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# KUSUMGAR LIMITED

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## IPO NOTE

*July 2026*

## ISSUE HIGHLIGHTS

- ❑ **Kusumgar Ltd** is a specialised player in the engineered fabrics industry with expertise in customised and high-performance fabric solutions. The company manufactures woven, coated, and laminated synthetic fabrics using advanced technical processes that are difficult for competitors to replicate.
- ❑ They **possess specialised machinery, diverse manufacturing capabilities, and strong technical know-how** built over many years. The engineered fabrics industry has high technical and operational entry barriers, limiting the number of capable competitors in the market.
- ❑ The company manufactures **high-performance fabrics using polyamide and polyester filaments along with polyurethane chemistry**. Its products are designed to provide critical features such as strength, durability, abrasion resistance, comfort, air permeability, and waterproofing.
- ❑ Kusumgar Ltd uses specialised synthetic fibres such as **nylon, polyester, and aramids for various industrial and defence applications**. The company offers fabrics ranging from lightweight 15D fabrics to highly durable 1000D fabrics for heavy-duty applications.
- ❑ Kusumgar Ltd has **developed more than 1,000 unique SKUs**, establishing a niche position in synthetic functional and performance fabrics.
- ❑ The company serves **multiple sectors including aerospace and defence, industrial and automotive, and outdoor and lifestyle applications**.
- ❑ The company is **recognised as a pioneer in parachute fabrics** and is **among the major players outside the U.S. and China in military parachute fabrics**.
- ❑ The company also manufactures specialised products such as parachute systems, stealth solutions, camouflage nets, shelters, and rapid deployment systems.
- ❑ The company operates through **four key segments**: Aerospace & Defence Fabrics, Aerospace & Defence Solutions, Industrial & Automotive Fabrics, and Outdoor & Lifestyle Fabrics.
- ❑ The company **supplies materials to leading global brands and is expanding its presence in exports and global markets**. They focus strongly on sustainability through recycled materials, solar and biomass energy usage, eco-friendly processes, continuous product innovation, and expansion into new applications.

## BRIEF FINANCIAL DETAILS\*

(₹ IN CR)

Particular	As of Mar' 31,		
	2026	2025	2024
Equity Share Capital	11.90	10.15	1.99
Reserves	491.05	247.60	138.37
Net Worth	502.95	257.75	140.36
Total Borrowings	223.58	246.50	76.53
Revenue from operations	692.00	779.00	467.91
Revenue Growth (%)	(11.17%)	66.49%	55.12%
EBITDA	187.85	188.39	131.85
EBITDA Margin (%)	27.15%	24.18%	28.18%
Net Profit for the period/year	98.20	111.99	84.40
PAT Margin (%)	13.80	14.17%	17.78%
EPS – Basic (₹)	9.68	11.03	8.32
ROE (%)	25.82%	56.26%	86.13%
ROCE (%)	24.76%	42.89%	55.87%
NAV - (₹)	49.56	25.40 <sup>^</sup>	7053.22
Net cash from operating activities	28.26	(154.98)	200.96
Net cash used in Investing activities	(102.66)	2.06	(199.58)
Net cash used in financing activities	69.75	150.75	21.18

Source: RHP, \*Restated Statement, <sup>^</sup> The Co's equity shares were subdivided from a FV of ₹100/share to ₹1/share, w.e.f October 1, 2024. The co issued bonus shares in the ratio of 3 for every 1 share held on 29 Jan 2025 and another bonus in the ratio of 11 for every 40 held on 17 Mar 2025.

## Issue Details

**Offer for Sale of Equity Shares aggregating upto ₹650 Cr**

**Issue size: ₹ 650 Cr**

**Face value: ₹ 1/-**

**Employee Reservation: up to ₹ 3.50 Cr**

**Price band: ₹ 398 – 419**

**Bid Lot: 35 Shares and in multiples**

**Employee Discount: ₹39/- per share**

**Post Issue Implied Market Cap:**

**₹ 4,179 Cr – 4,399 Cr**

**BRLMs: Axis Capital, IIFL Capital, Motilal Oswal**

**Registrar: Bigshare Services Pvt Ltd**

**Issue opens on: Wednesday, July 8th, 2026**

**Issue closes on: Friday, July 10th, 2026**

## Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	13-07-2026
Refunds/Unblocking ASBA Fund	14-07-2026
Credit of equity shares to DP A/c	14-07-2026
Trading commences	15-07-2026

## Issue Break-up

	No. of Shares		₹ In Cr	% of Issue
	@Lower	@Upper		
QIB	81,21,858	77,14,796	323.25	50%
NIB	24,36,558	23,14,439	96.98	15%
-NIB2	16,24,372	15,42,960	64.65	-
-NIB1	8,12,186	7,71,479	32.33	-
RET	56,85,303	54,00,358	226.28	35%
Emp	97,491	92,105	3.50	-
<b>Total</b>	<b>1,63,41,210</b>	<b>1,55,21,698</b>	<b>650.00</b>	<b>100%</b>

NIB-2 = NII Bid Above ₹ 10 Lakhs

NIB-1 = NII Bid between ₹ 2 to 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	35 Shares	490 Shares	2,415 Shares
Minimum Bid Lot Amount (₹)	₹ 14,665 <sup>^</sup>	₹ 2,05,310 <sup>^</sup>	₹ 10,11,885 <sup>^</sup>
Appl for 1x	1,54,296 Applications	1,574 Applications	3,149 Applications

## Listing: BSE & NSE

## Shareholding (No. of Shares)

Pre & Post-issue
104,991,372

~@Lower price Band ^@ Upper Price Band

## Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	90.47%	75.68%
Promoter Group	0.01%	0.01%
Public	9.52%	24.31%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## BACKGROUND

The company was initially formed as a Private Limited Company on June 15, 1990. Yogesh Kantilal Kusumgar, Siddharth Yogesh Kusumgar, Sapna Siddharth Kusumgar; and Siddharth Yogesh Kusumgar HUF are the Promoters of the company. Currently, the promoters collectively hold 94,981,169 Equity Shares of face value of ₹1 each, representing 90.47% of the pre- Offer issued, subscribed, and paid-up Equity Share capital of the company.

### Brief Biographies of Directors and Senior Management Personnel

**Siddharth Yogesh Kusumgar** is one of the promoters, the Chairman and Managing Director of the Company and is responsible for strategic leadership and business growth. He has over 25 years of experience in the field of technical textiles.

**Sapna Siddharth Kusumgar** is one of the promoters and the Joint Managing Director of the Company and is responsible for business integration, enhancing specialized value-added offerings and aligning organizational capabilities with evolving global market demands. She has over 21 years of experience in the fields of human resources, information technology and technical textiles.

**Ankur Kothari** is the Executive Director and Chief Executive Officer of the Company and is responsible for growth, financial performance, governance, compliance, operations and risk management. He has over 15 years of experience in strategy and operational roles and was previously associated with Boston Consulting Group and Arvind Limited.

**Kaushal Jaysingh Sampat** is an Independent Director of the Company and has over 16 years of experience in general management, sales, marketing, operations, international business development, risk management, data and analytics. He was previously associated with Dun & Bradstreet Information Services India Private Limited and is currently associated with Rubix Data Sciences Private Limited.

**Deepti Gupta** is an Independent Director of the Company and has over 28 years of experience in textile chemical processing, product development and academics. She is currently associated with Indian Institute of Technology Delhi as a Professor in the Department of Textile & Fibre Engineering.

**Nihar Ajay Parikh** is an Independent Director of the Company and has over 10 years of experience in business strategy, finance and operations. He is currently associated with Tejal Merchantile Pvt Ltd.

**Kinnar Dhansukhlal Mehta** is the Chief Financial Officer of the Company and has been associated with the Company since November 2, 2009. He is responsible for strategic leadership, financial planning and analysis, accounting and compliance. He has 16 years of experience in accounting and compliance.

**Devanand Parshottam Mojidra** is the Company Secretary and Compliance Officer of the Company and has been associated with the Company since February 18, 2025. He has over 16 years of experience in secretarial and compliance.

## OFFER DETAILS

Offer for Sale	(₹650 Cr)	WACA per Equity Share (₹)
Siddharth Yogesh Kusumgar	(₹420 Cr)	Nil
Sapna Siddharth Kusumgar	(₹200 Cr)	Nil
Siddharth Yogesh Kusumgar HUF	(₹ 30 Cr)	Nil

(<sup>^</sup>at upper price band); WACA=Weighted Average Cost of Acquisition

## SHAREHOLDING PATTERN

Shareholders	Pre-offer		Offer for Sale Shares <sup>^</sup>	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoters	9,49,81,169	90.47%	1,55,21,698	7,94,59,471	75.68%
Promoter Group	10,200	0.01%	-	10,200	0.01%
<b>Total for Promoters and Promoter Group</b>	<b>9,49,91,369</b>	<b>90.48%</b>	<b>1,55,21,698</b>	<b>7,94,69,671</b>	<b>75.69%</b>
Public	1,00,00,003	9.52%	-	2,55,21,701	24.31%
<b>Total for Public Shareholders</b>	<b>1,00,00,003</b>	<b>9.52%</b>	<b>-</b>	<b>2,55,21,701</b>	<b>24.31%</b>
<b>Total Equity Share Capital</b>	<b>10,49,91,372</b>	<b>100.00%</b>		<b>10,49,91,372</b>	<b>100.00%</b>

Source: RHP; <sup>^</sup>Shares at upper price band

## BUSINESS OVERVIEW

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Kusumgar Limited is engaged in the manufacturing of woven, coated and laminated synthetic fabrics, also known as engineered fabrics. The company specializes in high-performance fabrics made using polyamide and polyester filaments along with polyurethane chemistry. Its products are designed to meet critical performance requirements such as strength, durability, abrasion resistance, comfort, air permeability and waterproofing.

The company has developed more than 1,000 unique SKUs as of March 31, 2025, and has built a niche position in synthetic functional and performance fabrics. Its products cater to sectors such as aerospace and defence, industrial and automotive, and outdoor and lifestyle applications. In recent years, the company has also expanded into manufacturing finished products for aerospace and military applications, including parachute systems, stealth solutions and rapid deployment systems.

The engineered fabrics industry requires high technical expertise and precision manufacturing. The company focuses on high-technology applications by leveraging its process knowledge, technical capabilities and strategic partnerships. The company believes its future growth will be driven by exports, global supply chain shifts, defence modernization, product innovation and expansion into new applications.

According to the 1Lattice Report, the global engineered fabrics industry grew from US\$41.6 billion in 2019 to US\$62.5 billion in 2024 and is expected to reach US\$103.4 billion by 2029. The industrial and automotive segment currently contributes the largest share to the industry, followed by outdoor and lifestyle applications, while aerospace and defence continue to remain specialized high-entry-barrier segments.

The company operates through four major business segments: (i) Aerospace and Defence Fabrics, (ii) Aerospace and Defence Solutions, (iii) Industrial and Automotive Fabrics, and (iv) Outdoor and Lifestyle Fabrics. These segments involve specialized applications with significant technical and operational entry barriers.

Under the Aerospace and Defence Fabrics segment, the company manufactures customized fabrics used in parachutes, aerial systems, tactical clothing, stealth systems and rapid deployment systems. The company works closely with customers to develop products based on specific strength, durability and performance requirements and also exports these fabrics globally.

Through its Aerospace and Defence Solutions business, the company manufactures finished products such as parachute systems, camouflage nets, shelters and decoys. The company also undertakes maintenance and repair services for selected customers in this segment.

## COMPANY OFFERINGS

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- **Aerospace and Defence Fabrics**

Kusumgar Limited manufactures specialized fabrics for aerospace and defence applications, where products are required to meet strict technical and performance standards. The company works closely with end-users and government customers to develop fabrics focused on durability, comfort, safety and high performance. Since April 2023, the company has exported aerospace and defence fabrics to countries across Asia, Europe and the Americas.

The company has strong expertise in aeronautical fabrics used in applications such as parachutes, paragliders, hot air balloons, sails, kites and aerostats. These fabrics are manufactured using high-tenacity yarns with specialized coatings and finishes to meet demanding aerospace and military standards.

The company is recognized as a major manufacturer of parachute fabrics in India. Its products are used in cargo drop parachutes, tactical assault parachutes, high-altitude parachute systems, recovery parachutes and space module recovery systems. The fabrics are engineered for high strength, tear resistance and precise air permeability.

The company also manufactures fabrics for tactical clothing and defence gear, including rainwear, cold-weather clothing, rucksacks, sleeping bags and military load-carrying systems. The characteristics of the materials include durability, flexibility, stealth, abrasion resistance, flame retardancy, water repellence, and moisture management.

In the stealth systems segment, the company develops advanced fabric solutions that reduce visibility across radar, infrared and visual spectrums. Its products include camouflage nets, ghillie suits and military decoys designed using customized yarns, coatings and laminations.

- **Aerospace and Defence Solutions**

Building on its expertise in technical fabrics, the company has expanded into manufacturing complete aerospace and defence solutions for domestic and international customers. These solutions include aerial systems, stealth systems and rapid deployment systems. The company also undertakes maintenance and repair service contracts for defence customers.

Under aerial systems, the company manufactures a wide range of parachute systems for military use, including tactical assault parachutes, cargo drop parachutes, drogue parachutes and recovery parachutes for drones and aircraft. The company is also an authorized partner for supplying fabrics and parachute systems for the re-entry module of the Gaganyaan project.

The stealth systems business includes products such as multispectral camouflage nets, ghillie suits, infrared reflective uniforms and invisibility cloaks designed to reduce detection by enemy surveillance systems.

The company's rapid deployment systems include inflatable military decoys and inflatable shelters designed for quick deployment during combat and emergency situations. The company also provides maintenance, inspection and repair services for defence systems. Its manufacturing facilities are AS9100D certified, which enables the company to meet stringent aerospace quality standards and support global OEM requirements.

- **Industrial and Automotive Fabrics**

The company's Industrial and Automotive Fabrics business is divided into four segments: fabrics for tapes, custom fabric solutions, mechanical rubber goods fabrics and inflatable fabrics.

Under fabrics for tapes, the company manufactures specialized fabrics used in automotive wire harness tapes, insulation tapes and tapes for the shoe and leather industries. These fabrics help provide cable protection, heat insulation, noise reduction and durability in modern vehicles. The company develops products that meet global automotive standards related to thermal resistance, flame retardancy and mechanical strength.

In custom fabric solutions, the company manufactures fabrics used in convertible tops, sunroof blinds, automotive interiors, railway gangways and medical applications. These fabrics are engineered for weather resistance, UV protection, durability and passenger comfort while maintaining lightweight properties.

The company also manufactures reinforcement fabrics for mechanical rubber goods applications such as belts, hoses, diaphragms, rubber sheets and liners. These fabrics improve strength, flexibility, abrasion resistance and durability in industrial and automotive applications.

Under inflatable fabrics, the company manufactures high-performance fabrics used in inflatable rafts, rescue boats, aircraft evacuation slides and other air-holding structures. These products are designed for durability, airtightness, flame resistance and long-term reliability in demanding environments.

- **Outdoor and Lifestyle Fabrics**

Kusumgar Limited manufactures outdoor and lifestyle fabrics used in clothing and equipment for outdoor applications. These fabrics are designed to provide safety, durability and comfort in extreme weather and outdoor conditions. The company uses specialized finishes on polyester and polyamide fabrics to improve performance and suitability for demanding environments. The company offers outdoor fabrics in multiple colours, textures and weave patterns based on changing market trends and customer requirements. Its product range includes fabrics from simple rip-stop designs to advanced dobby constructions. The company's outdoor fabrics are used in products such as athleisure wear, winter jackets, rainwear, fashion jackets, track suits and workwear. These fabrics are also used for high-altitude clothing and personal gear products including backpacks, luggage, sleeping bags, tents and mattresses.

## REVENUE FROM OPERATIONS

The revenue from contracts with customers from the (i) Aerospace and Defence Fabrics, (ii) Aerospace and Defence Solutions, (iii) Industrial and Automotive Fabrics and (iv) Outdoor and Lifestyle Fabrics market segments, and from sales falling outside those market segments, for the fiscal years indicated.

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ Cr)	% of Revenue from Contracts	Amount (₹ Cr)	% of Revenue from Contracts	Amount (₹ Cr)	% of Revenue from Contracts
Aerospace and Defence Fabrics	213.70	31.67%	370.09	48.06%	313.49	68.79%
Aerospace and Defence Solutions	155.02	22.97%	221.90	28.81%	0.86	0.19%
Industrial and Automotive Fabrics	164.86	24.43%	112.63	14.63%	111.39	24.44%
Outdoor and Lifestyle Fabrics	125.32	18.57%	56.90	7.39%	29.17	6.40%
Other Sales	15.92	2.36%	8.57	1.11%	0.79	0.17%
<b>Revenue from contracts with customers</b>	<b>674.81</b>	<b>100.00%</b>	<b>770.10</b>	<b>100.00%</b>	<b>455.69</b>	<b>100.00%</b>

**The details of the revenues from the top 10 customers:**

(₹ Cr)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Top customer	75.13	11.13%	222.59	28.90%	215.34	47.26%
Top 5 customers	306.24	45.38%	571.55	74.22%	312.06	68.48%
Top 10 customers	401.68	59.52%	652.20	84.69%	365.37	80.18%
<b>Revenue from contracts with customers</b>	<b>674.81</b>	<b>100.00%</b>	<b>770.10</b>	<b>100.00%</b>	<b>455.69</b>	<b>100.00%</b>

**Geographical – Revenue from contract with customers**

(₹ Cr)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Within India	404.97	60.01%	591.29	76.78%	338.95	74.38%
Outside India	269.84	39.99%	178.81	23.22%	116.74	25.62%
- United States	62.80	9.31%	67.89	8.82%	46.56	10.22%
- European Union	122.24	18.11%	61.18	7.94%	34.90	7.66%
- Germany	75.72	11.22%	40.35	5.24%	27.66	6.07%
- Others	84.80	12.57%	49.74	6.46%	35.29	7.74%
<b>Revenue from contracts with customers</b>	<b>674.81</b>	<b>100.00%</b>	<b>770.10</b>	<b>100.00%</b>	<b>455.69</b>	<b>100.00%</b>

**Revenue from Operations**

(₹ Cr)

Particulars	As at March 31,		
	2025	2024	2023
Sales of Manufactured goods	622.50	768.60	454.57
Sales of services	52.313	1.497	1.129
<b>Revenue from contracts with customer</b>	<b>674.81</b>	<b>770.10</b>	<b>455.69</b>
Other Operating Income	17.189	8.902	12.214
<b>Revenue from Operations</b>	<b>692.00</b>	<b>779.00</b>	<b>467.91</b>

**MANUFACTURING FACILITIES**

The Company operates six manufacturing facilities located in Gujarat, India, along with one fabrication unit in Uttar Pradesh, India. Operations are supported by vertically integrated capabilities spanning preparatory, weaving, dyeing, printing, finishing, coating, lamination and fabrication processes.

Through this integrated manufacturing setup, greater control over product quality and delivery timelines is enabled, strengthening operational efficiency and ensuring consistent output standards.

**The summary of company's capabilities and capacity:**

Capability	Description
Preparatory and Weaving	<ul style="list-style-type: none"> <li>Yarn texturizing machines and twisting machines;</li> <li>Preparatory: direct warping, sectional warping, sizing machines and beaming machines;</li> <li>Loom shed: water-jet looms, rapier looms, air-jet looms and narrow woven needle looms</li> </ul>
Processing	<ul style="list-style-type: none"> <li>Specialised machines for different types of fabrics and finishes;</li> <li>Scouring/heat-setting;</li> <li>Dyeing/finishing;</li> <li>Printing machine;</li> <li>Ultrasonic and heat slitting machines;</li> <li>Calendering</li> </ul>
Coating and Lamination	<ul style="list-style-type: none"> <li>Coating;</li> <li>Lamination</li> </ul>
Fabrication	<ul style="list-style-type: none"> <li>Cut and sew;</li> <li>Assembly;</li> <li>Laser fabric cutting machines</li> </ul>

**The details of the installed capacities, actual production and capacity utilisation:**
*(in Million Meters)*

Factory	As at and for the year ended March 31, 2026			As at and for the year ended March 31, 2025			As at and for the year ended March 31, 2024		
	Installed Capacity	Actual Production	Capacity Utilisation	Installed Capacity	Actual Production	Capacity Utilisation	Installed Capacity	Actual Production	Capacity Utilisation
<b>Processing Dyeing, Finishing, Printing and Coating Factories</b>									
Vapi	25.56	14.77	57.79%	25.56	19.2	75.11%	25.56	24.12	94.38%
ECFPL (Coating)	21.3	5.32	24.98%	21.3	11.43	53.66%	21.3	20.08	94.28%
Karanj	59.64	35.25	59.11%	59.64	11.19	18.76%	-	-	-
Karanj (Coating)	21.3	7.92	37.18%	21.3	4.63	21.74%	-	-	-
<b>Total Processing Facilities</b>	<b>127.8</b>	<b>63.26</b>	<b>49.50%</b>	<b>127.8</b>	<b>46.45</b>	<b>42.32%</b>	<b>46.86</b>	<b>44.2</b>	<b>94.33%</b>
<b>Weaving Facilities</b>									
Kosamba Weaving 1	13.31	6.8	51.09%	13.31	9.91	74.48%	13.31	10.88	81.80%
Kothwa Weaving 2	6.41	5.98	93.29%	6.41	6.05	94.38%	6.41	4.97	77.63%
Kosamba Weaving 3	14.45	8.58	0.5938	-	-	-	-	-	-
<b>Total Weaving Facilities</b>	<b>34.17</b>	<b>21.36</b>	<b>62.51%</b>	<b>19.72</b>	<b>15.96</b>	<b>84.43%</b>	<b>19.72</b>	<b>15.85</b>	<b>79.72%</b>

ECFPL= Engineered Coated Fabric Pvt. Ltd.

## COMPETITIVE STRENGTHS

- The company operates in markets with high entry barriers**

Kusumgar Limited has developed a strong niche position in technical textiles by manufacturing over 1,000 engineered fabrics since 1970. The company operates in a high-entry-barrier industry where technical expertise, manufacturing know-how, long approval cycles, and infrastructure requirements make competition difficult, as products are produced using advanced processes and are not easily replicable. Strong capabilities have been built in fine denier fabrics, Nylon 6 & 66 processing, coating, lamination, and integrated manufacturing, while long qualification and approval cycles provide business stability and reduce customer switching risk.

The company focuses on customised solutions, leading to strong customer retention, and serves life-preserving applications such as parachutes, bulletproof jackets, and cold-weather gear, where strict quality standards have helped build long-term trust, including continuous supply of parachute fabrics to an Indian government customer. Strategic global partnerships, including a technical collaboration with a U.S. company for patented camouflage fabrics, have enabled access to advanced technology, while specialised machinery, strong infrastructure, and strict government qualification requirements further strengthen entry barriers and reinforce its competitive position.

- The technical capabilities allow to develop and supply unique solutions for the customers**

Kusumgar Limited offers high-performance synthetic engineered fabrics and solutions for aerospace and defence, industrial, and outdoor sectors, primarily using polyamide and polyester filaments along with polyurethane chemistry. Strong technical capability is demonstrated through fine denier yarn-based lightweight fabrics, where precise warping, sizing, tension control, weaving, dyeing, heat setting, and coating processes are used to ensure consistent quality, along with controlled processing of Nylon 6 and Nylon 66 for uniform colour, improved crease resistance, and reliable performance.

Complex fabric engineering is achieved through careful selection of yarns, weave structures, and finishing techniques for demanding applications across automotive, aerospace, and industrial sectors. Advanced coating and lamination using polyurethane, TPU, silicones, and PTFE enables durable, high-performance fabrics for harsh environments. An integrated value chain is maintained from yarn selection to final fabrication, ensuring consistency, traceability, cost efficiency, and reduced dependence on external suppliers.

Leveraging technical strengths, the company have been able to develop and supply unique solutions such as 0.75 ounces per square yard fabrics for parachutes, infrared reflective fabrics, fabrics for extreme cold weather clothing, and fabrics for multi-spectral camouflage systems to its customers.

- A diversified presence across multiple end-use segments, each of which has independent growth drivers**

The company manufactures products across four key market segments: Aerospace and Defence Fabrics, Aerospace and Defence Solutions, Industrial and Automotive Fabrics, and Outdoor and Lifestyle Fabrics. A diversified portfolio is maintained by the company to serve multiple high-performance application areas across technical and consumer-oriented markets.

- **Long-standing relationships with key customers**

The company has long-standing relationships with its key customers, which helps it increase its share of business from existing clients. In FY2026, the top six customers contributed ₹333.03 crore, accounting for 49.35% of revenue from contracts with customers.

- **Track record to have access to technology and markets through partnerships**

The company has developed strategic partnerships that create strong entry barriers and ensure steady business inflows. This includes a government-led 90-litre rucksack fabric project, resulting in a full-order award, and a licensing partnership with a U.S.-based airborne solutions company for supplying products to an Indian government customer.

Through licensing and co-development, the company gains access to advanced technologies, accelerates product development, and participates in global programs. Integration into partners' designs ensures long-term demand visibility, enhances credibility, and creates durable competitive advantages with early access to emerging opportunities.

- **Experienced and visionary Promoters supported by a professional management team. Their culture promotes innovation and quality**

Yogesh Kantilal Kusumgar, a Promoter, has over 25 years of experience in technical textiles. Siddharth Yogesh Kusumgar, Promoter, Chairman and Managing Director, also brings over 25 years of experience, while Sapna Siddharth Kusumgar, Promoter and Joint Managing Director, has over 20 years of experience across HR, administration and technical textiles. The company fosters a culture of innovation and quality, focusing on continuous improvement and advanced technology adoption. It develops specialized products such as extreme cold weather systems, parachutes, rainwear, industrial fabrics and military gear, supported by strong manufacturing controls and skilled technical talent to ensure consistent product quality.

## KEY BUSINESS STRATEGIES

- **Continue to follow a "build, retain, extend" framework with respect to their aerospace and defence business**

The company is focused on expanding its aerospace and defence business through a "build, retain and extend" strategy, wherein it develops customized solutions, strengthens long-term customer relationships, and leverages its expertise to broaden its customer base. This growth is supported by favourable industry trends, including increased domestic defence procurement, rising global defence spending, and supply chain diversification under the "China+1" shift, alongside its expanding presence across Europe, the Middle East and North America.

The company is among the key players in military parachute fabrics outside the U.S. and China and is well positioned to benefit from strong market growth. It is also exploring adjacent aerospace applications such as paragliders and aerostats, while scaling its systems business, including parachutes and camouflage solutions. Globally, it aims to strengthen partnerships for distribution of high-value products and continue leveraging existing relationships to drive sustained growth.

- **Continue to work closely with global brands to grow their Outdoor and Lifestyle Fabrics business**

The company's Outdoor and Lifestyle Fabrics business caters to applications such as activewear, luggage and backpacks, supported by a growing global market driven by increasing demand for high-performance materials. The shift in supply chains towards India, particularly under the "China+1" strategy, along with rising domestic consumption, has created significant opportunities, with brands increasingly sourcing from reliable Indian manufacturers.

Leveraging its expertise in engineered fabrics, the company has positioned itself as a key supplier to leading global brands such as Decathlon, enabling better pricing through direct engagement with brands while supplying through fabricators. With limited domestic competition and additional demand from neighbouring countries lacking manufacturing capabilities, the company is well placed to increase both market share and wallet share from existing customers.

- **Steadily grow their Industrial and Automotive Fabrics business by increasing wallet share and providing customised solutions**

The company aims to drive steady growth in its Industrial and Automotive Fabrics business by leveraging long qualification cycles, which enhance customer stickiness and provide business stability. The segment is largely export-driven, with a significant portion of revenue linked to international markets, while its cost competitiveness versus global peers supports margin sustainability by focusing on low cost-sensitive customers.

Across business lines, the company offers customized solutions, including tapes supplied to automotive OEM value chains and industries such as footwear, leather and electrical insulation, while also expanding into medical applications. In mechanical rubber goods, it supplies hoses, heddle belts and spindle tapes, while in custom industrial solutions it develops tailored products for diverse applications. Additionally, the company is strengthening its presence in inflatables and coated/laminated fabrics, leveraging its manufacturing capabilities and competitive pricing to capture opportunities from global incumbents and benefit from evolving market dynamics.

- ***Continue to focus on manufacturing products and solutions with high gross margins and high entry barriers to continue to drive profitable growth***

The company derives a significant portion of its revenues from high-margin products and solutions, including aerospace and defence fabrics, custom industrial fabrics, parachute solutions, and products based on Nylon 6 and Nylon 66. This strong product mix has resulted in consistently high EBITDA margins and improving profitability, with the company ranking among the top performers in EBITDA margins among listed peers in India over recent years, reflecting efficient operations, strong cost control and pricing power. Going forward, the company intends to continue focusing on high-margin, high entry-barrier products and solutions to sustain profitability and drive long-term growth.

- ***Continue to invest in their capabilities and people to support growth, research and development, and efficiency improvement***

The company plans to strengthen its growth by investing in capabilities, talent, and innovation, with a continued focus on research and development and operational efficiency. It aims to enhance expertise by recruiting industry specialists and fostering a culture of continuous improvement, leading to development of new products, advanced technologies, and improved conversion rates.

Operationally, the company follows a cost-efficient model by outsourcing non-differentiated processes and upgrading machinery with advanced technology and automation. It focuses on improving operational efficiency through monitoring equipment effectiveness, while also leveraging government incentives and subsidies to optimize costs and support long-term profitability.

## COMPETITION

The Company operates within the Indian engineered fabrics industry, which comprises a mix of diversified industrial groups and specialised technical textile manufacturers such as **Garware Technical Fibres Ltd, SRF Ltd and Arvind Ltd**. The competitive landscape is characterised by players possessing established manufacturing capabilities, access to advanced machinery and long-standing customer relationships. Competition is primarily driven by product quality, pricing, continuous innovation and the ability to deliver customised solutions.

At the same time, competition is also posed by global companies including **DuPont de Nemours, Inc., Freudenberg Group, TenCate Fabrics and Milliken and Company**, particularly in high-performance segments such as defence, aerospace and industrial applications. The industry is marked by significant entry barriers, including regulatory approvals, specialised certifications and long customer acquisition cycles. Established players, including the Company, are therefore better positioned to participate in procurement processes and secure long-term contracts.

With growing demand for sustainable, multifunctional and smart textiles, the competitive environment is expected to evolve further. In this context, emphasis is required to be placed on research and development, technological capabilities and consistent quality standards, which are considered critical to maintaining competitiveness and strengthening market position.

## RISK FACTORS

- The Company's revenue is concentrated in three key segments—Aerospace and Defence Fabrics (31.67%), Industrial and Automotive Fabrics (24.43%), and Aerospace and Defence Solutions (22.97%) in FY2026. Any slowdown in demand across these segments could materially and adversely impact its business, financial condition, operating performance, and cash flows.
- The Company's largest customer and top 10 customers accounted for 11.13% and 59.52% of revenue from contracts with customers in FY2026, respectively. Any reduction in business from, or loss of, these customers could adversely affect their business, financial condition, operating performance, and cash flows.
- The Company relies on a concentrated supplier base, with purchases from its top 10 suppliers accounting for 51.42% of material costs in FY2026. As the Company does not have long-term supply agreements with these vendors, any disruption

in supply or inability to replace key suppliers could materially and adversely affect its business, financial condition, operating performance, and cash flows.

- Failure to protect technical knowledge and intellectual property could weaken competitive advantage and impact overall business performance.
- All manufacturing facilities are in Gujarat, exposing the Company to regional risks such as natural calamities or socio-economic disruptions, which may affect operations.
- The Company is exposed to raw material supply and pricing risks, and any disruption in material availability or significant increase in input costs could adversely affect its business, financial condition, operating performance, and cash flows.

## COMPARISON WITH LISTED INDUSTRY PEERS (FY 2026)

Name of the Company	Consolidated/ Standalone	Face Value (₹)	Revenue from Operations (₹ Cr)	Closing Price on (Jun 9, 2026) (₹)	P/E Ratio	EPS		RoNW (%)	NAV (₹)
						(Basic) (₹)	(Diluted) (₹)		
<b>Kusumgar Ltd</b>	<b>Restated</b>	<b>1.00</b>	<b>692.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>9.68</b>	<b>9.31</b>	<b>25.82%</b>	<b>49.59</b>
Garware Technical Fibres Ltd	Consolidated	10.00	1,528.79	796.40	39.80	20.01	20.01	14.65%	136.44
Arvind Ltd	Consolidated	10.00	9,303.19	516.60	32.72	15.79	15.80	10.39%	154.47
SRF Ltd	Consolidated	10.00	15,786.51	2,709.80	43.77	61.91	61.91	13.07%	473.74

Source: RHP; P/E Ratio of peers has been computed based on the closing market price of equity shares on NSE on June 19, 2026

## BENCHMARKING WITH SELECT LISTED PEERS

Particulars	Revenue from Operations (₹ Cr)			EBITDA (₹ Cr)			EBITDA Margins (%)		
	FY26	FY25	FY24	FY26	FY25	FY24	FY26	FY25	FY24
<b>Kusumgar Ltd</b>	<b>692.00</b>	<b>779.00</b>	<b>467.91</b>	<b>187.85</b>	<b>188.39</b>	<b>131.85</b>	<b>27.15%</b>	<b>24.18%</b>	<b>28.18%</b>
Garware Technical Fibres	1,528.79	1,540.11	1,325.61	N.A.	318.77	318.41	N.A.	20.70%	24.02%
Arvind Limited	9,303.19	8,328.81	7,737.75	1,061.00	918.59	886.04	10.68%	11.00%	11.40%
SRF Limited	15,786.51	14,693.07	13,138.52	3,620.00	2,970.33	2,744.00	22.93%	20.22%	20.89%

Particulars	Profit After Tax (₹ Cr)			PAT Margin (%)			Net Debt (₹ Cr)		
	FY26	FY25	FY24	FY26	FY25	FY24	FY26	FY25	FY24
<b>Kusumgar Ltd</b>	<b>98.20</b>	<b>111.99</b>	<b>84.40</b>	<b>13.80%</b>	<b>14.17%</b>	<b>17.78%</b>	<b>175.52</b>	<b>205.31</b>	<b>(66.76)</b>
Garware Technical Fibres	198.49	231.55	210.27	12.59%	15.00%	15.90%	N.A.	273.85	172.15
Arvind Limited	426.97	367.38	352.63	N.A.	4.90%	4.40%	1,172.00	1,260.05	1,249.85
SRF Limited	1,835.18	1,250.78	1,335.71	11.55%	8.44%	10.10%	N.A.	3,612.08	4,200.41

Particulars	ROE (%)			ROCE (%)			Fixed Assets Turnover Ratio		
	FY26	FY25	FY24	FY26	FY25	FY24	FY26	FY25	FY24
<b>Kusumgar Ltd</b>	<b>25.82%</b>	<b>56.26%</b>	<b>86.13%</b>	<b>24.76%</b>	<b>42.89%</b>	<b>55.87%</b>	<b>3.40</b>	<b>5.05</b>	<b>4.27</b>
Garware Technical Fibres	N.A.	18.60%	17.00%	N.A.	24.10%	22.50%	4.99	5.88	5.36
Arvind Limited	10.70%	9.60%	9.70%	15.37%	14.35%	14.90%	2.68	2.61	2.48
SRF Limited	13.76%	10.38%	12.25%	14.64%	12.90%	13.30%	1.17	1.12	1.17

## Restated Consolidated statement of assets and liabilities

Particulars	As at March 31,		
	2026	2025	2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	235.67	171.86	136.72
Capital work-in-progress	26.26	45.19	8.43
Other intangible assets	0.29	0.13	0.22
Right-of-use assets	70.58	60.59	49.16
Investments	15.42	14.97	12.18
Other financial assets	19.73	5.96	7.37

Particulars	As at March 31,		
	2026	2025	2024
Deferred tax asset (net)	0.08	0.06	-
Non-current tax assets	-	2.82	-
Other non-current assets	3.83	19.55	8.31
<b>Total non-current assets</b>	<b>371.85</b>	<b>321.14</b>	<b>222.40</b>
<b>Current assets</b>			
Inventories	194.86	136.90	143.71
Trade receivables	233.28	56.11	42.239
Cash and cash equivalents	26.82	30.49	32.68
Other bank balances	21.23	10.69	110.613
Loans	-	15.57	-
Other financial assets	18.87	23.84	2.66
Other current assets	38.15	37.65	30.44
<b>Total current assets</b>	<b>533.22</b>	<b>311.26</b>	<b>362.34</b>
<b>Total assets</b>	<b>905.07</b>	<b>632.40</b>	<b>584.74</b>
Equity and liabilities			
<b>Equity</b>			
Equity share capital	11.90	10.15	1.99
Other equity	491.05	247.60	138.37
<b>Total equity</b>	<b>502.95</b>	<b>257.75</b>	<b>140.36</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	85.12	75.76	34.81
Lease liabilities	57.45	47.93	36.83
Deferred tax liabilities (net)	2.55	1.71	3.50
Employee benefit obligation	2.02	2.55	1.79
<b>Total non-current liabilities</b>	<b>147.13</b>	<b>127.96</b>	<b>76.92</b>
<b>Current liabilities</b>			
Borrowings	138.46	170.74	41.728
Lease liabilities	7.426	7.76	5.44
Trade payables	66.76	47.21	52.27
Other financial liabilities	11.73	10.40	133.73
Other current liabilities	14.81	9.69	130.79
Employee benefit obligations	0.17	0.907	0.53
Current tax liabilities (net)	15.63	-	2.97
<b>Total current liabilities</b>	<b>254.99</b>	<b>246.69</b>	<b>367.46</b>
<b>Total liabilities</b>	<b>402.12</b>	<b>374.65</b>	<b>444.38</b>
<b>Total equity and liabilities</b>	<b>905.07</b>	<b>632.40</b>	<b>584.74</b>

**Restated Consolidated statement of profit and loss**

(₹ Cr)

Particulars	As at March 31,		
	2026	2025	2024
<b>Income</b>			
Revenue from operations	692.00	779.00	467.91
Other income	19.78	11.22	6.64
<b>Total income</b>	<b>711.78</b>	<b>790.21</b>	<b>474.55</b>
<b>Expenses</b>			
Cost of materials consumed	308.17	371.37	200.29
Change in inventories of finished goods and semi-finished goods	(51.91)	(11.18)	(23.26)
Cost of service	8.45	-	-
Employee benefits expenses	88.19	65.57	41.49
Finance costs	25.98	14.63	6.32
Depreciation and amortisation expense	46.69	34.19	17.10
Other expenses	151.27	164.84	117.55
<b>Total expenses</b>	<b>576.82</b>	<b>639.43</b>	<b>359.48</b>
<b>Profit before tax</b>	<b>134.96</b>	<b>150.78</b>	<b>115.07</b>

Particulars	As at March 31,		
	2026	2025	2024
Income tax expense	36.76	38.80	30.68
<b>Profit for the year</b>	<b>98.20</b>	<b>111.99</b>	<b>84.40</b>
Other comprehensive income for the year	2.07	1.95	0.35
<b>Total comprehensive income for the year</b>	<b>100.27</b>	<b>113.94</b>	<b>84.75</b>

### Restated Consolidated Statement of Cash Flows

(₹ Cr)

Particulars	Year ended March 31,		
	2026	2025	2024
<b>Profit before tax</b>	134.96	<b>150.78</b>	<b>115.07</b>
Adjustments Related to Non-Cash & Non-Operating Items	72.79	44.39	15.99
Operating Profits before Working Capital Changes	<b>207.75</b>	195.17	131.06
Adjustments for Changes in Working Capital	(162.00)	(306.28)	95.65
Net cash generated from operations before tax	<b>45.75</b>	(111.11)	226.71
Income tax (paid)/Refund, (net)	(17.50)	(43.87)	(25.74)
<b>Net cash generated from operating activities</b>	<b>28.26</b>	<b>(154.98)</b>	<b>200.97</b>
<b>Net cash used in investing activities</b>	<b>(102.66)</b>	<b>2.06</b>	<b>(199.58)</b>
<b>Net cash used in financing activities</b>	<b>69.75</b>	<b>150.75</b>	<b>21.18</b>
Net (decrease)/ increase in cash and cash equivalents during the period	(4.65)	(2.17)	22.57
Foreign Currency Translation Reserve	0.99	(0.02)	0.00
Cash and Cash Equivalents at the beginning of the year	30.49	32.68	10.11
<b>Cash and cash equivalents as at the end of the period</b>	<b>26.83</b>	<b>30.49</b>	<b>32.68</b>

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