



DRAFT ABRIDGED PROSPECTUS

Dated: June 02, 2026

Please read Section 26 and 32 of the

Companies Act, 2013

(This Draft Abridged Prospectus will be

updated upon filing with the RoC)

100% Book Built Issue

(Please scan this QR Code to view the DRHP and Draft Abridged Prospectus)

AVI LIFESTYLES LIMITED

CIN: U18100RJ2021PLC075491

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. F-805 V.K.I. Area Road No. 14, Vishwakarma Industrial Area, Jaipur, Rajasthan, India, 302013	Harshita Khandelwal Company Secretary & Compliance Officer	E-mail: companysecretary@avilififestyles.com Tel No: +91-90010 96195	Website: www.avilififestyles.info
PROMOTERS OF THE COMPANY		Amit Sharma, Anil Sharma, Namrata Sharma, Amit Sharma HUF and Anil Sharma HUF	

DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE (IN ₹ LAKHS)	ELIGIBILITY
Fresh Issue	Upto 16,80,000 Equity Shares aggregating to ₹ [●]Lakhs	Nil	Upto 16,80,000 Equity Shares aggregating to ₹ [●]Lakhs	This Issue is being made in terms of regulation 229(1) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price 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 by way of the Book Building Process, as stated under “Basis for Issue Price” on page 97 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing..

GENERAL RISKS

Investments in Equity and Equity-related securities involve 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 19 of the Draft Red Herring Prospectus.

ISSUER & PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in the Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares Issued through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE (“BSE SME”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from BSE (BSE SME) for using its name in the Offer Document. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 Seren Capital Private Limited	Akun Goyal / Deepak Soni	Email: info@serencapital.in Tel. No.: +91- 22- 46011058

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 Bigshare Services Pvt. Ltd.	Babu Rapheal	Email: ipo@bigshareonline.com Tel. No.: 022 - 6263 8200

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●] *	BID/ISSUE OPENS ON: [●]	BID/ISSUECLOSES ON: [●]**

*Our Company in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date.

**Our Company in consultation with the BRLM may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

***The UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Day.

SUMMARY OF THE PRIMARY BUSINESS

Incorporated in 2021, our Company is primarily engaged in the manufacture and sale of bedding protection and sleep comfort products. Our product portfolio is broadly classified into two categories: **(i) bedding protection products**, such as mattress protectors, baby dry sheets & rolls and laminated terry, which protects bedding surfaces from liquids, spills, stains and allergens; and **(ii) sleep comfort products**, such as mattress toppers, pillows, cushions, comforters, bedsheets and other allied products, which are intended to provide comfort and support during sleep.

Our Company operates through both business-to-business (“B2B”) and business-to-consumer (“B2C”) sales channels, enabling us to address both bulk demand from institutional and trade customers as well as retail demand from end consumers. Under our B2B operations, we supply products to manufacturers, wholesalers and other trade intermediaries operating in the home furnishing, bedding and allied products segments. We also manufacture certain products, including baby dry sheets and mattress protectors for third-party brands, wherein we undertake the production and packaging process in accordance with the customer's specifications, and supply the finished products bearing the customer's brand name and identity.

Under our B2C operations, we sell products directly to retail customers through third-party e-commerce platforms, including Amazon, Flipkart, Ajo, Myntra, and Meesho, as well as through our own website (www.avilifestyles.info). Our B2C order volumes have grown from 4,938 orders in Fiscal 2023 to 9,778 orders in Fiscal 2024 to 38,969 orders in Fiscal 2025, and further to 1,06,834 orders during the nine-months period ended December 31, 2025.

Our Product-wise revenue for the last three financial years and stub period is as follows:

(Rs. In Lakhs, unless otherwise stated)

Name of Products	For the period ended Dec'25	% to Total Revenue	F.Y. 2024-25	% to Total Revenue	F.Y. 2023-24	% to Total Revenue	F.Y. 2022-23	% to Total Revenue
In-house Manufacturing								
Laminated Terry	1,579.34	39.60%	650.67	20.44%	237.36	23.94%	357.76	38.87%
Mattress Protector	944.23	23.67%	883.42	27.75%	112.55	11.35%	106.71	11.59%
Baby Dry Sheet & Rolls	403.53	10.12%	386.51	12.14%	281.51	28.39%	272.74	29.63%
Mattress Topper	396.37	9.94%	5.27	0.17%	-	0.00%	-	0.00%
Pillow & Cushion	155.12	3.89%	8.10	0.25%	-	0.00%	-	0.00%
Bedsheets	13.06	0.33%	6.69	0.21%	-	0.00%	-	0.00%
Comforter	11.07	0.28%	93.94	2.95%	-	0.00%	-	0.00%
Others*	55.59	1.39%	44.86	1.41%	13.41	1.35%	6.85	0.74%
Total (a)	3,558.31	89.22%	2,079.45	65.32%	644.82	65.03%	744.06	80.83%
Processed through M/s Avi Sales/third party								
Elastene Fibre	204.48	5.13%	353.60	11.11%	50.30	5.07%	66.47	7.22%
Bedsheets	-	0.00%	7.69	0.24%	1.39	0.14%	0.91	0.10%
Mattress Topper	-	0.00%	11.02	0.35%	14.62	1.47%	0.58	0.06%
Pillow & Cushion	-	0.00%	0.20	0.01%	3.83	0.39%	0.77	0.08%
Comforter	-	0.00%	7.38	0.23%	9.19	0.93%	19.74	2.14%
Total (b)	204.48	5.13%	379.89	11.93%	79.33	8.00%	88.49	9.61%
Total (A=a+b)	3,762.79	94.34%	2,459.35	77.26%	724.15	73.04%	832.54	90.45%
Traded Products								

Knitted Terry Cloth	12.67	0.32%	669.02	21.02%	118.68	11.97%	65.03	7.06%
Latex Pillow	34.17	0.86%	2.67	0.08%	59.47	6.00%	0.23	0.03%
Curtain	26.84	0.67%	0.11	0.00%	-	0.00%	-	0.00%
Knitted Cloth Antipilling	25.82	0.65%	10.15	0.32%	6.25	0.63%	1.72	0.19%
TPU Film	21.71	0.54%	3.04	0.10%	8.30	0.84%	0.72	0.08%
Polyster Yarn	20.17	0.51%	0.12	0.00%	-	0.00%	-	0.00%
Elastic	19.31	0.48%	9.33	0.29%	-	0.00%	0.33	0.04%
Microfibre Fabric	15.65	0.39%	10.32	0.32%	1.35	0.14%	10.61	1.15%
Mattress	4.28	0.11%	-	0.00%	-	0.00%	-	0.00%
Others**	35.85	0.90%	9.31	0.29%	14.60	1.47%	7.32	0.80%
Total (B)	216.47	5.43%	714.06	22.43%	208.64	21.04%	85.96	9.34%
Others Operating Revenue (C)	9.12	0.23%	9.99	0.31%	58.72	5.92%	1.97	0.21%
Grand Total (D=A+B+C)	3,988.38	100.00%	3,183.40	100.00%	991.52	100.00%	920.47	100.00%

*Others include bed runners, blankets, quilted laminated products, jacquard laminated products, duvet covers, bed covers and chair pads.

**Others include towels, non-woven textile products, cloth, memory foam pillows, baby pillows, neck pillows, polybags, PU resin (chemicals) and polyester staple fibre (hollow fibre).

Note 1: Revenue from "In house Manufacturing" represents sales of products processed using facilities and machinery owned and operated by our Company.

Note 2: Revenue from "Processed through M/s Avi Sales/Third Party" represents sales of products which were processed through facilities owned by M/s Avi Sales or other third-party processors. Pursuant to the Business Transfer Agreement dated January 20, 2025 entered into between our Company and M/s Avi Sales, entire machineries used for processing of such products were transferred to our Company with effect from December 31, 2024.

STATE-WISE REVENUE ACROSS INDIA

(Rs. In Lakhs, unless otherwise stated)

Particulars	For the period ended Dec'25	% to Total Revenue from operations	2024-25	% to Total Revenue from operations	2023-24	% to Total Revenue from operations	2022-23	% to Total Revenue from operations
In India								
Rajasthan	2,046.72	51.32%	1,552.74	48.78%	219.68	22.16%	258.00	28.03%
Karnataka	341.65	8.57%	94.27	2.96%	44.16	4.45%	27.35	2.97%
Tamil Nadu	341.04	8.55%	256.31	8.05%	170.12	17.16%	112.30	12.20%
Madhya Pradesh	248.42	6.23%	568.96	17.87%	131.73	13.29%	45.69	4.96%
Maharashtra	147.93	3.71%	96.27	3.02%	35.53	3.58%	24.12	2.62%
Uttar Pradesh	119.27	2.99%	81.29	2.55%	49.94	5.04%	54.76	5.95%
Punjab	103.88	2.60%	14.00	0.44%	6.10	0.62%	5.53	0.60%
Delhi	100.28	2.51%	174.93	5.50%	43.69	4.41%	53.32	5.79%
Haryana	96.94	2.43%	45.96	1.44%	61.81	6.23%	231.54	25.15%
Gujarat	88.28	2.21%	94.70	2.97%	96.89	9.77%	55.65	6.05%
West Bengal	68.98	1.73%	51.58	1.62%	8.78	0.89%	5.02	0.54%
Telangana	62.44	1.57%	41.38	1.30%	21.76	2.19%	23.09	2.51%
Kerala	52.31	1.31%	37.66	1.18%	23.02	2.32%	14.61	1.59%
Andhra Pradesh	28.82	0.72%	17.95	0.56%	10.91	1.10%	3.53	0.38%
Odisha	26.06	0.65%	9.45	0.30%	1.41	0.14%	0.45	0.05%
Bihar	24.43	0.61%	7.59	0.24%	3.33	0.34%	0.66	0.07%

Himachal Pradesh	22.25	0.56%	1.96	0.06%	0.38	0.04%	0.16	0.02%
Assam	11.62	0.29%	5.84	0.18%	0.74	0.07%	0.72	0.08%
Jharkhand	10.62	0.27%	4.02	0.13%	0.51	0.05%	0.34	0.04%
Chhattisgarh	8.09	0.20%	2.67	0.08%	1.61	0.16%	0.31	0.03%
Uttarakhand	6.75	0.17%	3.17	0.10%	0.76	0.08%	0.42	0.05%
Goa	6.37	0.16%	7.33	0.23%	0.82	0.08%	0.80	0.09%
Nagaland	4.11	0.10%	0.90	0.03%	0.12	0.01%	0.14	0.02%
Jammu And Kashmir	2.54	0.06%	1.75	0.06%	0.39	0.04%	0.87	0.09%
Puducherry	1.98	0.05%	1.15	0.04%	0.42	0.04%	0.28	0.03%
Arunachal Pradesh	1.94	0.05%	0.96	0.03%	0.13	0.01%	0.03	0.00%
Meghalaya	1.68	0.04%	1.18	0.04%	0.16	0.02%	0.12	0.01%
Mizoram	1.58	0.04%	0.71	0.02%	0.19	0.02%	0.16	0.02%
Manipur	1.43	0.04%	0.86	0.03%	0.06	0.01%	0.18	0.02%
Tripura	1.31	0.03%	0.57	0.02%	0.05	0.01%	0.02	0.00%
Chandigarh	1.10	0.03%	0.62	0.02%	0.15	0.01%	0.20	0.02%
Sikkim	1.05	0.03%	0.53	0.02%	0.02	0.00%	0.01	0.00%
Andaman And Nicobar Islands	0.86	0.02%	0.38	0.01%	0.03	0.00%	0.03	0.00%
Dadra And Nagar Haveli and Daman and Diu	0.37	0.01%	3.63	0.11%	55.13	5.56%	0.06	0.01%
Ladakh	0.11	0.00%	0.15	0.00%	0.06	0.01%	-	0.00%
Lakshadweep	0.00	0.00%	-	0.00%	0.00	0.00%	-	0.00%
Total (A)	3,983.17	99.87%	3,183.41	100.00%	990.59	99.91%	920.47	100.00%
Other Countries								
Nepal	5.21	0.13%	-	0.00%	0.93	0.09%	-	0.00%
Total (B)	5.21	0.13%	-	0.00%	0.93	0.09%	-	0.00%
Total Revenue from Operations (C=A+B)	3,988.38	100.00%	3,183.41	100.00%	991.51	100.00%	920.47	100.00%

Revenue from our top 5 customers in B2B segment is as given below:

(Rs. In Lakhs, unless otherwise stated)

Particular	December 31, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 5 Customers*	1,810.63	45.40%	1,745.73	54.84%	534.02	53.86%	396.22	43.05%

*The customers in B2B segment may vary across the fiscal/relevant period.

KEY OPERATIONAL FACILITIES

Registered Office	Plot No. F-805 V.K.I. Area Road No. 14, Vishwakarma Industrial Area, Jaipur, Rajasthan, India, 302013
BUSINESS STRENGTHS AND STRATEGIES	

STRENGTH

1. Presence across Bedding Protection and Sleep Comfort Solutions
2. Diversified Distribution across B2B and B2C Channels
3. Manufacturing Facility with Multi-Stage Production Capabilities
4. Experienced Promoters with Industry Expertise

STRATEGIES

1. Expand our production capabilities by setting up a new manufacturing facility
2. Expansion of Product Offerings
3. Focus on Quality and Process Controls

For further details, please refer to the chapter titled “Our Business” beginning on page 125 of the Draft Red Herring Prospectus

SUMMARY OF THE INDUSTRY

The home furnishing industry forms an integral part of the broader home and lifestyle segment and plays a significant role in enhancing the comfort, functionality and aesthetic appeal of interior living spaces. The industry encompasses a wide range of products including bedding solutions, mattress protectors, comforters, pillows, cushions, curtains, bath linen and other textile-based furnishings that cater to residential, hospitality and commercial requirements.

At the global level, the home furnishing market is estimated at approximately USD 521.28 billion in CY2025 and is projected to grow to USD 698.84 billion by CY2030, registering a CAGR of around 5.71% during the forecast period. The growth of the global market is driven by factors such as increasing urbanization, rising disposable incomes and evolving consumer preferences towards home improvement and interior décor.

In India, the home furnishing market is estimated at USD 26.41 billion in CY2025 and is projected to reach USD 43.67 billion by CY2030, expanding at a CAGR of approximately 10.58%. The growth of the domestic market is driven by increasing home ownership, expansion of the middle-income population, rising consumer spending on interior enhancement and the growing penetration of organized retail.

(Source: Infomerics Analytics & Research)

For further details, please refer to the chapter titled “Industry Overview” beginning on page 106 of the Draft Red Herring Prospectus.

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification
1.	Amit Sharma	Individual	Amit Sharma is the Promoter, Chairman and Managing Director of Avi Lifestyle Limited. He completed his MBA in Marketing in 2012 from NIMS University, Jaipur, Rajasthan, and has over 19 years of experience in the FMCG retail and home furnishing sectors. He has been associated with the Company as a Director since its incorporation. He commenced his career in 2006 as an Accountant with NIMS University, Jaipur. In 2007, he joined Vishal Retail Limited, where he was responsible for regional operations, corporate sales, inventory management, vendor coordination, visual merchandising, and execution of promotional strategies, and continued in this role until April 2015. In May 2015, he joined Singhal Exports as General Manager and was responsible for territory-level operations until 2017. In 2017, he established his proprietary concern, Avi Sales, which was subsequently acquired by Avi Lifestyle Limited in the financial year 2023-24. He was associated with the said proprietorship until 2024. During this period, the business operations included sale of bedding products through online channels. In his current role, he is responsible for the Company’s strategy, operations, expansion initiatives and business development across sales platforms and product categories.
2.	Anil Sharma	Individual	Anil Sharma is the Promoter and Whole-time Director of our Company. He is Qualified BA from University of Rajasthan Jaipur, Rajasthan. He has over 16 years of experience in retail, FMCG, apparel, lifestyle, and allied industries, with core expertise

			<p>in inventory management, supply chain operations, sales, and store operations. He started his career with Vishal Mega Mart in the year 2009 as a Loss Prevention head and worked there till 2012. Then he joined Future Agrovet Limited in the year 2012 as an Senior Associate where he handled Invent Management and Control and continued there till July 2013 previously worked with Vishal Mega Mart (2013–2014) as FMCG Manager, where he handled vendor management, stock planning, Shrinkage control, SOP audits, sales forecasting, profitability contribution of FMCG departments, and coordination with zonal and head office teams. In April 2014 he joined Future Lifestyle Fashion Ltd as Assistant Inventory Controller and continued there till 2017. In 2017 he joined Avi Sales as Purchase head. He joined our company as Director in 2025, Currently he was redesignated as Whole time director at the EOGM dated March 02, 2026 .and oversees Purchases for the company.</p>
3.	Namrata Sharma	Individual	<p>Namrata Sharma is the Promoter and Non- Executive Director of our Company. She has been on the Board since inception. She completed her Masters of Arts from the Rajasthan University in 2013. She has 6 years of experience in the industry. She started her career as a Proprietor in 2019 with Daksh Enterprise engaged in Bed and home furnishing business. She co-founded our company and joined as a director in 2021 and was re-designated as Non-*Executive director on March 02, 2026. She oversees Human resource operations and quality control management her responsibilities also include supporting management in employee relations and performance-related matters.</p>

For details in respect of our Promoters, please refer to the chapter titled “Our Promoters and Promoter Group” beginning on page 176 of the Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue of up to 16,80,000 Equity Shares of face value of ₹10 each, aggregating up to ₹ [●] Lakhs by our Company.

Details of means of finance – The fund requirements for the object of the Offer is stated as follows:

(Rs. In Lakhs)

S. No	Particulars	Estimated Amount to be deployed and utilized in F.Y. 26-27	Estimated Amount to be deployed and utilized in F.Y. 27-28
1	Funding of capital expenditure towards set up of a new manufacturing facility	952.92	269.35
2	Funding of Working Capital Requirements	250.00	-
3	General corporate purposes*	[●]	[●]
	Total	[●]	[●]

*To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or Rs. 10 crores whichever is lower.

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

1. Funding of capital expenditure towards set up of a new manufacturing facility

As part of our growth strategy and to support expansion of our product portfolio and manufacturing capabilities, we propose to set up a new manufacturing facility at RIICO Industrial Area, Manda-II, Chomu, Jaipur, Rajasthan. The proposed expansion includes land acquired by our Company for the proposed project, with part of the consideration payable towards such acquisition proposed to be funded from the Net Proceeds of the Issue, along with civil construction, installation of a pre-engineered/pre-fabricated steel building and procurement of plant and machinery.

The total estimated cost of the proposed manufacturing facility is ₹ 1524.85 lakhs, as per the Project Report dated May 28, 2026, obtained by our Company from Garg & Associates, Chartered Engineers & Government Approved Valuers (“Project Report”). Pursuant to the Board Resolution dated May 28, 2026, our Company proposes to utilize an amount of up to ₹ 1,222.27 lakhs from the Net Proceeds for funding capital expenditure requirements of our Company towards setting up the Proposed Facility.

The total estimated cost for setting up the Proposed Facility comprises the following:

(Rs. in lakhs)

S. No	Particulars	Estimated Cost	Funds Deployed from Internal Accruals	Funds to be deployed from Internal Accruals	To be met from Issue Proceeds
1.	Land	583.01	150.84	79.13	353.04
2.	Civil Construction Work	541.42	-	-	541.42
3.	Plant & Machinery	327.81	-	-	327.81
4.	Contingency*	72.61	-	72.61	-
	Total Cost	1524.85	150.84	151.74	1222.27

*Our Company has allocated a contingency amount of 5% of the project cost i.e. ₹ 72.61 Lakhs to cover potential cost variations including increase in machinery costs (if any), and obtaining permissions, associated transportation & installation charges, electrical work and expense related to furniture and fixtures and other utilities, which will be borne through internal accruals.

2. To Meet Working Capital Requirements

With the expansion of the business company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banking facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements. Out of the Net Proceeds, our Company proposes to utilize ₹ 250.00 lakhs towards our Company’s working capital requirements of the FY 2026-27,

AVI LIFESTYLES LIMITED	7	
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respectively, as detailed below. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed from the banks and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

Details of Estimation of Working Capital requirement are as follows:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2024	March 31, 2025	For the Period ended Dec'25	March 31, 2026	March 31, 2027
	Restated				Provisional	Estimated
Current Assets						
Inventories	50.18	168.04	887.40	1,510.26	1,432.50	1,799.18
Trade receivables - B2B	35.43	56.75	313.53	465.25	473.50	705.28
Trade receivables - B2C	2.18	4.90	44.46	83.90	77.10	93.56
Short-Term Loans and Advances	0.46	1.62	52.33	12.23	166.69	71.97
Other Current Assets	8.67	28.43	231.63	274.84	363.28	413.81
Total Current Assets(A)	96.92	259.74	1,529.35	2,346.48	2,513.07	3,083.79
Current Liabilities						
Trade Payables	71.84	66.36	164.99	470.56	326.29	553.40
Other Current Liabilities	5.90	20.89	15.86	42.91	48.70	89.96
Short-Term Provisions	4.71	19.49	65.78	83.21	101.92	144.91
Total Current Liabilities(B)	82.45	106.74	246.63	596.68	476.91	788.27
Total Working Capital Requirement(A-B)	14.47	153.00	1,282.72	1,749.81	2,036.16	2,295.52
Funding Pattern:						
Internal Accruals*	-	77.92	426.50	677.75	782.69	1,278.83
From Borrowings	14.47	75.08	856.22	1,072.05	1,253.46	766.69
Net Proceeds from IPO						250.00

**Internal accruals generally comprise funds generated through the Company's regular business operations, including profits retained in the business after meeting operating expenses, taxes and routine working capital requirements. In the present case, the internal accruals proposed to be deployed towards the project will be funded primarily from liquidity generated from operations.*

Key assumptions for working capital projections made by Our Company:

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2023, March 31, 2024, March 31, 2025, for the period ended December 2025 and provisional figures for financial years ended March 31, 2026 and projected figures for the financial years ended March 31, 2027.

Particulars	March 31, 2023	March 31, 2024	March 31, 2025	For the Period ended Dec'25	March 31, 2026	March 31, 2027
	Restated				Provisional	Estimated
Inventory days	35	40	61	83	82	82
Trade Receivable B2B - days	9	17	21	27	28	30
Trade Receivable B2C - days	1	1	3	4	4	4
Creditors days	63	39	15	30	25	30

Justification:

Inventories	Inventory days increased from 35 days in FY 2023 to 40 days in FY 2024, 61 days in FY 2025 and 82 days in FY 2026 (Provisional). The increase was primarily due to expansion in business operations and higher inventory requirements pursuant to the takeover of the businesses of M/s Avi Sales and M/s Daksh Enterprises under the Business Transfer Agreements dated January 20, 2025. Accordingly, the figures for FY 2025 and subsequent periods reflect the impact of such acquired businesses, including higher stocking requirements across product categories. Inventory days have been projected at 82 days for FY 2027, considering expected business operations and inventory planning requirements.
Trade Receivable (B2B-segment)	B2B receivable days increased from 9 days in FY 2023 to 17 days in FY 2024, 21 days in FY 2025 and 28 days in FY 2026 (Provisional). The increase was primarily due to higher sales to trade and business customers pursuant to the takeover of the businesses of M/s Avi Sales and M/s Daksh Enterprises under the Business Transfer Agreements dated January 20, 2025, where customers are generally provided credit periods. B2B receivable days have been projected at 30 days for FY 2027, based on the expected customer mix and credit terms.
Trade Receivable (B2C-segment)	B2C receivable days were 1 day in FY 2023, 1 day in FY 2024, 3 days in FY 2025 and 4 days in FY 2026 (Provisional). The increase reflects growth in B2C sales channels, including the impact of business operations taken over from M/s Avi Sales and M/s Daksh Enterprises under the Business Transfer Agreements dated January 20, 2025. Since B2C sales are generally settled faster through online platforms and direct customer payments, the receivable cycle remained low. B2C receivable days have been projected at 4 days for FY 2027, considering the expected sales mix and settlement cycle in B2C channels.
Trade Payables	Trade Payable days decreased from 63 days in FY 2023 to 39 days in FY 2024 and 15 days in FY 2025, and stood at 25 days in FY 2026 (Provisional). The movement was primarily due to changes in procurement volumes, supplier mix and payment practices pursuant to the takeover of the businesses of M/s Avi Sales and M/s Daksh Enterprises under the Business Transfer Agreements dated January 20, 2025. Trade Payable days have been projected at 30 days for FY 2027, considering expected supplier credit terms and payment arrangements.
Short term Loans and Advances	Short-term loans and advances comprise advances to staff and suppliers, prepaid insurance, prepaid expenses and advance against property. The increase during FY 2025-26 (Provisional) is primarily on account of advance given against property, while the remaining balance relates to operational and administrative requirements of the Company.
Other Current Assets	Other current assets primarily comprise GST input balances, advance tax, TDS, TCS and other recoverable balances. The same has been considered based on the Company's expected statutory credits, tax payments and recoverable amounts arising in the ordinary course of business.
Other Current Liabilities	Other current liabilities include statutory dues, advances from customers, salary payables and other payables. These are operational in nature and generally move in line with the level of activity. The projections are based on historical trends and expected transaction levels.
Short term Provisions	Short-term provisions primarily comprise provision for income tax and provision for employee benefits. The same has been considered based on the Company's estimated tax liabilities and employee-related obligations arising in the ordinary course of business.

As certified by M/s Mittal & Associates, Chartered accountant, Statutory auditor of our company, by way of their certificate dated May 13, 2026.

3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

For further details, please refer to the chapter titled "Objects of the Issue" on page 84 of the Draft Red Herring Prospectus.

PRE AND POST ISSUE SHAREHOLDING OF PROMOTER(S), MEMBERS OF THE PROMOTER GROUP AND TOP 10 SHAREHOLDERS

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters (A)				
1.	Amit Sharma	32,25,552	70.00%	[●]	[●]
2.	Namrata Sharma	6,90,030	14.97%	[●]	[●]
3.	Anil Sharma	92,455	2.01%	[●]	[●]
4.	Amit Sharma HUF	3,22,465	7.00%	[●]	[●]
5.	Anil Sharma HUF	92,455	2.01%	[●]	[●]
	Sub Total (A)	44,22,957	95.98%	[●]	[●]
	Promoter Group (B)				
1.	Hemlata Sharma	92,455	2.01%	[●]	[●]
2.	Omprakash	92,455	2.01%	[●]	[●]
	Sub Total (B)	1,84,910	4.02%	[●]	[●]
	Total	46,07,867	100.00%	[●]	[●]

Sr. No.	Pre-Issue shareholding			Post-Issue shareholding as at the date of Allotment			
	Shareholders	Number of	Share	At Floor Price (₹ [●])		At Cap Price (₹ [●])	
				Equity Shares	Holding (in %)	Number of Equity Shares	Share holding (in %)
	Promoter(s)						
1.	Amit Sharma	32,25,552	70.00%	[●]	[●]%	[●]	[●]%
	Namrata Sharma	6,90,030	14.98%	[●]	[●]%	[●]	[●]%
	Anil Sharma	92,455	2.01%	[●]	[●]%	[●]	[●]%
	Amit Sharma HUF	3,22,465	7.00%	[●]	[●]%	[●]	[●]%
	Anil Sharma HUF	92,455	2.01%	[●]	[●]%	[●]	[●]%
	Total (Promoters)	44,22,957	95.98%	[●]	[●]%	[●]	[●]%
	Members of Promoter Group						
2.	Hemlata Sharma	92,455	2.01%	[●]	[●]%	[●]	[●]%
	Omprakash	92,455	2.01%	[●]	[●]%	[●]	[●]%
	Total (Promoter Group)	1,84,910	4.02%	[●]	[●]	[●]	[●]
	Public Shareholders (top 10 shareholders)						
3.	-	-	-	[●]	[●]%	[●]	[●]%
	Total (Public Shareholders)	-	-	[●]	[●]%	[●]	[●]%
	Total (aggregate)	46,07,867	100.00%	[●]	[●]%	[●]	[●]%

Notes:

- 1) Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisements until date of prospectus.
- 2) Based on the Issue price of ₹ [●] and subject to finalization of the basis of allotment.

SUMMARY OF RESTATED FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period ended on December 31, 2025 and financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in Lakhs)

Sr. No	Particulars	For the period/ year ended			
		December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
1	Share capital	1.02	1.02	1.00	1.00
2	Net Worth	957.07	557.58	117.97	32.96
3	Revenue from operations	3,988.38	3,183.41	991.51	920.47
4	EBITDA	568.94	384.61	137.85	35.44
5	Profit after tax	399.50	292.78	85.01	21.47
6	Basic Earnings per share	8.67	6.35	1.88	0.48
7	Diluted Earnings per share	8.67	6.35	1.88	0.48
8	Return on Equity	52.75%	86.68%	112.64%	95.52%
9	Net Asset Value per equity share:-				
10	NAV per Equity Shares (based on Weighted Average Number of Shares - With Bonus issue effect)	20.77	12.10	2.62	0.73
12	Total borrowings	1,104.12	856.22	87.02	21.90
13	Cash flow from operating activities	25.75	(797.05)	(16.44)	1.85
14	Cash flow from investing activities	(195.35)	(89.50)	(19.73)	(10.71)
15	Cash flow from financing activities	183.33	894.66	42.70	3.32

For further details, please refer to the chapter titled “**Restated Financial Statements**” beginning on page 182 of the Draft Red Herring Prospectus.

SUMMARY OF KEY PERFORMANCE INDICATORS

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Apr'25-Dec'25	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations ⁽¹⁾	3,988.38	3,183.41	991.51	920.47
EBITDA ⁽²⁾	568.94	384.61	137.85	35.44
EBITDA Margin ⁽³⁾	14.26%	12.08%	13.90%	3.85%
PAT ⁽⁴⁾	399.50	292.78	85.01	21.47
PAT Margin ⁽⁵⁾	10.02%	9.20%	8.57%	2.33%
RoE (%) ⁽⁶⁾	52.75%	86.68%	112.64%	95.52%
RoCE (%) ⁽⁷⁾	26.10%	26.12%	60.62%	51.73%
Net Worth ⁽⁸⁾	957.07	557.58	117.97	32.96
Number of Order delivered ⁽⁹⁾	1,06,834	38,969	9,778	4,938
Repetitive Customer % ⁽¹⁰⁾	55.90%	19.41%	64.40%	34.82%

Notes:

⁽¹⁾ Revenue from operation means revenue from sale of products and other operating revenues.

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income.

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses.

⁽⁵⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing + Deferred Tax Liability.

⁽⁸⁾ Net Worth is calculated as total shareholder's funds.

⁽⁹⁾ Number of Orders delivered represents the total customer orders fulfilled through e-commerce platforms during the period, indicating the scale of B2C operations and sales performance.

⁽¹⁰⁾ Revenue from repeat customers represents revenue generated during the relevant fiscal year or period from customers who were also invoiced in the immediately preceding financial year. The percentage of revenue from repeat customers is calculated by dividing revenue from repeat customers by total revenue from operations for the respective fiscal year or period.

For further details, please refer to the chapter titled "Basis for Issue Price" beginning on page 97 of the Draft Red Herring Prospectus.

RISK FACTORS

The below mentioned risks are the top 10 internal risk factors as per the Draft Red Herring Prospectus:

- Our business is dependent on the performance of the home furnishing and bedding products industry, and any slowdown or adverse developments in such industry may adversely affect our business, financial condition, results of operations and cash flows.
- A portion of our revenue is derived from trading of textile, bedding and allied products, which may involve lower margins, dependence on third-party suppliers and market-driven pricing, and any adverse development in such activities may affect our profitability.
- Our Company derives a portion of its revenue from online retail channels including third-party e-commerce platforms, and any adverse developments in such platforms may affect our business, results of operations and financial condition.
- Majority of our revenue is derived from a limited number of customers, and any reduction in orders from such customers may adversely affect our business, financial condition, results of operations and cash flows.
- We are significantly dependent on a limited number of suppliers for procurement of our raw materials, with which we do not have any long-term agreements and any disruption in supply or volatility in raw material prices may adversely affect our business, financial condition, results of operations and cash flows.
- Our financial results for the nine-month period ended December 31, 2025 and Fiscal 2025 may not be directly comparable with our financial results for earlier periods due to the acquisition of the businesses of M/s Avi Sales and M/s Daksh Enterprises on a going concern basis.
- Our Business is subject to risk of Sales Returns in the B2C Segment, which could adversely affect our financial and business performance.

8. A substantial portion of our revenue is derived from sales of laminated terry, being a key processed product, and bedding products such as mattress protectors and baby dry sheets, and any decline in demand for these product categories may adversely affect our business, financial condition and cash flows.
9. 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.
10. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision could impact our cash flows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.

For further details, please refer to the chapter titled “**Risk Factors**” beginning on page 19 of the Draft Red Herring Prospectus.

THE DETAILS OF WEIGHTED AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTER

PARTICULARS	NUMBER OF EQUITY SHARES HELD AS ON DATE*	WEIGHTED AVERAGE COST OF ACQUISITION (“WACA”) PER EQUITY SHARE (IN ₹)*	WACA PER EQUITY SHARES ACQUIRED IN LAST ONE YEAR*
Promoter(s)			
Amit Sharma	32,25,552	2.74	Nil
Namrata Sharma	6,90,030	8.60	Nil
Anil Sharma	3,22,465	Nil	Nil

*Calculated after taking into account conversion of CCPS.

Weighted average cost of acquisition of all shares transacted in the one year and three years preceding the date of draft offer document / offer document.

Period	Weighted Average Cost of Acquisition (in Rs.)	Cap Price (₹[●]) is ‘X’ times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last one year preceding the date of the Draft Red Herring Prospectus	Nil	[●]	0
Last three years preceding the date of the Draft Red Herring Prospectus	3.19*	[●]	0- 67662*

* The weighted average cost of acquisition has been computed after considering the allotment of 217 Equity Shares at an issue price of ₹67,662 per share under the Business Takeover Agreement, pursuant to Board Resolution dated March 14, 2025, and the subsequent bonus issue of 45,97,650 Equity Shares in the ratio of 450:1 at nil consideration. Accordingly, the range of acquisition price includes bonus shares issued at nil consideration and shares allotted under the Business Takeover Agreement at ₹67,662 per share.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Name	Designation (Independent / Whole-Time / Executive / Nominee)
1.	Amit Sharma	Chairman & Managing Director
2.	Anil Sharma	Whole Time Director
3.	Namrata Sharma	Non-Executive Director
4.	Vaibhav Mandhana	Independent Director
5.	Shubham Jain	Independent Director
6.	Praveen Agrawal	Chief Financial Officer
7.	Harshita Khandelwal	Company Secretary & Compliance Officer

For further details, please refer to the chapter titled “**Our Management**” beginning on page 162 of the Draft Red Herring Prospectus.

AUDITOR QUALIFICATIONS

There are no audit qualifications which have not been given effect in the Restated Financial Statements.

AVI LIFESTYLES LIMITED	13
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SUMMARY TABLE OF OUTSTANDING LITIGATIONS

A summary of outstanding litigations proceedings involving our Company, Promoters, Directors, KMPs, SMPs and Group Company (to the extent material to our Company) as on the date of the draft Red Herring Prospectus are as below:

(₹ in lakhs)

S. No.	Name of Entity	Criminal Proceedings	Tax Proceedings	Actions by statutory and regulatory authorities	Aggregate amount involved
1.	Company				
	By the Company	01	-	02	3.15
	Against the Company	-	01	-	10.30
2.	Promoters & Directors				
	By the Promoters & Directors	-	-	04	4.18
	Against the Promoters & Directors	-	06	-	3.16

For further details, please refer to the chapter titled “Outstanding Litigations and Material Developments” beginning on page 265 of the Draft Red Herring Prospectus.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013/1956 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Draft Herring Prospectus is contrary to the provisions of the Companies Act, 2013/1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Draft Red Herring Prospectus are true and correct.