 of CPC for permission to place and prove on record documents by way of additional evidence which was rejected by the Hon'ble Court vide order Dated 17.8.2019.

The Plaintiff then moved the Hon'ble Chandigarh High Court in the form of Civil Revision Petition No. 5430/2019 Marvel Dyers and Processors Private Limited Vs Bhandari Hosiery Exports Limited and others which was accepted by the Hon' High Court and the matter was remanded back to the Trial Court in case No. 1210/2015 in Ludhiana District Court. The Civil Judge, Junior Division, Ludhiana in execution proceedings passed Order (UID No. PB-391) and Decree dated 6th March 2024 against the Company and in Order dated 21st February 2025 issued warrants for attachment for 2nd April 2025. The Company deposited a Bank Guarantee of Rs. 33 lacs on 28th April, 2025 in the Court against the warrants of attachment under directions given by Order dated 25th March 2025 of Court of District Judge in Appeal CA No. 366/ 2024. Next date of hearing in the execution matter is 13th March, 2026.

The Company filed an Appeal CA No. 366/ 2024 in the Court of District Judge, Ludhiana against the order and decree of the Civil Judge, Junior Division, Ludhiana. The Appeal was admitted by the Court on 4th March, 2024. Proceedings are happening in the Appeal.

4) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

5) Proceedings involving material violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

6) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

7) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND KMPs

Litigation Involving Actions by Statutory/Regulatory Authorities:

As on date of this Draft Letter of Offer, except as mentioned below, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors and promoters.

Criminal proceedings – NIL

Civil proceedings - NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

NIL.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

DISCLOSURES PERTAINING TO FRAUDULENT BORROWERS

Neither our Company, nor our Promoter or any of our Directors, are or have been categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS OCCURING IN LEGAL MATTERS SINCE MARCH 31, 2025

There have not arisen any, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations. Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Letter of Offer.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

1) Approvals in Relation to the Issue

a. The Board of Directors in pursuance of Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on 2nd January, 2026 have authorized the issue and constituted an empowered Rights Issue Committee.

b. The Rights Issue Committee approved the contents of the Draft Letter of Offer by a resolution passed at its meeting held on 16th January, 2026.

c. In-principle approval from the BSE and NSE bearing reference [.] dated [.] and [.] dated [.] to use the name of BSE and NSE for listing of the Equity Shares issued by our Company pursuant to the Issue;

d. The ISIN of the Company is INE474E01029;

e. The ISIN for the Rights Entitlement is INE474E20037;

2) Corporate / General Authorizations

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

SR. NO.	DESCRIPTION	REGISTRAR/ISSUING AUTHORITY	REGISTRATION NO. /REFERENCE NO. /LICENSE NO.	DATE OF CREATION	DATE OF EXPIRY
1.	Certificate of Incorporation in the name of 'Bhandari Hosiery Exports Limited'	Registrar of Companies, Punjab & Chandigarh, Ludhiana	013930	25.11.1993	Valid until cancelled

TAX RELATED APPROVALS

SR. NO.	DESCRIPTION	REGISTRAR/ISSUING AUTHORITY	REGISTRATION NO. /REFERENCE NO. /LICENSE NO.	DATE OF CREATION	DATE OF EXPIRY
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AAACB6724D	25-11-1993	Valid until cancelled
2	Tax Deduction and Collection Account Number (TAN)	Income Tax Department, Government of India under Income Tax Act, 1961	JLDB00646C		Valid until cancelled
3	Goods and Service Tax (GST)	Government of India	03AAACB6724D1ZA	1-7-2017, revised on 31-12-2020	Valid until cancelled

3) Material approvals in relation to our business operations

SR. NO.	DESCRIPTION	REGISTRAR/ ISSUING AUTHORITY	REGISTRATION NO./REFERENCE NO. /LICENSE NO.	DATE OF CREATION	DATE OF EXPIRY
1.	IEC Registration	DGFT, GOI	3093006996	31/01/1994	Valid until cancelled
2.	Professional Tax Registration	Department of Excise and Taxation, Punjab State Development Tax	RC No. E30 AAACB6724D, IP – 172.17.0.1	19/07/2021	Valid until cancelled
3.	License to work as Factory under the provisions of Factories Act, 1948	Chief Inspector of Factories, Directorate of Factories, Department of Labour, Punjab – Ludhiana-5	LDH0FL2705	8/01/2019	31/12/2028
4.	Fire Safety Certificate	Punjab Fire Services (Ludhiana MC)	PBIP-(FIRE) 2026/3249	23/01/2026	22/01/2029
5.	Consent under Air (Prevention & Control of Pollution) Act, 1981	Punjab Pollution Control Board, Ludhiana	CTOA/Renewal/LDH3/2025/ 28206409	22/04/2025	31/03/2030
6.	Consent to operate outlet u/s 25/26 of Water (Prevention & Control of Pollution) Act, 1974 for discharge of effluent	Punjab Pollution Control Board, Ludhiana	CTOW/Varied/LDH3/2025/ 28206384	1/05/2025	31/03/2030

4) Material Licenses and Approvals for which applications have been filed by our Company

NIL

5) Material Licenses and Approvals for which applications are yet to be filed by our Company

NIL

MATERIAL DEVELOPMENTS

Except as stated in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2025 i.e. the last date for which audited financial statements have been provided in this Draft Letter of Offer, which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. The Board of Directors of our Company has, at its meetings held on 2nd January 2026 approved fund raising, for an amount of Rs. 4930 Lacs (Rupees Forty-nine crores and thirty lacs only), through Rights Issue to the eligible equity shareholders and also constituted empowered Rights Issue Committee to conduct the Rights Issue.
2. The Rights Issue Committee of our Company, at its meeting held on 16th January 2026 has approved Draft Letter of Offer for the proposed Rights issue to be filed with the stock exchanges for In-Principle approval.
3. The Board of Directors of our Company/ the Rights Issue Committee, at its meeting held on 19.02.2026 approved the Letter of Offer for the proposed Rights Issue after obtaining the In-Principle approvals of BSE and NSE.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the Resolutions passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on 2nd January 2026.

The empowered Rights Issue Committee of the Board of Directors of our Company in their meeting conducted on 19.02.2026 approved this Issue inter-alia on the following terms.

ISSUE SIZE	Amount upto ₹ 4930 Lakhs;
ISSUE PRICE	₹ 2.56 per Rights Equity Share, including a premium of ₹1.56 per Rights Equity Share;
ISSUE ENTITLEMENT RATIO	4 Rights Equity Shares for every 5 Equity Shares held by Eligible Shareholders of our Company as on Record Date;
RECORD DATE	25.02.2026#

 # Record Date revised in the meeting of the Rights Issue Committee in compliance with the applicable regulatory.

This Draft Letter of Offer has been approved by the empowered Rights Issue Committee pursuant to its resolutions dated 16th January 2026.

Our Company has received in-principle approval from BSE and NSE in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Rights Equity Shares proposed to be allotted pursuant Issue vide a letter dated 18.02.2026. Our Company will also make application to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular.

Our Company has been allotted the ISIN INE474E20037 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company. Our Company has been allotted the ISIN INE474E20037 both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled ***'Terms of the Issue'*** beginning on page no. 93

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, the Promoters/ Promoter group entity and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling, or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which our directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Company, the Promoters and the Directors of our Company have not been declared as fugitive economic offenders.

There are no proceedings initiated by SEBI, Stock Exchanges or ROC, etc., against our Company, Directors, Group Companies except as mentioned in this document.

None of our Directors currently holds nor have held directorship(s) in the last 10 (Ten) years in a listed Company whose shares have been or were delisted from trading on any stock exchanges.

Prohibition by RBI:

Our Company, the Promoters and the Directors of our Company have not been identified as willful defaulter or fraudulent borrower by the RBI.

Directors associated with Securities Market

None of our Directors are associated with the securities market in any manner.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018:
Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company incorporated under the Companies Act. The Equity Shares of our Company are presently listed on BSE and NSE. Our Company is eligible to offer and issue Right Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations.

Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE and NSE for listing of the Rights Equity Shares to be issued pursuant to this Issue.

COMPLIANCE WITH REGULATION 61 AND 62 OF THE SEBI (ICDR) REGULATIONS

The present Issue is in compliance with the Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Draft Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in;

Our Company is a listed company and is eligible to make this Rights Issue in terms of Chapter III of SEBI (ICDR) Regulations. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable. Further, in relation to compliance of Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE and NSE for listing of the Rights Equity Shares to be issued pursuant to this Right Issue;

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the Stock Exchange and until date.

2. The reports, statements and information referred to above in clause (1) are available on the website of BSE and NSE.

3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

4. As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations. The issuer shall prepare the Draft Letter of Offer in accordance with requirement as specified in the regulation and file the same with the SEBI for information and dissemination on the SEBI's website.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

Investors will be required to confirm and will be deemed to have represented to our Company and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at the date of this Draft Letter of Offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Ludhiana, India only.

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue is BSE Limited.

DISCLAIMER CLAUSE OF BSE AND NSE

DISCLAIMER CLAUSE OF THE BSE LIMITED (BSE):

"BSE Limited ("the Exchange") has given vide its letter dated Ref. No. LOD/RIGHT/HC/FIP/1721/2025-26 dated 18.02.2026 permission to this Company to use the Exchange's name in this Draft Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
3. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company,

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever".

DISCLAIMER CLAUSE OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE):

NSE has given vide its letter Ref. No. NSE/LIST/53054 dated 18.02.2026 permission to the Issuer to use the Exchange's name in this Draft Letter of Offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take

any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025 has amended provisions of the SEBI ICDR Regulations and the Draft Letter of Offer will be filed only with the Stock Exchanges and not with SEBI. However, the Draft Letter of Offer will be submitted to SEBI for information and dissemination.

LISTING

Our Company will apply to BSE and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

CONSENTS

Consents in writing of our Promoter, Directors, Auditors, Banker to the Company, Banker to Issue and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

EXPERT OPINION

Except for the reports in the section ***'Financial Information'*** and ***'Statement of Tax Benefits'*** on page no. 68 and 44 respectively from the Statutory Auditors, our Company has not obtained any expert opinions.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY

Our Company successfully made Rights Issues of Equity Shares in year 2023 and in year 2024. Funds raised in the Rights Issues held in year 2023 and in year 2024 were fully utilized without any deviation / modification within FY 24 and FY 25 respectively for the objects for which the Rights Issues were made. No Variation Reports related thereto have been filed with the stock exchanges under regulation 32 of SEBI(LODR) Regulations by the Company on 12th April 2024 and on 14th November 2024 respectively.

There have been no instances in the past, wherein our Company has failed to achieve the objects in any of its previous issues of Equity Shares.

STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on BSE and NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled '***Stock Market Data for Equity Shares'*** on page no. 71.

SELLING RESTRICTIONS

The distribution of the Letter of Offer, Entitlement Letter, Application Form, and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e- mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer and the Application Form from the websites of the Registrar, our Company and the

Stock Exchanges. Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of the Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements.

Accordingly, persons receiving a copy of the Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in the Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

No information in the Draft Letter of Offer or in the Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequentto the date of this Draft Letter of Offer or date of such information.

THE CONTENTS OF THE LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THELEGALITY OF AN INVESTMENT IN THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The rights entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, "U.S. Persons" (as defined in regulation s under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations;**
b. **Appears to us or its agents to have been executed in, electronically transmitted form or dispatched from the United States;**
c. **Where a registered Indian address is not provided;**
d. **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form. The Rights Entitlements may not be transferred or sold to any person in the United States.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (three), members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

Name	Designation	Chairman/Member
Mr. Vikas Nayyar	Non-Executive Director	Chairman
Mr. Surinder Kumar Kapoor*	Independent Director	Member
Ms. Komal Bhalla#	Independent Director	Member
Mr. Nitin Bhandari	Chairman and Managing Director	Member

*upto 14.2.2025. #from 14.2.2025

The Investor complaints received by our Company are generally disposed of within seven (7) to fifteen (15) Working days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, MUFG Intime India Private Limited, for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to

attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by MUFG Intime India Private Limited, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled ***'Terms of the Issue'*** on page no. 93.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
Ms. Shilpa Tiwari **Address:** Bhandari Hosiery Exports Limited, village Meherban, Rahon Road, Ludhiana **Contact Details:** 8872016434 **E-mail:** cs@bhandariexport.com **Website:** www.bhandariexport.com	**MUFG Intime India Private Limited** (Formerly Link Intime India Private Limited) ***Address:*** *C-101, 1st Floor, Embassy 247, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India.* **Telephone:** +91 810 811 4949 **Email:** bhandariexport.rights2026@in.mpms.mufg.com **Website:** www.in.mpms.mufg.com **Investor Grievance** **Email:**bhandariexport.rights2026@in.mpms.mufg.com **Contact Person:** Ms. Shanti Gopalakrishnan **SEBI Registration Number:** INR000004058

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.in.mpms.mufg.com. Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are (bhandariexport.rights2026@in.mpms.mufg.com or 8108114949).

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Investors are requested to note that application in this Issue can only be made through ASBA facility. For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the Registrar at www.in.mpms.mufg.com

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE and NSE and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

A. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations last amended on 8.4.2025, and the ASBA Circular, our Company will send/dispatch before the Issue Opening Date, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Draft Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Draft Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. Our Company's website at www.bhandariexport.com;
2. Registrar to the Issue's website at www.in.mpms.mufg.com
3. The Stock Exchanges at www.bseindia.com and www.nseindia.com;

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.in.mpms.mufg.com by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at www.bhandariexport.com.

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly and Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Common Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Common Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

B. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' on page no. 106 of this Draft Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" beginning on page no. 95 of this Draft Letter of Offer.

1. **Procedure for application through ASBA Facility**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled ***'Procedure for Application through the ASBA Process'*** on page no. 106.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see "Grounds for Technical Rejection" beginning on page 115 of this Draft Letter of Offer.

Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '***Application on Plain Paper under ASBA Process'*** *on Page No. 108.*

2. **Credit of Rights Entitlements in demat accounts of Eligible Shareholders**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

a) The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and

b) A demat suspense escrow account (namely, *'Bhandari Hosiery Exports Limited - Rights Entitlement Suspense Account'*) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
   i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
   ii. Equity Shares held in the account of IEPF authority; or
   iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
   iv. Credit of the Rights Entitlements returned/ reversed / failed; or
   v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or
   vi. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company; or
   vii. Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Shareholders whose Rights Entitlements are credited in demat suspense escrow account opened

by our Company as on Record Date are requested to provide relevant details (such as copies of self- attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by Monday 16.03.2026 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date i.e., by Wednesday 18.03.2026 to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.in.mpms.mufg.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. by Monday 16.03.2026 shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.ewww.in.mpms.mufg.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (www.bhandariexport.com)

3. Application by Eligible Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

a) The Eligible Equity Shareholders are residents;
b) The Eligible Equity Shareholders are not making payment from non-resident account;
c) The Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
d) The Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Accordingly, such resident Eligible Equity Shareholders are required to send a communication to our Company containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self- attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail, or hand delivery, to enable process of credit of Rights Equity Shares in such demat account.

4. Application for Additional Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for

Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in ***'Basis of Allotment'*** beginning on page no. 118.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled ***'Procedure for Application through the ASBA Process'*** on page no. 106.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.in.mpms.mufg.com;

2. Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company: bhandariexport.rights2026@linkintime.co.in

3. Updating of demat account details by Eligible Equity Shareholders holding shares in physical form: bhandariexport.rights2026@linkintime.co.in;

4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders www.in.mpms.mufg.com;

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

AUTHORITY FOR THE ISSUE

The Issue has been authorized by resolution of Board of Directors of our Company passed at their meetings held on 2nd January, 2026 in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Board of Directors/ Rights Issue Committee, in its meeting held on 19.02.2026 has determined the Issue Price at ₹ 2.56 per Equity Share and the Rights Entitlement as 4 Rights Equity Share for every 5 Equity Shares held on the Record Date.

BASIS FOR THIS ISSUE

The Rights Equity Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details

of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at www.in.mpms.mufg.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on our Company's website at, www.bhandariexport.com.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days
prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., www.in.mpms.mufg.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Letter of Offer, the Rights Entitlement Letter, and the Application Form only to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions and in each case who make a request in this regard.

The Letter of Offer, and the Application Form may also be accessed on the websites of the Registrar, our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the website of BSE and NSE. The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Rights Entitlement Letter or the Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

1. **Face Value**

   Each Rights Equity Shares will be having face value of ₹ 1 /- (Rupee One Only).

2. **Issue Price**

Each Rights Equity Share is being offered at a price of ₹ 2.56 per Rights Equity Shares (including a premium of ₹ 1.56 per Rights Equity Shares) in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date i.e. 25.02.2026

3. Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of 4 Rights Equity Share for every 5 Equity Shares held by the Eligible Shareholders as on the Record Date i.e. 25.02.2026.

4. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

5. Terms of Payment

Amount Payable Per Right Equity Share	Face Value	Premium	Amount
On Application	₹ 1/-	₹ 1.56	₹ 2.56/-

Each Rights Equity Shares is being offered at a price of ₹ 2.56 per Rights Equity Shares (including a premium of ₹ 1.56 per Rights Equity Shares), for every one Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay interest on such number of days delayed at the prescribed rate.

6. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholder being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE and NSE or through an off-market transfer. For details, see ***'Procedure for Renunciation of Rights Entitlements'*** on page no. 107.

In accordance with SEBI Right Issue circulars the Eligible Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

7. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and

b. A demat suspense escrow account (namely, *'Bhandari Hosiery Exports Limited - Rights Entitlement Suspense Account'*) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
   i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or

ii. Equity Shares held in the account of IEPF authority; or
iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
iv. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar;
v. Credit of the Rights Entitlements returned/ reversed / failed; or
vi. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.
vii. Eligible Equity Shareholders who have not provided their Indian addresses.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN INE474E20037 for the Rights Entitlements has also been generated which is ISIN INE474E20037. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e. by Monday 16.03.2026 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, i.e. by Wednesday 18.03.2026 to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the BSE and NSE after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.in.mpms.mufg.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED '*Procedure for Application through the ASBA Process*' ON PAGE NO. 106.

8. Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 4 Rights Equity Share(s) for every 5 Equity Share(s) held on the Record Date. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 1 Equity Share(s) the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement, if any.

For example, if an Eligible Equity Shareholder holds 1 Equity Share, such Shareholder will be entitled to 1 Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Equity Share if such Eligible Equity Shareholder has applied for additional Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 1 Equity Shares shall have 'Zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the Allotment of 1 (One) additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favor of third parties and the application forms shall be non-negotiable.

9. Ranking of Equity Shares

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

The Rights Equity Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

10. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE and NSE under ISIN INE474E20037. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE and NSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE and NSE on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade- for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Friday 06-03-2026 to Monday 16-03-2026 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see ***'Procedure for Renunciation of Rights Entitlements – On Market Renunciation'*** and ***'Procedure for Renunciation of Rights Entitlements – Off Market Renunciation'*** on page no. 107 and 108.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

11. Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE vide letter dated 18.02.2026 and NSE vide letter dated 18.02.2026. Our Company will apply to the BSE and NSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The Rights Equity Shares shall be listed and admitted for trading on the BSE and NSE under separate ISINs for Rights Equity Shares. The procedures for listing and trading of Rights Equity Shares shall be completed within the timelines as prescribed in the time line as applicable to the Rights issues from the date of finalization of the Basis of Allotment.

The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.

The existing Equity Shares are listed and traded on BSE and NSE bearing Scrip Code **'512608' and 'BHANDARI'** respectively under ISIN **INE474E01029**. The Rights Equity Shares shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the BSE and NSE, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within the prescribed time lines of receipt of intimation from the BSE and NSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within the prescribed timelines after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the prescribed rate on such number of days delayed.

12. Subscription to this Issue by our Promoters

For details of the intent and extent of subscription by our Promoters see the paragraph titled '***Intention and extent of participation by our Promoter'*** under the section titled ***'Capital Structure'*** on page no. 37.

13. Rights of holders of Rights Equity Shares of our Company

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

a. The Rights Equity Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
b. The right to receive dividend, if declared;
c. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Shareholders;
d. The right to receive surplus on liquidation;
e. The right to free transferability of Rights Equity Shares;
f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is 1 (One) Equity Share.

2. Minimum Subscription

Provisions of SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, with respect to achieving minimum subscription for the Rights Issue does not apply to us as the Objects of the issue do not involve amount to be incurred in capital expenditure.

3. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our

Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

4. Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

5. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is 1 (One) Equity Share and hence no arrangements for disposal of odd lots are required.

6. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

7. Notices

In accordance with the SEBI (ICDR) Regulations as amended from time to time, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e- mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Punjabi language daily newspaper with wide circulation (Punjabi being the regional language of Ludhiana where our Registered Office is situated).

The Letter of Offer, and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Rights Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on www.in.mpms.mufg.com or physically/postal means at the address of the Registrar mentioned on the cover page of the Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the BSE and NSE. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (hereinafter referred to as **'OCBs'**) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Shareholders can update their Indian address in the records maintained by the Registrar through email at www.in.mpms.mufg.com and our Company through email at www.bhandariexport.com by submitting their respective copies of self-attested proof of address, passport, etc.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. 25.02.2026, see '***Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form'*** on page no. 111.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Shareholders only to:

a. E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
b. Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
c. Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
d. E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non- availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit https://in.mpms.mufg.com/. Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

1. Our Company's website at www.bhandariexport.com;
2. Registrar to the Issue's website at www.in.mpms.mufg.com
3. The Stock Exchange website at www.bseindia.com and www.nseindia.com;

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.in.mpms.mufg.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.bhandariexport.com.

The Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see *'Grounds for Technical Rejection'* on page 115. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, BSE and NSE or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ***'Application on Plain Paper under ASBA process'*** on page no. 108.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may besubmitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE and NSE, and **Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section ***'Application on Plain Paper under ASBA process'*** on page 108.

ADDITIONAL RIGHTS EQUITY SHARES

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for Additional Rights Equity Shares shall be considered, and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchanges and in the manner prescribed under the section titled "Terms of the Issue" on page 93. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section ***'Basis of Allotment'*** on page no. 118.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the BSE and NSE; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

1. **On Market Renunciation**

   The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the BSE and NSE through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the BSE and NSE under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the BSE and NSE from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Friday 06-03-2026 to Monday 16-03-2026 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE474E20037 (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the BSE, NSE and the SEBI.

2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE474E20037 (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

APPLICATION ON PLAIN PAPER

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

i. Name of our Company, being ***'Bhandari Hosiery Exports Limited'***;

ii. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

iii. Registered Folio No./DP and Client ID No.;

iv. Number of Equity Shares held as on Record Date;

v. Allotment option – only dematerialized form;

vi. Number of Rights Equity Shares entitled to;

vii. Total number of Rights Equity Shares applied for;

viii. Number of additional Rights Equity Shares applied for, if any;

ix. Total number of Rights Equity Shares applied for;

x. Total amount paid at the rate of ₹ 2.56 per share for Rights Equity Share issued in one Rights Entitlement;

xi. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;

xii. In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.

xiii. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;

xiv. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

xv. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

xvi. In addition, all such Eligible Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as **'Regulation S'**), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.in.mpms.mufg.com

I/ We acknowledge that the Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date."

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility.

The Registrar will not accept any payments against the Application Forms if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

1. **Mode of payment for Resident Investors**

   All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. **Mode of payment for non-resident Investors**

   As regards the Application by non-resident Investors, the following conditions shall apply:

   a. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company;

Note: In case of non-resident Eligible Shareholders, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.

The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders at (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.

b. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;

c. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

i. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income- tax Act;

ii. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;

iii. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;

iv. Application Forms received from non-residents/NRIs or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;

v. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;

vi. Non-resident Renounces who are not Eligible Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.bhandariexport.com or www.in.mpms.mufg.com

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;

b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date;

c. The Eligible Equity Shareholders can access the Application Form from:

   1. Our Company's website at www.bhandariexport.com;
   2. Registrar to the Issue's website at www.in.mpms.mufg.com
   3. The Stock Exchange website at www.bseindia.com and www.nseindia.com;

   The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at https://in.mpms.mufg.com/ by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at, www.bhandariexport.com.

d. The Eligible Equity Shareholders shall, on or before the Issue Closing Date (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE *'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS'* ON PAGE NO. 118.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read the Letter of Offer carefully to understand the Application process and applicable settlement process;

2. Please read the instructions on the Application Form sent to you;

3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;

4. Application should be made only through the ASBA facility.

5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;

6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA processes on page no. 108;

7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;

8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

9. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE and NSE;

10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;

11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;

12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form;

13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;

14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;

15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;

16. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;

17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;

18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;

19. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;

20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;

2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;

3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects;

4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;

2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;

3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;

4. Do not pay the Application Money in cash, by money order, pay order or postal order;

5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only;

2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;

3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;

4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;

5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;

6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;

7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the

beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don'ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

GROUNDS FOR TECHNICAL REJECTION

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights

Equity Shares under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;

16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;
19. Application from Investors that are residing in U.S. address as per the depository records.
20. Investors not having the requisite approvals to make Application in the Issue.
21. Rights Entitlements are not available in DP ID on Issue Closing Date.

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, and Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect of the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications. A separate Application can be made by a Mutual Fund in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ***'Procedure for Applications by Mutual Funds'*** below. Cases where Investor submits Application Forms along

with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of the Promoter under the terms of the issue for the purpose of achieving the Minimum Subscription in case of under subscription.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [.] i.e. Issue Closing Date. Our Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the BSE, NSE and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our committee, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Rights Issue Committee shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, ***'Basis of Allotment'*** on page no. 118.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE and NSE.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

The Registrar to the Issue will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

ISSUE SCHEDULE

Last Date for credit of Rights Entitlements	Thursday 26-02-2026
Issue Opening Date	Friday 06-03-2026
Last Date for On Market Renunciation of Rights Entitlements	Monday 16-03-2026
Date of Closure of Off-Market Transfer of Rights Entitlements*	Wednesday, 18.03.2026
Issue Closing Date*	Friday 20-03-2026
Finalization of Basis of Allotment (on or about)	Monday 23-03-2026
Date of Allotment (on or about)	Monday 23-03-2026
Date of credit (on or about)	Tuesday 24-03-2026
Date of listing (on or about)	Wednesday 25-03-2026

**Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by Monday 16-03-2026, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date i.e. by Wednesday 18-03-2026.

BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.

2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Shares each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (1) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

3. Allotment to the Eligible Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

a. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
b. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
c. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. Our Company will e-mail Allotment advice, refund intimations or demat credit of Rights Equity Shares and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within such period as prescribed under the SEBI (ICDR) Regulations. In the

event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the interest on such number of days delayed at the prescribed rate.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking ofASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the interest at the prescribed rate on such number of days delayed.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would bedone through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.

2. National Automated Clearing House (hereinafter referred to as "**NACH**") – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. National Electronic Fund Transfer (hereinafter referred to as "**NEFT**") – Payment of refund shall be undertaken through NEFT wherever the Investor's bank has been assigned the Indian Financial System Code (hereinafter referred to as IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO:

1. THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR

2. THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR TO THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR

3. DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE SHAREHOLDERS/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/FAILED.

INVESTORS SHALL BE ALLOTTED THE RIGHTS EQUITY SHARES IN DEMATERIALIZED (ELECTRONIC) FORM.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE BSE AND NSE ONLY IN DEMATERIALIZED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1. Procedure for Applications by FPIs

In terms of applicable FEMA 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 investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor 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 investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the person(s) to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will 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. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in 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 of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and 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 about such approval within the Issue Period.

4. **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

5. **Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

PAYMENT BY STOCKINVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the Stock-Invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within the prescribed period. In case of failure to do so, our Company and the Directors who are "officers in default" shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within the prescribed period from the Issue Closing Date. In case of failure to do so, our Company shall pay interest on such number of days delayed at the prescribed rate.

For further instructions, please read the Application Form carefully.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at BSE and NSE, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the prescribed number of days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;
6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
7. Adequate arrangements shall be made to collect all ASBA applications;
8. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time;
9. Our Company accepts full responsibility for the accuracy of information given in the Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

1. All monies received out of issue of this Right Equity Issue shall be transferred to a separate bank account.

2. Details of all monies utilized out of this Right Issue referred to in clause (1) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and

3. Details of all unutilized monies out of this Right Issue referred to in clause (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

IMPORTANT

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected.

2. All enquiries in connection with the Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '***BHANDARI HOSIERY EXPORTS LIMITED – RIGHT ISSUE***' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

   MUFG Intime India Private Limited
   Address: C-101, 1st Floor, Embassy 247, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West),
   Mumbai –400 083, Maharashtra, India.
   Telephone: +91 81081 14949
   E-mail: bhandariexport.rights2026@in.mpms.mufg.com
   Website: www.in.mpms.mufg.com
   Investor Grievance E-mail: bhandariexport.rights2026@in.mpms.mufg.com
   Contact Person: Shanti Gopalakrishnan
   SEBI Registration Number: INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.in.mpms.mufg.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 8108114949.

4. This Issue will remain open for a minimum 15 (Fifteen) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the "government route", where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion). Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 **('FDI Circular 2020')**, which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, (as amended from time to time) issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION X – OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or
(c) demat suspense account where the credit of the Rights Entitlements returned/ reversed /failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 A.M. and 5 P.M. on all working days from the date of filing of the Draft Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.bhandariexport.com from the date of this Draft Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated 10th January, 2026.

2. Bankers to the Issue Agreement amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).

3. Tripartite Agreement between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;

4. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;

2. Certificate of Incorporation of our Company;

3. Copies of Audited Financial Statement and the Annual Report of our Company for the last 3 (Three) Financial Years for the Financial Year ending March 31, 2025, March 31, 2024 and March 31, 2023;

4. Resolution of our Board of Directors dated 2nd January, 2026 approving the Rights Issue;

5. Resolution of the empowered Rights Issue Committee dated 16th January, 2026, approving the Draft Letter of Offer;

6. Resolution of the Rights Issue Committee dated 19th February, 2026 finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;

7. Consents of our Directors, Bankers to our Company, Bankers to the Issue, Legal Advisor, Monitoring Agency, and the Registrar to the Issue for inclusion of their names in the Draft / Letter of Offer to act in their respective capacities;

8. Report on Statement of Special Tax Benefits dated 8th January, 2026 for our Company from the Statutory Auditors of our Company;

9. Certificate issued by the Statutory Auditors dated 28th January, 2026 with respect to working requirements of the Company.

10. Certificate issued by the Statutory Auditors dated 28th January, 2026 with respect to outstanding Loans of the Company.

11. In-principle approval issued by BSE vide letter dated 18.02.2026 and NSE vide letter dated 18.02.2026;

Any of the contracts or documents mentioned in this Draft / Letter of Offer 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 Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that no statement made in this Draft /Letter of Offer contravenes any of the provisions of the Companies Act, 2013, and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- _____ **Mr. Nitin Bhandari** Chairman & Managing Director	**Sd/-** _____ **Mr. Rohit Kumar Chhabra** Independent Director
Sd/- _____ **Mr. Vikas Nayar** Director	**Sd/-** _____ **Mr. Rajesh Kumar** Director
Sd/- _____ **Ms. Alka Gambhir** Independent Director	**Sd/-** _____ **Ms. Komal Bhalla** Independent Director
Sd/- _____ **Ms. Sharon Arora** Independent Director	**Sd/-** _____ **Mr. Deepak Sharma** Chief Financial Officer

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

_____

Ms. Shilpa Tiwari
Company Secretary & Compliance Officer

Place: Ludhiana
Date: 19th February, 2026