



BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the chapter titled “**Business Overview**” and its financial statements under the chapter titled “**Financial Information of our Company**” beginning on page 141 and 227 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Business Overview**” and “**Restated Financial Statements**” beginning on Page no 25, 141 and 227. and respectively of this Red Herring Prospectus.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

- Experienced Promoters and Senior Management Team.
- Technologically Advanced and Integrated Warehouse Management System (WMS)
- Expertise in Apparel Reverse Logistics (Returns Management)
- Quality Control and Inspection

For further details, please refer chapters titled “**Risk Factors**” and “**Business Overview**” beginning on Page Nos. 25 and 141 respectively.

Quantitative Factors

The information presented in this section for the financial year ended March 31, 2025, 2024, 2023 and period ended September 30, 2025 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “**Restated Financial Statements**” beginning on Page No. 227 of this Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Share (EPS), (Face Value of ₹ 10/- each)

(Post effect of Bonus or split of shares)

Particulars	Basic & diluted	
	EPS (in ₹)	Weights
Financial year ending on March 31, 2025 (Standalone) [#]	13.70	3
Financial year ending on March 31, 2024 (Consolidated)	4.12	2
Financial year ending on March 31, 2023 (Consolidated)	4.83	1
Weighted Average (of above three financial years)	9.03	
Period ended September 30, 2025*(Consolidated)	12.15	

* Not Annualised

[#] M/s Fractal Sparkon Engineers Private Limited ceased to be the subsidiary of the Company w.e.f. September 20, 2024.

Note:

i. Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/ year.

ii. Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.

iii. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.

iv. The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.

v. The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India.

2. Price Earning (P/E) Ratio in relation to the Price Band of Rs. [●] to Rs. [●] per Equity Share of Face Value of Rs. 10/- each fully paid up -

Particulars	(P/E) Ratio at the Floor Price (number of times)	(P/E) Ratio at the Cap Price (number of times)
Based on basic & diluted EPS, as restated for the financial year ended March 31, 2025	[●]*	[●]*
Based on weighted average EPS, as restated	[●]*	[●]*

*To be computed after finalisation of the Price Band.

3. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest*	-
Lowest*	-
Average*	-

*There is only 1 listed peer having negative EPS.

4. Return on Net Worth (RoNW):

Particulars	RoNW(%)	Weight
Financial Year ending on March 31, 2025 (Standalone) [#]	48.02%	3
Financial year ending on March 31, 2024 (Consolidated)	27.78%	2
Financial year ending on March 31, 2023 (Consolidated)	45.12%	1
Weighted Average (of above three financial years)	40.79%	
Period ended September 30, 2025*(Consolidated)	28.74%	

[#]M/s Fractal Sparkon Engineers Private Limited ceased to be the subsidiary of the Company w.e.f. September 20, 2024.

*Not Annualised

Note:

- RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus - revaluation reserves
- Networth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

5. Net Asset Value (NAV) per Equity Share

(Post effect of Bonus or split of shares)

Particulars	NAV per Share (₹)
As on March 31, 2023 (Consolidated)	10.71
As on March 31, 2024 (Consolidated)	14.83
As on March 31, 2025 (Standalone) [#]	28.54
As on September 30, 2025 (Consolidated)	42.28
Net Asset Value per Equity Share after the Issue	[●]



Issue price per equity shares	[●]
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[#]M/s Fractal Sparkon Engineers Private Limited ceased to be the subsidiary of the Company w.e.f. September 20, 2024.

Note:

- NAV (book value per share) = Total shareholders' funds divided by number of shares outstanding at the end of the year.
- The figures disclosed above are based on the Restated Financial Statements of the company.
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- Issue Price per Equity Share will be determined by our company in consultation with the BRLM.

6. Comparison of Accounting Ratios with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company	CMP	EPS (₹)	Face Value (₹)	P/E Ratio	RoNW (%)	NAV Per Share	Total Income (₹ in Lakhs)
Peer Group	Financial Year March 31, 2025						
Bang overseas Limited (Consolidated)	46.50	(1.60)	10	NA	(2.54%)	64.23	19100.17
Our Company(Standalone) **	[●]	13.70	10	[●]	48.02%	28.54	8,551.29

- Closing market price as on January 19, 2026 of Bang overseas Limited is considered as CMP
- Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the annual report for FY 2024-25 of the listed peer companies
- P/E ratio cannot be calculated as EPS of the peer company is negative
- Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2025 divided by Total Equity as on March 31, 2025
- NAV per share for listed peers is computed as the Total Equity as on March 31, 2025 divided by the outstanding number of equity shares as on March 31, 2025.
- The Profit figures for the calculation of EPS & RoNW and Total revenue of our Company have been derived from the Restated Financial Statements.

******The details shall be provided post the fixing of the price band by our Company at the stage of the Red Herring Prospectus or the filing of the price band advertisement.

7. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 27, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by Statutory and Peer Review Auditor Keyur Shah & Associates Chartered Accountants, by their certificate dated January 27, 2026.

The KPIs of our Company have been disclosed in the chapter titled “**Business Overview**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on page 141 and 281, respectively. We have described and defined the KPIs as applicable in “**Definitions and Abbreviations**” beginning on page 1. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at once in a year (or any



lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

(Amount in Lakhs, except EPS, % and ratios)

Particulars	Fractal Industries Limited			
	For the Period ended September 30, 2025	For the year ended March 31, 2025 [#]	For the year ended March 31, 2024	For the year ended March 31, 2023
	Consolidated	Standalone	Consolidated	Consolidated
Revenue from Operations ⁽¹⁾	4,729.73	8,544.87	4,994.40	8,891.11
Growth in Revenue from Operations (%)	-	71.09%	(43.83%)	(4.20%)
Total Income ⁽²⁾	4,733.40	8,551.29	5,000.85	8,891.11
EBITDA ⁽³⁾	929.15	1,114.81	405.23	413.12
EBITDA Margin (%) ⁽⁴⁾	19.63%	13.04%	8.10%	4.65%
Net Profit for the Year/Period ⁽⁵⁾	678.17	753.76	226.68	265.83
PAT Margin (%) ⁽⁶⁾	14.34%	8.82%	4.54%	2.99%
Return on Equity (%) ⁽⁷⁾	34.52%	63.20%	32.27%	58.18%
Return on Capital Employed (%) ⁽⁸⁾	18.99%	25.07%	12.33%	19.14%
Debt-Equity ratio ⁽⁹⁾	1.04	1.76	2.68	2.38

[#]M/s Fractal Sparkon Engineers Private Limited ceased to be the subsidiary of the Company w.e.f. September 20, 2024.

Note:

1. Revenue from Operations: This represents the income generated by the Company from its core operating operation. This gives information regarding the scale of operations.
2. Total income includes revenue from operations and other income.
3. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax for the year and adding back interest cost, depreciation, and amortization expense.
4. EBITDA margin is calculated as EBITDA as a percentage of Total Income.
5. Profit for the year/period represents the restated profits of the Company after deducting all expenses.
6. PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations.
7. Return on Equity is calculated as Profit after tax, as restated, attributable to the owners of the Company for the year/period divided by average equity. Average equity is calculated as average of opening and closing balance of total equity (Shareholders' funds) for the year/period.
8. Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of tangible net worth, total debt and deferred tax liability)
9. Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.

Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA	EBITDA provides information regarding the operational efficiency of our business
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit for the Year / Period	Net Profit for the year/period provides information regarding the overall profitability of our business
Restated Profit for the Period /Year Margin	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
Return on Equity (in %)	Return on Equity provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information.

Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

Comparison of our key performance indicators with listed industry peers for the Financial Years/ periods included in the Restated Financial Information:

(Amount in Lakhs, except EPS, % and ratios)

Particulars	Bang overseas Limited			Fractal Industries Limited			
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023	For the Period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
	Consolidated	Consolidated	Consolidated	Consolidated	Standalone	Consolidated	Consolidated
Revenue from Operations ⁽¹⁾	18,883.13	13,371.80	11,753.29	4,729.73	8,544.87	4,994.40	8,891.11
Growth in Revenue from Operations (%)	41.22%	13.77%	40.75%	-	71.09%	(43.83%)	(4.20%)
Total Income ⁽²⁾	19,100.17	13,666.51	11,970.64	4,733.40	8,551.29	5,000.85	8,891.11

EBITDA (3)	(141.02)	(580.86)	572.49	929.15	1,114.81	405.23	413.12
EBITDA Margin (%) ⁽⁴⁾	(0.54%)	(4.25%)	4.78%	19.63%	13.04%	8.10%	4.65%
Net Profit for the Year/Period ⁽⁵⁾	(221.35)	(837.87)	117.44	678.17	753.76	226.68	265.83
PAT Margin (%) ⁽⁶⁾	(1.17%)	(6.27%)	1.00%	14.34%	8.82%	4.54%	2.99%
Return on Equity (%) ⁽⁷⁾	(2.51%)	(8.96%)	1.21%	34.52%	63.20%	32.27%	58.18%
Return on Capital Employed (%) ⁽⁸⁾	(2.02%)	(5.97%)	3.64%	18.99%	25.07%	12.33%	19.14%
Debt- Equity ratio ⁽⁹⁾	0.30	0.30	0.34	1.04	1.76	2.68	2.38

Note:

1. *Revenue from Operations:* This represents the income generated by the Company from its core operating operation. This gives information regarding the scale of operations.
 2. *Total income* includes revenue from operations and other income.
 3. *EBITDA* means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax for the year and adding back interest cost, depreciation, and amortization expense.
 4. *EBITDA margin* is calculated as EBITDA as a percentage of Total Income.
 5. *Profit for the year/period* represents the restated profits of the Company after deducting all expenses.
 6. *PAT Margin (%)* is calculated as Profit for the year as a percentage of Revenue from Operations.
 7. *Return on Equity* is calculated as Profit after tax, as restated, attributable to the owners of the Company for the year/period divided by average equity. Average equity is calculated as average of opening and closing balance of total equity (Shareholders' funds) for the year/period.
 8. *Return on capital employed* calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of tangible net worth, total debt and deferred tax liability)
 9. *Debt- equity ratio* is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.
- 8. Weighted Average Cost of Acquisition (WACA), Floor Price and Cap Price**
- a) *Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")*

The details of issuances any Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days, are as follows:

Date of Allotment	No. of equity shares allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
July 01, 2025	7,297	1,530	Private Placement	Cash	111.64
August 20, 2025	50,72,970	Nil	Bonus Issue	Non-Cash	Nil
Total	50,80,267	-	-	-	111.64
Weighted average cost of acquisition (WACA)					2.20

- b) *Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) or Promoters or members of the Promoter Group or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")*

The details of secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days, are as follows:

Date of transfer	Name of transferor	Name of transferee	No. of Equity Shares	Price per Equity Shares	Nature of Transaction	Total Consideration
21.02.2025	Priti Pankaj Agarwal	Tanisha Mittal	2,500	300	Cash	7,50,000
21.02.2025	Priti Pankaj Agarwal	Santosh Mittal	2,500	300	Cash	7,50,000
21.02.2025	Priti Pankaj Agarwal	Shivkumar Mittal	2,150	300	Cash	6,45,000
21.02.2025	Priti Pankaj Agarwal	Pratik Agarwal	1	300	Cash	300
21.02.2025	Priti Pankaj Agarwal	Vikas Tekriwal	1	300	Cash	300
Total	-	-	7,152	-	-	21,45,600
Weighted average cost of acquisition (WACA)					300.00	

- c) **Price per share based on the last five primary or secondary transactions**

Since transactions are reported under point (a) and (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is not applicable.

- d) **Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme/ Stock Appreciation Right Scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share	2.20	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options/ Stock Appreciation Right Scheme), in a single transaction or multiple transactions combined together over a span of rolling 30 days.			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	300.00	[●]	[●]
Since transactions are reported under point (a) and (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is not applicable.	N.A.	[●]	[●]

9. The Issue Price is [●] times of the Face Value of the Equity Shares.

The Company in consultation with the Book Running Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the section titled **“Risk Factors”**, **“Restated Financial Statements”**, **“Management’s Discussion and Analysis of Financial Position and Results of Operation”** and the chapter titled **“Business Overview”** beginning on page 25, 227, 281 and 141 respectively, of this Red Herring Prospectus along with the financials of our Company including important profitability and return ratios, as set out in the chapter titled **“Restated Financial Statements”** beginning on page 227 of this Red Herring Prospectus. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share

10. Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price and [●] times of weighted average cost of acquisition of secondary transaction price of Equity Shares (set out in 8 (D) above) along with our Company’s key performance indicators and financial ratios.



[●]*

**To be included upon finalization of the Price Band*

Post-filing of this Prospectus with the Registrar of Companies, our Company shall issue an advertisement regarding the Offer program, as required under Regulation 43(1) of the SEBI ICDR Regulations, prior to the opening of the Offer.