Midas
Equities and Research

Kusumgar Ltd

Initiating Coverage

05 Aug 2026

Spark Initiating Coverage Reports – Rebooted!

Outlining the framework from our desk

In our new, rejuvenated approach to publishing fundamental research ideas, we aim to balance a traditional, time-tested framework with a contemporary and hopefully refreshing segue into stock-picking. Accordingly, our Initiating Coverage reports will be presented in four sections: **(1) Annual Report Deep-dive, (2) Business Assessment Scores, (3) Valuation Framework and (4) Stock Buzz & Influencing Factors**

This report is underpinned by three key beliefs: (1) business assessment should be separated from valuation frameworks, enabling equity research to calibrate the mix objectively when making stock calls; (2) the decision tree we publish makes this process simple and objective, highlighting the three major factors that underpin our recommendation; and (3) reactions to "buzz" and other factors that influence price action must be identified and given due regard when timing stock calls, particularly in the current environment, where information flow is incessant.

Annual Report Deep-dive

Drawing on the time-tested but sadly, rarely-applied practice of drilling into historical annual reports, we dedicate the opening section to the **Analytical Perspective gleaned** from this exercise. A helpful forensic overlay provides a clearer view of the company's **historical operating performance, balance sheet behaviour, cash flow quality & governance structure**. By anchoring the analysis in reported numbers and disclosures, this section helps assess earnings quality and risk before progressing to any forward-looking calls with conviction.

Business Assessment Scores

To address the question of whether a company's business can emerge as a long-term winner, we draw on Porter's Five Forces framework to examine key aspects such as revenue models, pricing risks, market positioning, and competitive moats. Our financial analysis and estimates are anchored in our assessment of both the company's current performance and its long-term potential. To ensure that this assessment remains objective and not influenced by subjective judgment, we employ a scoring model that captures the key drivers of business quality across five composite vectors. The resulting scores form the basis of our call on the business.

Valuation Framework

We have often observed how markets can make target multiples appear like the proverbial rabbits out of a hat. To avoid the temptation of retrospectively justifying valuations alongside the broader market, we returned to first principles while designing our Valuation Framework. Anchored in market, peer, and historical absolute benchmarks, our valuation scores incorporate Economic Value Added, return profiles, growth prospects, and leadership positions, mapped against relevant valuation multiples. Ultimately, the central question remains: given everything we know about the business, markets, and peers, does the current pricing appear attractive? This question forms the bedrock of stock-picking in equity research.

Stock Buzz & Influencing Factors

The **Buzz Chart** & Liquidity Chart track stock-specific news flow, events, and market activity to help identify **periods of elevated attention or sentiment shifts**, complementing fundamental and valuation analysis.

Source: Company, Spark PWM Pvt. Ltd.

Report In Gist (1/3)

Last Day Close	1Y TP	Upside	Rating
Rs. 622	**Rs. 772**	**24%**	**BUY**

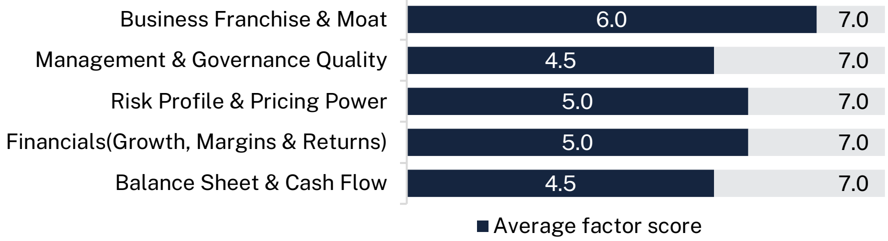
About the company

- Kusumgar Ltd (Kusumgar) is evolving from a technical textile manufacturer into an integrated solutions provider, expanding into value-added Defense systems- including parachutes, aerial delivery systems and camouflage solutions-to deepen customer relationships and increase content per platform.
- Backed by over 5 decades of expertise in high-performance technical textiles, Kusumgar competes on product performance, proprietary process know-how, and customer qualification rather than scale or price, differentiating it from commodity textile manufacturers.
- The company operates a vertically integrated manufacturing platform spanning yarn preparation, weaving, dyeing, heat-setting, printing, finishing, coating, lamination, and fabrication across six manufacturing facilities in Gujarat, along with one fabrication unit in Uttar Pradesh. Its business is protected by high switching costs from (2–10-year qualification cycles), 55 years of hard-to-replicate process expertise, certifications, global technology partnerships supporting industry-leading margins.

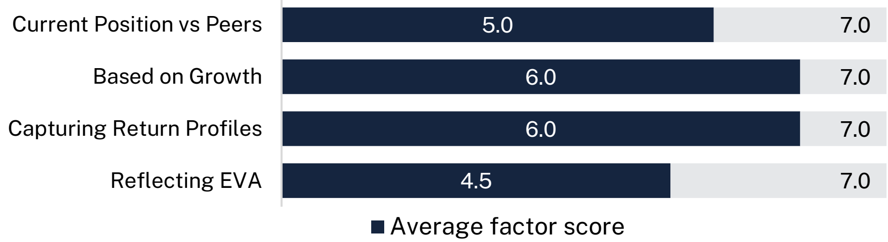
Red Herring Prospectus (RHP)
Deep-dive

- FY25 buyout of promoter-owned ECFPL (Rs. 111.85 Cr, ~28x earnings) was a common-control transaction: the payment obligation was recorded as a current liability in FY24 and settled in cash in FY25, turning operating cash flow negative and writing ~Rs. 104 Cr off equity,; short-term funds utilized for long term purpose resulted in a covenant breach on its HDFC term loan in FY25, to bridge the gap promoter extended a Rs. 28.51 Cr promoter loan which was repaid during the same year.
- CARO notes minor statutory-dues delays (FY24–FY26) and FY25 inventory reported to lenders differing from books; CEO ESOPs rose to ~Rs. 20 Cr in FY26 (vs Rs. 3.5 Cr in FY25) over a Rs. 2.5 Cr salary, plus ~Rs. 26 Cr of other related-party transactions(besides promoter loan) over FY24-FY26.

Business Assessment Scores



Valuation Framework



Financials and Estimates Summary

Particulars(Rs. cr)	Revenue	EBITDA	EBITDA %	PAT	EPS	RoE %	RoCE%	P/E	EV/EBITDA
FY24	468	132	28.2%	84	8.0	86%	53%	NA	NA
FY25	779	188	24.2%	112	10.6	56%	43%	NA	NA
FY26	692	188	27.1%	98	9.3	26%	23%	67	36
FY27E	1,124	296	26.3%	171	16.2	29%	30%	38	23
FY28E	1,284	324	25.2%	189	17.9	25%	27%	35	21

05 Aug 2026

Industry	Textiles- Other Textiles products

Key Stock Data

Bloomberg	KUSUMGAR IN
Shares o/s (cr)	10.49*
Market Cap (Rs. cr)	6,525
52-wk High/Low	644/548
20D ADV ('000)	-
F&O	N

Latest Shareholding (%)

	Jul 26
Promoters	75.0
Institutions	11.9
Public	13.1
Pledge	0.0

RESEARCH ANALYST
Aadesh Gosalia
Aadesh.g@sparkcapital.in
Samar Gupta
samar.g@sparkcapital.in

Source: Company, Bloomberg, Midas Research
*Before the IPO in July, the CCPS(FV-5) got converted into equity shares(FV-1) which led to total number of shares reducing to 10.49 Cr and it has been taken our calculations
The company is recently listed so stock performance% is not mentioned.

Report In Gist (2/3)

Stock Buzz & Influencing Factors

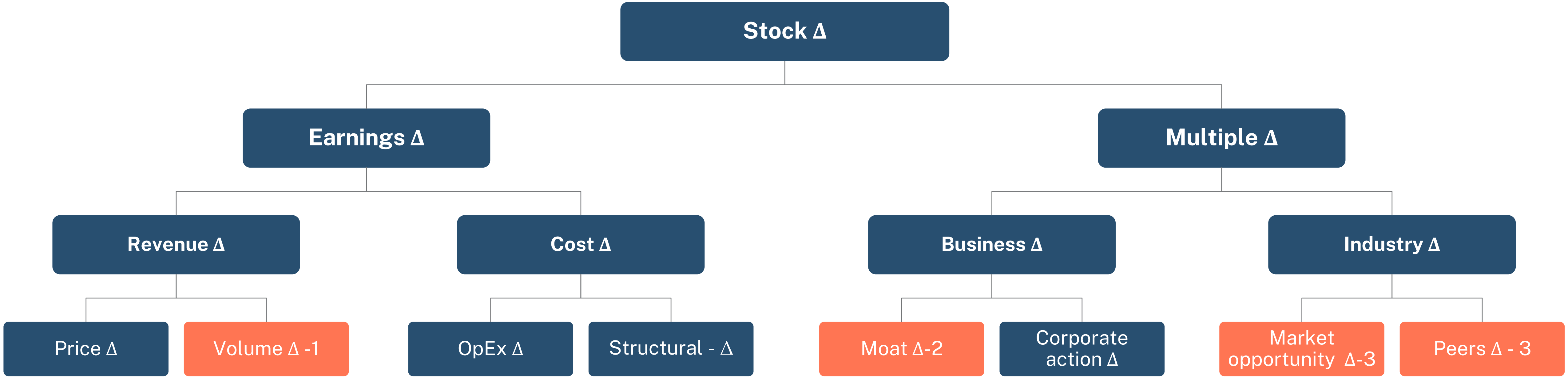
- Before its IPO, Kusumgar Ltd and its promoters raised Rs. 365 Cr from marquee investors, including Motilal Oswal Finvest, Edelweiss Discovery Fund, Spark Midas Investment, and WhiteOak Capital (India Opportunities), at Rs. 365/share. The fundraising comprised a Rs. 127.8 Cr fresh issue (CCPS) and a Rs. 237.2 Cr Offer for Sale (OFS). Subsequently, the promoters raised Rs. 650 Cr via IPO which was entirely an OFS at an issue price of Rs. 419.
- **A&D-driven revenue remains lumpy:** Revenue visibility is limited to a few quarters, with no long-term contracts, resulting in year-to-year volatility.
- **High customer concentration is a key monitorable:** The top 10 customers contributed ~59.5% of FY26 revenue, with no long-term purchase agreements, increasing dependence on key accounts.
- **Supplier concentration exposes procurement risk:** Top-10 suppliers account for ~51% of material costs, with ~39% imports, exposing the company to FX, tariffs and supply-chain risks.
- **Raw material costs are linked to petrochemical cycles:** Input costs are led by caprolactam, benzene, adipic acid/HMDA & PTA/MEG, with cost inflation generally passed through after a short lag.

Investment Rationale

- **A differentiated business, not a conventional textile company.** Kusumgar's engineered defence and industrial fabrics franchise is built on **55+ years of process know-how**, an integrated yarn-to-system platform, exclusive global partnerships and **2–10-year customer qualification cycles**, creating high entry barriers and sticky customer relationships.
- **Well positioned to benefit from long-term industry tailwinds.** Defense indigenisation, the China+1 shift and rising global demand for engineered fabrics provide a favourable backdrop, with nearly **40% of revenue derived from exports in FY26**.
- **Returns and cash flows are approaching an inflection point.** As capacity utilisation improves and annual capex normalises from **Rs. 69 cr to ~Rs. 30 cr**, EBITDA is expected to increase by **~72% from FY26 to Rs. 324 cr in FY28E**. RoIC is expected to recover to **31% in FY27E and 41% in FY28E**, while free cash flow turns positive and the balance sheet transitions to a net cash position.
- **Valuation remains compelling on a forward basis.** Kusumgar is expected to deliver revenue/EBITDA/PAT CAGRs of 36%/31%/39%, respectively, over FY26–28E, versus the peer average of 15%/23%/38%. This superior growth is underpinned by industry-leading EBITDA margins of ~27% in FY26 versus the peer average of ~12%, reflecting the strength of its engineered products, pricing power and operating leverage. Kusumgar stands out on the return profile as well, with RoE of 25.8% vs the peer average of 13%. Despite the premium profitability profile, the stock trades at a PEG of ~0.9x which is not a steep premium vs industry average of 0.7x, indicating that the valuation remains well supported by its growth outlook.
- **Investment view:** Kusumgar combines a differentiated competitive moat, structural growth drivers, expansion cycle, which is already completed and improving cash generation. We believe the company is well positioned to sustain its industry-leading growth, profitability, and return ratios, underpinning our **BUY** rating with a **Target Price of Rs. 772**, based on an **exit EV/EBITDA multiple of 24x FY28E EBITDA**, implying an **upside potential of ~24%**. While our target multiple represents a premium to the peer average of **14x**, we believe it is justified by the company's sector-leading margins, superior growth(EBITDA CAGR of 31% of FY26-FY28E vs peer CAGR of 23%), robust return profile (RoE of 25.8% vs the peer average of 13%), and increasing exposure to the high-entry-barrier Aerospace & Defense segment. However, considering the lumpiness in the A&D segment, high growth expectation and stock price which has already rallied by 48% from the issue price we recommend to buy the stock in the event of correction as there may be periods of uneven growth due to the nature of business.

Source: Company, Midas Research

Report in Gist-Decision Tree (3/3)



1 Reasoning 1

- Revenue growth will be driven by new customer additions, scaling of recently launched products, new SKU launches and expansion into new geographies.
- Newly launched products are gaining traction, contributing ~70% of FY26 revenue (vs. ~40% in FY24) and has grown at a CAGR of 60% over FY24-FY26, supported by continued R&D-led product development.
- Expansion into Singapore, Turkey and Bangladesh strengthens the growth pipeline, supporting a 36% Total Revenue CAGR over FY26–FY28E.

2 Reasoning 2

- Spec-setting technical know-how — replicating a Kusumgar fabric takes years of development.
- Yarn-to-system vertical integration — end-to-end control from weaving to fabrication drives faster qualification, consistent quality and lower cost.(FY26 EBITDA Margins of 27% vs peer average of 12%)
- Partnership web = switching costs — exclusive global IP alliances (parachutes, ballistics, camouflage) embed Kusumgar's fabric into partners' product architecture

3 Reasoning 3

- The global engineered fabrics industry is expected to grow at ~11% CAGR over CY25–CY30E, driven by strong demand across aerospace, defense and industrial applications.
- Kusumgar is expected to deliver a Revenue/EBITDA/PAT CAGR of 36%/31%/39% over FY26–FY28E, well ahead of the peer average of 15%/23%/38%.
- Its superior growth and industry-leading profitability justify a sustained premium valuation, while a PEG of ~0.9x (vs. peer average of ~0.7x) indicates comfort in valuation.

Source: Company, Spark PWM Pvt. Ltd.

INDEX

1 – Red Herring Prospectus Deep-dive (1/2)

Quality of earnings drives quality of valuation

Transaction Background

DEC 2024 — **FY25** — **FY25** — **FY25**

The buyout

Promoters sold their privately held company (ECFPL) to Kusumgar for **Rs. 111.85 Cr** in cash (~28x earnings). ECFPL's total assets stood at ~Rs. 14 Cr as of March 31, 2025, generated revenue of Rs. 48 Cr, and reported net cash inflows of Rs. 3 Cr.

Cash Outflow

Although the acquisition was completed in FY25, the payment obligation had already been recorded as a current liability in FY24 as per accounting standards. When the company settled this liability in FY25, the cash outflow passed through working capital, resulting in negative operating cash flow of Rs. 155 cr. The payment also reduced cash & bank balances by ~70% **(Rs. 143 Cr in FY24 to Rs. 41 Cr in FY25.)**

A Covenant Breach

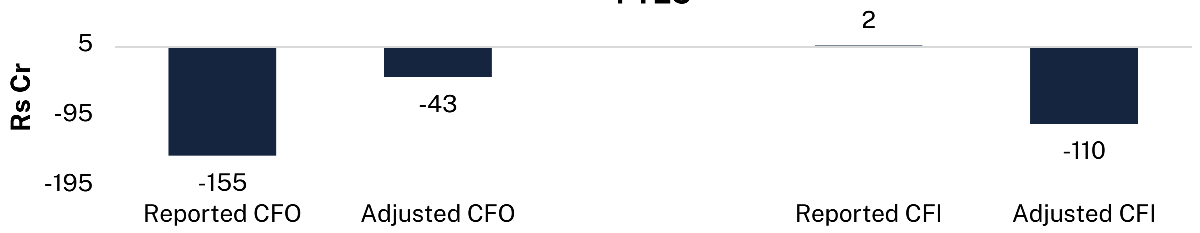
During FY25, the company utilized short-term borrowings to fund long-term expenditures, resulting in a covenant breach on its Rs. 100 Cr HDFC term loan, which was subsequently flagged by the auditor.

Promoters bail it out

To bridge the funding gap, the promoters extended a loan of **Rs. 28.51 Cr**, which was repaid during the same year.

Accounting Nuances

If the acquisition payment had been classified as an investing cash outflow, the cash flow statement would have reflected the adjusted figures shown below.



The deal wrote off ~Rs. 104 Cr off equity resulting in a smaller equity base, lifting ROE / ROCE

Returns	FY24	FY25	FY26
ROE - reported*	86%	56%	26%
ROCE - reported*	53%	43%	23%
ROE - adjusted**	56%	37%	20%
ROCE - adjusted**	36%	33%	20%

Accounting treatment is correct under Ind AS 103. The above adjustments are for comparability and should not be construed as accounting errors.

Source: Company, Midas Research
** Internally calculated as per reported financial ** If we adjust the write off, the ROE and ROCE would have been as follows*

1 – Red Herring Prospectus Deep-dive (2/2)

Governance and disclosure quality

Auditor and disclosure quality

Key Audit Observations(CARO findings)

- **Statutory dues:** Minor delays in depositing statutory dues were reported in FY24–FY26. Dues were subsequently paid along with applicable interest.
- **Working capital:** In FY25, inventory values reported to lenders differed from the books due to valuation differences. The company also utilized Rs. 66 Cr of short-term borrowings for long-term purposes, citing a temporary funding mismatch.
- **Internal controls:** Audit trail (edit log) implementation remained incomplete during FY24–FY25 and was fully enabled at the database level only in July 2025.

Statutory Auditor's Report

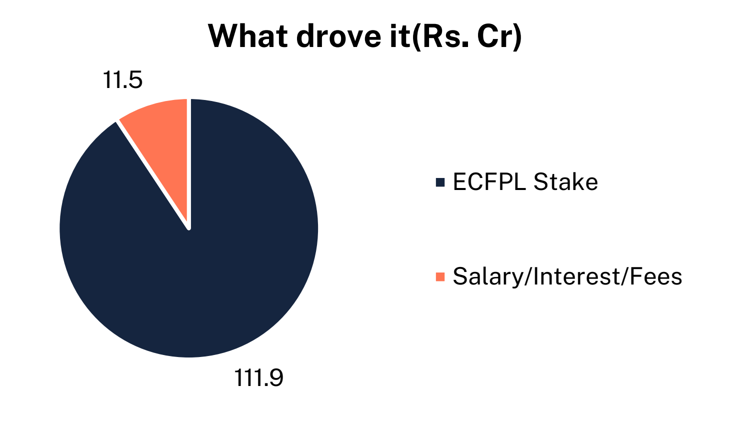
- **Unmodified opinion:** The auditors issued an unmodified opinion, confirming that the restated financial statements comply with the Companies Act and SEBI ICDR Regulations.
- **Data backup:** The auditors were unable to obtain sufficient evidence to conclude whether electronic backups of the books of account were being maintained on a daily basis during the relevant periods.

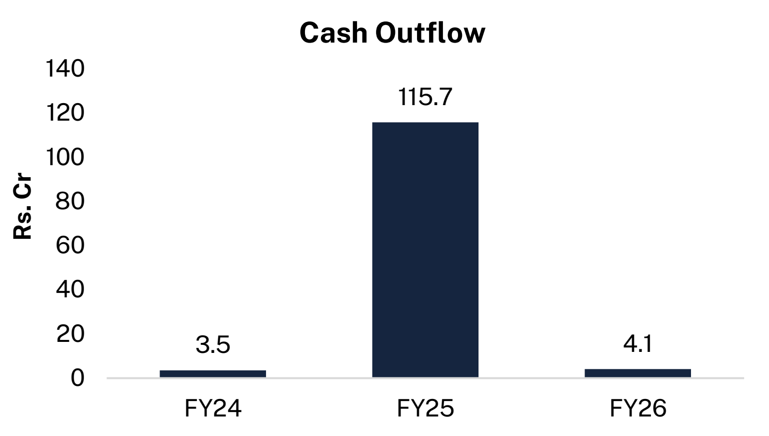
The statutory auditor over the last three fiscal years has been M S K A & Associates LLP (Chartered Accountants)

- Contingent liabilities increased to Rs. 109 Cr (21.7% of net worth) in FY26 from Rs. 5 Cr in FY25, primarily due to Rs. 104 Cr of bank guarantees issued for government contracts rather than underlying financial stress.
- The remaining exposure comprises routine letters of credit (Rs. 4 Cr) and income tax demands (Rs. 1 Cr), while capital commitments declined sharply to Rs. 6 Cr in FY26 from Rs. 85 Cr in FY25 as the major capex cycle neared completion.

Management remuneration and related-party transaction

Promoter-Who took it	Total over 3 years (Rs. Cr)
Siddharth Kusumgar	61.1
Sapna Kusumgar	60.5
Yogesh Kusumgar	1.8
Total	**123.4**





- CEO stock options (ESOPs) stood at ~Rs. 20 Cr in FY26 vs (Rs. 3.5 Cr in FY25), over and above salary of Rs. 2.5 Cr.
- Total other RPT over three years is ~Rs. 26 Cr. This excludes the transaction with promoters which are in the tune of ~Rs. 123 Cr this majorly includes the loan given to and repaid by the company in the same year.
- A ~Rs. 30 Cr fund was infused by promoters and repaid in FY26.

Source: Company, Midas Research

2 - Business Assessment Scores

Business Assessment Scores – Summary

Business Franchise and Moat: 2.1

- Kusumgar's moat is built on accumulated process know-how, with 1,000+ unique fabrics developed since 1970.
- Technical capabilities include fine-denier weaving, dual Nylon 6/66 handling, and in-house coating, lamination and fabrication.
- 2-10 year defense and industrial qualification cycles, coupled with involvement in writing final specifications, create meaningful switching costs.
- It also operates without long-term customer contracts. **We assign a rating of 6.0/7.0.**

Management and Governance Quality: 2.2

- Leadership is led by a second-generation promoter with 25+ years in technical textiles, supported by a CEO from BCG and Arvind, a 16-year-experienced CFO, and promoter remuneration of ~6.4% of FY26 PAT.
- Governance remains promoter-dependent, with the board fully reconstituted in 2025, the Chairman also serving as MD and promoter, and 3 of 6 directors being independent.
- FY26 related-party transactions stood at Rs. 78.09 Cr(11.29% of revenue), while Rs. 117.37 Cr of personal guarantees remain outstanding. **We assign a rating of 4.5/7.0.**

Risk Profile and Pricing Power: 2.3

- Gross margins of 54-62%, versus Arvind's ~52%, reflect pricing power driven by value-added coating, spec-level customisation, and life-critical applications.
- Supply remains concentrated, with the top 10 suppliers accounting for 51.42%, the largest supplier at 14.83%, and imports contributing ~38.9% of sourcing.
- Nanofibres, smart textiles, and microplastic regulation present substitution risks. **We assign a rating of 5.0/7.0.**

Financials (Growth, Margins & Returns): 2.4

- Growth has been strong but uneven. Revenue compounded ~22% to Rs. 675 Cr in FY26, though FY26 slipped 11% from Rs. 770 Cr as a large A&D fabrics order was not repeated (Rs. 205 Cr to Rs. 29 Cr) and for A&D solutions an order worth Rs. 237.2 cr, of which 23.61% was executed in FY26; Rs. 180 cr slips to FY27.
- The segment mix is improving, gross margin recovered to 62% in FY26 from ~54% in FY25, and FY26 PAT reached Rs. 98 cr. The FY27–28E path to Rs. 1,284 looks credible, backed by the capability base and industry growth. **We assign a rating of 5.0/7.0.**

Balance Sheet and Cash Flow: 2.5

- Debt remains well controlled, though the working capital cycle widened from 65 to 134 days in FY26 as debtor days increased from 23 to 76 and inventory days from 66 to 88.
- Operating cash flow before tax declined to –Rs. 111 Cr (FY25) and FCF to –Rs. 41 Cr, (FY26) driven by higher working capital.
- With capital commitments down to Rs. 6 Cr(from Rs. 85 cr), FY27E FCF is estimated at Rs. 393 cr, while Rs. 104 Cr of bank guarantees remain off-balance-sheet. **We assign a rating of 4.5/7.0.**

Kusumgar Limited – Company Factsheet

Corporate Snapshot	
Company background	▪ Kusumgar Limited is a specialized manufacturer in the engineered fabrics industry, focusing on woven, coated, and laminated synthetic fabrics. Founded in 1970, the company provides high-performance solutions primarily using polyamides (Nylon 6 and 66), polyester filaments, and polyurethane chemistry. ▪ Their products are defined by critical technical parameters such as tensile strength, tear strength, abrasion resistance, and waterproofing. As of March 31, 2026, the company manages over 1,000 unique fabric configurations (SKUs) catering to mission-critical applications where failure can be fatal, such as parachutes and ballistic protection.
Revenue mix (FY26)	▪ Aerospace and Defense Fabrics: 31.67% ▪ Industrial and Automotive Fabrics: 24.43% ▪ Aerospace and Defense Solutions: 22.97% ▪ Outdoor and Lifestyle Fabrics: 18.57% ▪ Other Sales (Yarn, Chemicals, Job Work): 2.36%
Demand drivers	▪ **Heightened defense spending:** Rising geopolitical tensions globally have led to increased procurement of aerial, stealth, and rapid-deployment systems. ▪ **"China + 1" sourcing strategy:** Global trade dynamics and tariffs have prompted multinational corporations to diversify supply chains, towards India as a primary sourcing hub. ▪ **Indigenous production focus:** Government initiatives like the Production-Linked Incentive (PLI) scheme and the National Technical Textiles Mission (NTTM) are driving domestic production and import substitution. ▪ **Technical textile adoption:** Growing demand for lighter, stronger, and multifunctional fabrics in the automotive (for EVs) and activewear sectors.
Business model	▪ Kusumgar Limited operates a **vertically integrated model** encompassing preparatory stages, weaving, dyeing, printing, finishing, coating, lamination, and fabrication. ▪ **B2B and B2G:** They supply engineered fabrics to other businesses for manufacturing and sell finished engineered systems (like parachute and camouflage systems) directly to government entities. ▪ **Strategic outsourcing:** To maintain agility and scale output without heavy capital commitments, the company outsources low-differentiation processes such as weaving and knitting to trusted third parties. ▪ **Collaborative partnerships:** The company utilize a "build, retain, extend" framework, working closely with global brands and military organizations to develop bespoke solutions, which creates high entry barriers for competitors.
Plants	The company operates six manufacturing facilities in Gujarat and one fabrication unit in Uttar Pradesh: ▪ Vapi (Gujarat): Processing, dyeing, and finishing. ▪ Karanj (Gujarat): Processing and coating. ▪ Kothwa (Gujarat): Weaving unit 2. ▪ Kosamba (Gujarat): Weaving unit 1 and unit 3. ▪ ECFPL (Gujarat): Dedicated coating facility. ▪ Agra (Uttar Pradesh): Fabrication unit.
Auditors	▪ Statutory Auditors: M S K A & Associates LLP (Chartered Accountants). ▪ Predecessor Auditor: Chaturvedi Sohan & Co.(September 6, 2023, due to preoccupation elsewhere) ▪ Independent Chartered Accountant: M/s Pankaj R Shah & Associates.
IPO Details	▪ Raised Rs. 650 Cr. via OFS.
Credit rating (April 14, 2026)	▪ Long-term Bank Facilities: CARE A; Stable. ▪ Short-term Bank Facilities: CARE A1.
Employee count	▪ Total Workforce: 2,077. (Permanent Employees: 1,051. Contract Workers: 1,026.)

Category (Jul '26)	% Share
Promoter Group	75.0
FII	1.8
DII	10.0
Others (Public)	13.1
Total	**100**

Key Metrics (Rs. cr)	FY24	FY25	FY26
Revenue	468	779	692
EBITDA	132	188	188
EBITDA Margin	28%	24%	27%
PBT	115	151	135
PBT Margin	25%	19%	19%
PAT	84	112	98
Net Worth	140	258	503
Net Debt	-67	205	176
NWC-Ex Cash/Cr. Invt.	-250	153	321
Total Assets	585	632	905
RoE	86%	56%	26%
RoCE	53%	43%	23%

Source: Company, Midas Research

Company Overview - Product Portfolio – FY26 - (1/2)

Aerospace and Defense Fabrics (~32% of Revenue)

Parachute Fabrics

- Cargo Drop Parachutes
- High Altitude Parachute Penetration Systems
- Recovery Parachute Systems
- Tactical Assault Parachute Systems
- Drogue Parachutes
- Space Module Recovery Parachutes (entry descent & landing systems)

Tactical Clothing & Specialty Gear Fabrics

- Cold Weather Clothing
- Modular lightweight load-carrying equipment
- Sleeping Bags
- Rain Wear
- Ruck Sacks & Kit Bags

Stealth Systems

- 2D & 3D Camouflage nets
- Ghillie (Camouflage) Suits
- Decoys

Air Permeability Control | **Lightweight & Robust Solutions** | **Durable & Flexible**

Aerospace and Defense Solutions (~23% of Revenue)

Aerial Systems

- Cargo Drop Parachutes
- Recovery Parachute Systems
- Entry Descent and Landing Systems
- Tactical Assault Parachute Systems
- Drogue Parachutes

Stealth Systems

- 2D Multispectral Camouflage Nets
- 3D Multispectral Camouflage Nets
- Infrared Reflective Uniforms
- Ghillie Suits
- Invisibility Cloaks

Rapid Deployment Systems

- Decoys
- Inflatable Shelters

Maintenance and Repair Service Agreements

- Regular Inspection and Testing
- Preventive Maintenance
- Specialized Repairs

Handle Larger Weights | **Protection against, visual thermal and radar detections** | **Lightweight, portable and quick to deploy**

Source: Company, Midas Research

Company Overview - Product Portfolio – FY26 (2/2)

Outdoor & Lifestyle Fabrics (~19% of Revenue)

Activewear	Hardlines	
Athleisure	Backpacks	**Withstand extreme environments while providing comfort, durability and aesthetic appeal**
Winter Wear	Luggage	**Optimize fabrics for breathability and moisture management**
Rainwear	Sleeping Bags	**High levels of waterproofing**
Fashion Jackets	Tents	**Abrasion resistant and stretchable**

Industrial & Automotive Fabrics (~24% of Revenue)

Fabrics for Tapes	**Dimensional Stability**	**Thermal Resistance**
Custom Fabric Solutions	**Abrasion Resistance**	**Flame Retardancy**
Mechanical Rubber Goods Fabrics	**Tear & Tensile Strength**	**Mechanical Durability**
Inflatable Fabrics	**Enhanced Adhesion**	**Long term Performance**

Source: Company, Midas Research

Company Overview

From fabric supplier to systems maker

The real story is not only growth, but a shift in what the company sells. Leveraging 55 years of fabric know-how, Kusumgar has moved up the value chain into finished, higher-value aerospace and defense systems like parachute assemblies, aerial delivery solutions & camouflage products.

01
Sell fabric

Woven, coated and laminated engineered fabrics for parachutes, tactical applications, industrial use and activewear.

02
Sell into programs

Fabric is embedded in customers' designs, with long approval cycles locking in demand

03
Sell systems

Own parachute systems, camouflage nets, decoys and shelters sold to governments.

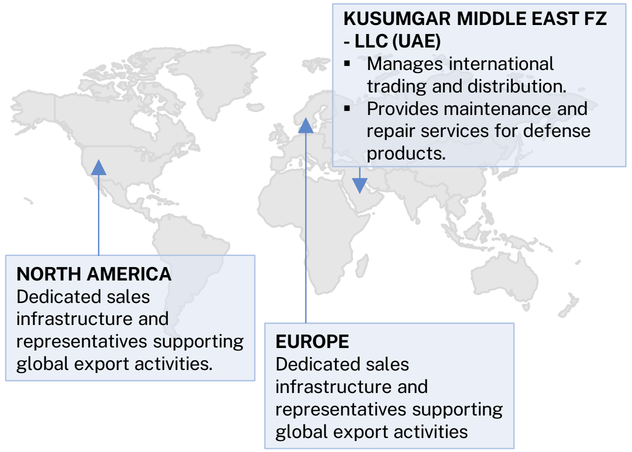
Proof in the numbers – Aerospace & Defense **Solutions** grew from Rs. 86 lakh (0.2% of revenue) in FY24 to Rs. 155 Cr(23%) in FY26 - a new business line, with a meaningful scale.

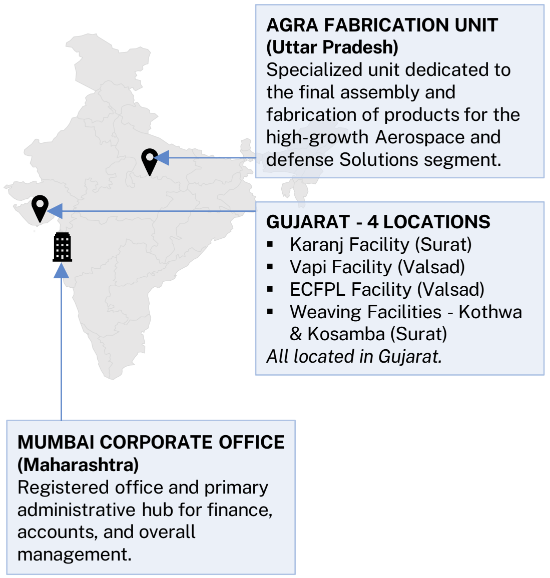
Source: RHP, Company

Company Overview – Locations

Kusumgar Limited - Global Operations

Specialized facilities. Integrated capabilities. Global presence.





Manufacturing & operational facilities (India)

1 KARANJ FACILITY (Surat, Gujarat)

- Versatile hub serving all four segments: Aerospace & defense (A&D) Fabrics, A&D Solutions, Industrial & Automotive Fabrics, and Outdoor & Lifestyle Fabrics.
- Core processes: Scouring, dyeing, finishing, processing and coating of nylon and polyester fabrics.
- Houses dedicated R&D unit with pilot- scale machinery for rapid prototyping and quality validation.
- Commenced in April 2024. Ongoing project to further increase processing and coating capacity.

2 VAPI FACILITY (Valsad, Gujarat)

- Focuses on processing, dyeing, finishing and printing.
- Serves A&D Fabrics, Industrial & Automotive, and Outdoor & Lifestyle segments.
- Established in 2010 to manufacture technical textiles and parachute fabrics.
- Operates specialized boilers and electrical safety systems to support high-performance fabric treatments.

3 WEAVING FACILITIES KOTHWA & KOSAMBA (Surat, Gujarat)

- Responsible for interlacing yarns into precise weave patterns.
- **Kothwa Weaving Unit:** Serves A&D, Industrial/Automotive, and Outdoor/ Lifestyle fabrics.
- **Kosamba Weaving 1:** Primarily for Aerospace, defense, Industrial, and Automotive segments.
- **Kosamba Weaving 2:** Commissioning additional weaving capacity.
- **Kosamba Weaving 3:** Launched in April 2025, adding 14.45 million metres of weaving capacity.

Expanding w eaving capacity across all segments to meet growing demand.

4 ECFPL FACILITY (Valsad, Gujarat)

- Owned by subsidiary Engineered Coated Fabric Private Limited.
- Specialized in textile coating - applies chemical layers (urethanes, silicones, etc.) to meet specific functional requirements.
- Can perform general fabric finishing but primarily a dedicated coating facility.
- Produces coated fabrics for A&D, Industrial, and Outdoor segments.

5 AGRA FABRICATION UNIT (Uttar Pradesh)

- Specialized unit dedicated to Aerospace and defense Solutions segment.
- Focuses on final fabrication -cutting, stitching and assembling coated or laminated fabrics into finished systems.
- Products include parachutes, camouflage sets, decoys and other defense equipment.
- Supports high-growth A&D Solutions segment.

Recent capacity commissioning & scaling Up

1 KARANJ FACILITY

- Commenced in April 2024. Continuing with an ongoing project to further' increase processing and coating capacity.

2 KOSAMBA WEAVING UNITS

- Commissioning additional weaving capacity at Kosamba 2 unit. Following the April 2025 launch of Kosamba 3 unit, which added 14.45 million metres to total weaving capacity.

3 DOWNSTREAM BALANCING

- A significant portion of recent capex dedicated to installing additional capacity in downstream processes (processing, dyeing and finishing) to balance high volume of WIP from upstream weaving operations.

4 AGRA FABRICATION UNIT

- Operates specialized unit in Agra to support final assembly and fabrication of products for its high-growth Aerospace and defense Solutions segment.

Recent Capacity Commissioning & Scaling Up

UMARSADI WAREHOUSE (Gujarat)

Dedicated storage facility for raw materials and finished inventory.

MUMBAI CORPORATE OFFICE (Maharashtra)

Registered office and primary administrative hub for finance, accounts, and overall management.

GLOBAL SALES PRESENCE

Dedicated sales infrastructure and representatives

in Europe and North America to support global export activities.

KUSUMGAR MIDDLE EAST FZ - LLC (UAE)

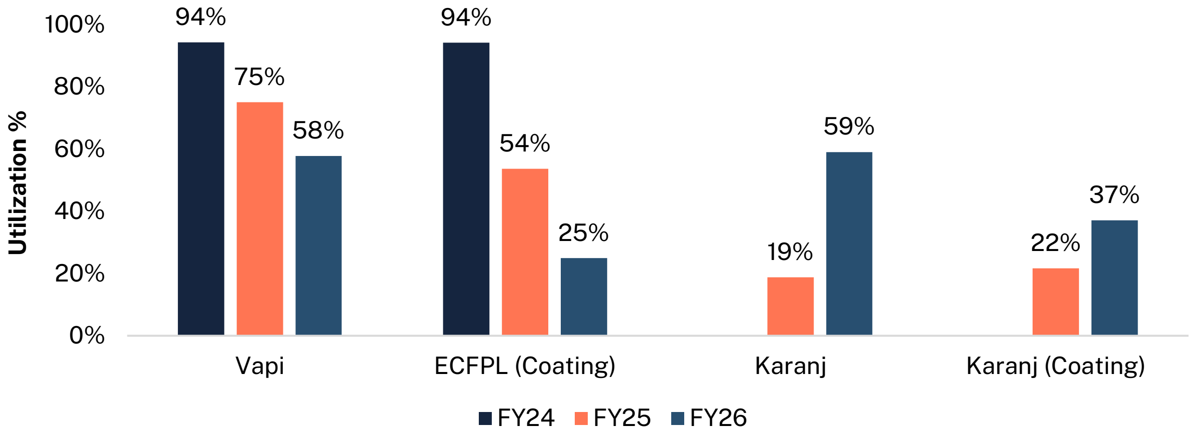
Manages international trading, distribution and provides maintenance and repair services for defense products.

Source: Company, Midas Research

Company Overview-Capacity

Karanj launch and new weaving units expand capacity across segments

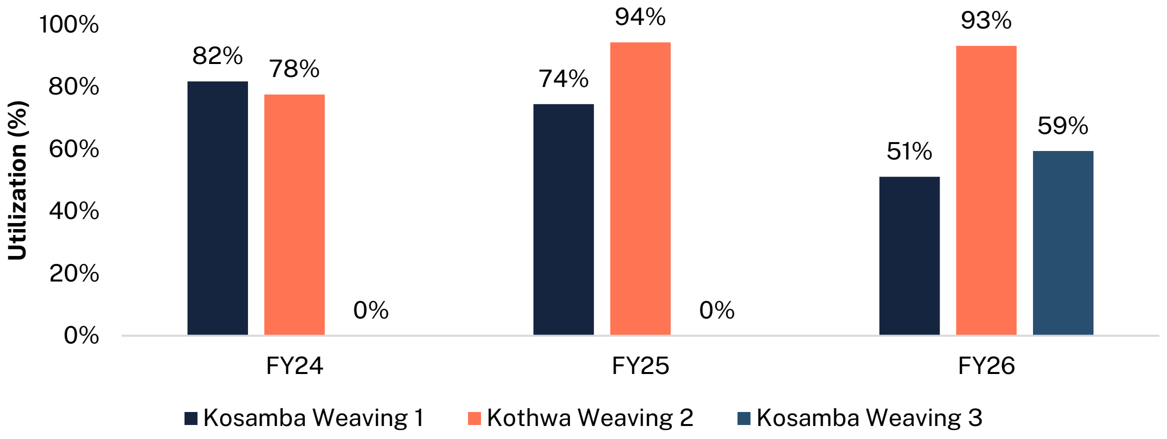
Processing/Dyeing/Finishing/Printing/Coating plant overview



Capacity(mn mtrs)	FY24	FY25	FY26
Vapi	25.56	25.56	25.56
ECFPL (Coating)	21.3	21.3	21.3
Karanj	–	59.64	59.64
Karanj (Coating)	–	21.3	21.3
Total capacity	**46.86**	**127.8**	**127.8**
Total utilization	**94%**	**42%**	**49%**

The Karanj facility, commissioned in April 2024, more than doubled the overall processing capacity from 46.86 mn metres to 127.80 mn metres. Utilization declined during the ramp-up and the company is focusing on value-based growth and not volume based. Vapi's utilization fell from 94% to 58% as production shifted to Karanj and coating volumes were split between ECFPL and Karanj's new line.

Weaving plant utilization overview



Capacity(mn mtrs)	FY24	FY25	FY26
Kosamba Weaving 1	13.31	13.31	13.31
Kothwa Weaving 2	6.41	6.41	6.41
Kosamba Weaving 3			14.45
Total capacity	**19.72**	**19.72**	**34.17**
Total Utilization	**80%**	**84%**	**63%**

Weaving capacity expanded with the commissioning of Kosamba Weaving 3 in April 2025. Utilization at Kosamba Weaving 1 declined as production shifted to the new unit, lowering overall segment utilization during the ramp-up phase.

Source: Company, Midas Research

2.1 - Business Franchise and Moat

Five structural barriers keep competitors out

Kusumgar's moat is built on accumulated process know-how: over 1,000 unique fabrics developed since 1970, fine-denier weaving, dual Nylon 6/66 handling, and in-house coating, lamination and fabrication. With defense and industrial qualification cycles running 2 to 10 years - during which the company typically helps write the final specification — incumbency translates into meaningful switching costs. The company operates without long-term customer contracts. We assign a **rating of 6.0/7.0.**

Replicating a Kusumgar product takes years of technical development - which is precisely what protects the franchise.

1	**One integrated platform** Yarn → finished system	A single facility runs the whole chain — yarn prep, weaving, dyeing, printing, coating and fabrication. End-to-end control locks in quality, speeds development and cuts cost.	**~27%** EBITDA margin vs 11–21% peers
2	**Partnerships lock in demand** Alliances → switching costs	Global partners transfer parachute, ballistic and CORDURA® IP; Kusumgar's fabric is designed into their patented systems — so makes switching difficult and creates sticky relationship..	**Exclusive** US parachute IP, India rights
3	**50+ years of engineering expertise** Hard-to-replicate know-how	Five decades across polyamides, polyester filaments and polyurethane chemistry — fine-denier weaving, Nylon 6 & 66 processing and advanced coatings; rivals would take years to match.	**50+ yrs** know-how, 21 R&D staff
4	**Long approval cycles, life-critical products** Qualification lock-in	Where failure is not an option — parachutes, ballistic protection, safety inflatables — approval runs 2–10 years. Once written into a customer's spec, replacing the supplier is impractical.	**1M → 7M** metres once qualified (FY21→24)
5	**Customised solutions move the mix up** From component to solution	Design-stage co-development across Aerospace & Defense, Industrial & Automotive and Outdoor & Lifestyle shifts the mix toward higher-value bespoke, tailored fabrics.	**22.5%** customised fabrics as a share of India's engineered fabric market for industrial use, FY31E

Source: Company, Midas Research

2.1 - Business Franchise and Moat (1/5)

One integrated platform brings in scale: Yarn to finished system

From component to solution: The same platform that manufactures engineered fabrics now assembles complete Defense systems -parachutes, aerial-delivery systems and camouflage solutions - capturing more value per platform.

Yarn Preparation › Weaving › Dyeing & Heat-setting › Printing & Finishing › Coating & Lamination › Fabrication (Finished Systems)

Weaving plant utilization overview

Capacity(mn mtrs)	FY24	FY25	FY26
Total capacity	19.72	19.72	34.17
Total Utilization	80%	84%	63%

Processing/Dyeing/Finishing/Printing/Coating plant overview

Capacity(mn mtrs)	FY24	FY25	FY26
Total capacity	46.86	127.8	127.8
Total utilization	94%	42%	49%

Benefits of vertically integrated facility

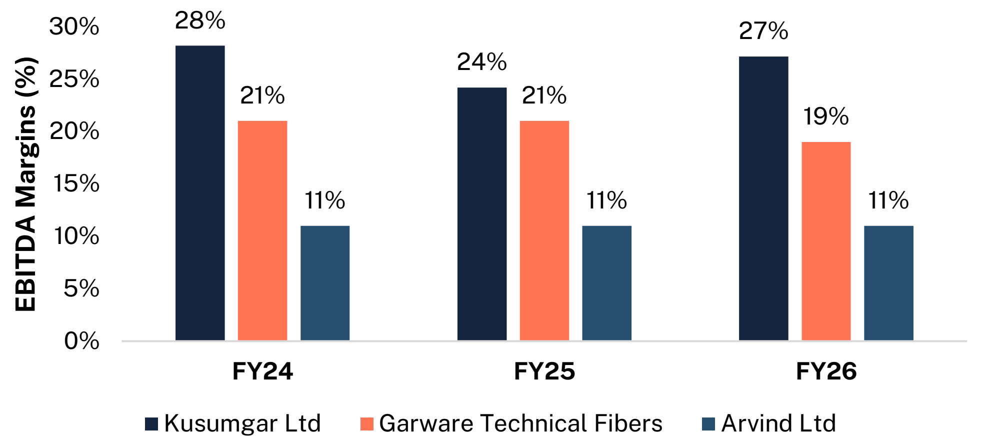
Consistent quality: End-to-end process control ensures high-quality engineered fabrics.

Deep customization: Tailored products to customer-specific performance requirements.

Faster development: Integrated manufacturing speeds up product development and qualification.

Lower costs & reliable supply: Reduced outsourcing and assured fabric availability through in-house weaving.

This results in superior EBITDA margins



Certifications that qualify Kusumgar for tenders

ISO 9001 / 14001	AS9100D	Oeko-Tex 100 / GRS	IATF 16949	Parachute Industry Assn.
Quality & environmental	Aerospace quality management	Textile safety & recycled content	Automotive quality standard	Member - industry standards

Source: Company, Midas Research

2.1 - Business Franchise and Moat (2/5)

Kusumgar doesn't just supply fabric - it integrates with partners' technology & designs, turning alliances into switching costs

A partnership web that does two jobs

IP flows IN

US parachute leader (exclusive in India), Italian ballistic fabrics, US camouflage IP, Japanese JV, DRDO-type co-development.

Demand locks IN

Kusumgar fabric is embedded in partners' design architecture - switching it out means redesigning their product.

Global partners across parachutes, ballistics, camouflage, outdoor fabrics, yarns and shelters

Effect: Enhanced credibility with government and private buyers, access to global programs, and early visibility into emerging requirements.

Licensed technology transfer EXCLUSIVE IN INDIA

Builds a US partner's parachute systems under licence - bypassing years of in-house R&D.

Designed into partner systems

Fabric embedded in patented designs; switching means repeating full test cycles.

Gateway to global tenders

Exclusive North-American sales partner enhances credibility with global buyers.

CORDURA® brand licence NON-EXCLUSIVE

Licensed CORDURA, TrueLock and Classic - a recognised quality seal rivals can't match.

R&D network

Ties with material-science leaders and a Defense R&D agency give early sight of new specs.

The Net effect

Partners transfer IP, company embeds in fabric, and create long-term, hard-to-replicate demand.

Source: Company, Midas Research

2.1 - Business Franchise and Moat (3/5)

50+ years of accumulated engineering expertise enables to manufacture highly specialized engineered fabrics that are difficult and time-consuming to replicate

Kusumgar Expertise

- Polyamides
- Polyester Filaments
- Polyurethane Chemistry

Core Technical Capabilities Built Over Decades

1. Fine Denier Weaving	2. Nylon 6 & 66 Processing	3. Complex Fabric Engineering	4. Advanced Coatings & Laminations	5. Integrated Manufacturing Excellence
Precision warping, electronic warp tension control and optimized beat-up mechanism enable ultra-light fabrics with minimal yarn breakage	Expertise in dyeing, heat-setting, tension management and specialized finishing for consistent high-performance nylon fabrics.	Advanced capability in yarn selection, weave design, fabric architecture and finishing for mission-critical applications.	Advanced coating technologies for high-performance fabrics used in demanding environments.	End-to-end control from yarn to weaving, coating, lamination and fabrication delivers quality, traceability, lower costs and speed.

Strong Moat

High Entry Barriers
- Technical expertise and manufacturing know-how acts as a key barrier.
- Competitors would take considerable time to achieve comparable capability and recognition.

Continuous Innovation
- Dedicated R&D centre with pilot-scale equipment, testing infrastructure and rapid prototyping.
- 21 R&D professionals driving continuous product development.

Partnerships & Co-development
- Licensing, co-development and technology partnerships provide access to proprietary technologies and specialized know-how.
- Accelerates innovation and broadens product capabilities.

Products Enabled by their know-how
- 0.75 oz/sq yd parachute fabrics
- Infrared reflective fabrics
- Extreme cold weather fabrics
- Multi-spectral camouflage fabrics

Kusumgar's deep-rooted technical know-how, integrated capabilities and continuous innovation creates a durable competitive advantage that is difficult for new entrants to replicate

Source: Company, Midas Research

2.1 - Business Franchise and Moat (4/5)

Long approval cycles as the products are life-critical

Once qualified into a customer's specification, replacing the supplier is both operationally complex and economically unattractive. The evidence:

Automotive wire-harness tape
Customer B

2-yr qualification
before the first order

~1M → 7M metres
FY21 → FY24 once approved

Nylon 6 + Nylon 66
designed into their most critical parts

New specialised polyester yarn (2023) opens EV wire-harness use.

Indian government parachutes
Defense programmes

Primary supplier
of parachute fabric to a govt customer

Gaganyaan project
re-entry module (capsule that brings astronauts back) parachute partner

2–10 yr design-in
Spec-authored so rivals can't replicate

Life-preserving products → trust, once earned, is rarely lost.

Global parachute-systems leader
Customer A

First bulk order 2021
won on global supply-chain disruption

Preferred Indian partner
for localised parachute systems

Wallet Share expanded
into other systems with Customer A

Grew from first order to embedded, multi-system supplier.

Decathlon
Outdoor & lifestyle

Qualified 'Belharra'
116 GSM twill in 2021 (~120k m/yr)

Global partner 2024
543,957 m of Belharra delivered in FY24

Localizing yarn
trialed India-developed fabrics

Consistent performance 2021–23 earned global-partner status.

Product Family	What Kusumgar Supplies	Why Zero Defect is Non-Negotiable
Aeronautical & aerial delivery	Cargo drop, tactical assault, high-altitude penetration and drogue parachutes, space recovery systems, paraglider and aerostat fabrics	*A canopy that fails cannot be aborted mid-descent; strength-to-weight and air permeability must hold on the first and only deployment*
Tactical & speciality protection	Engineered fabrics for bulletproof jackets, ECWCS multi-layer cold-weather systems, CBRN protective suits	*Ballistic, thermal and chemical barriers are worn against live threats - a weak seam or coating gap is a casualty*
Inflatable safety structures	Inflatable rafts and rescue boats, aircraft evacuation slides, air-holding structures	*Deployed only in an emergency, after long dormancy; air retention must survive years of storage and then work instantly*

Source: Company, Midas Research

2.1 - Business Franchise and Moat (5/5)

Customised solutions are shifting the mix up the value chain

Aerospace & Defense

- Drone & aircraft recovery parachutes built to client-specific specs.
- Multispectral camouflage nets — visual, thermal and radar signature control.
- “Build, retain, extend”: customise for one programme, then scale to a wider base.

Industrial & Automotive

- Sunroof blinds, railway gangways, medical tapes.
- Wire-harness tapes co-developed with adhesive majors for engine-bay heat.
- Inflatables — rescue boats, rafts, aircraft evacuation slides.

Outdoor & Lifestyle

- Rip-stops through to complex dobby constructions.
- Designs tailored to global activewear and gear brands.
- Brand nomination: named as fabric supplier to their garment makers.

How it is delivered

- Design-stage co-development with sales + technical teams
- Pilot-scale R&D lines for rapid prototyping and validation
- Yarn-to-fabrication integration locks in tensile strength, air permeability, IR reflectance
- Material substitution, e.g. Nylon 6 alternative to Nylon 66 for a global tape leader

7,94,674
90-litre rucksacks - legacy natural fibre replaced with a co-developed synthetic, after years of field trials

20.4% → 22.5%
customised fabrics as a share of India's engineered fabric market for industrial use, FY26 → FY31E

Source: Company, Midas Research

2.2 - Management and Governance Quality (1/2)

4.5 | 7

The leadership bench is strong: a second-generation promoter with 25+ years in technical textiles, a CEO from BCG and Arvind (IIT Delhi, Kellogg), a 16-year-experienced CFO, and modest promoter pay at ~6.4% of FY26 PAT. Governance is less settled. The board was fully reconstituted in early-to-mid 2025, the Chairman is also MD and promoter, and only three of six directors are independent. FY26 related-party transactions of Rs. 78.09 Cr(11.29% of revenue) and Rs. 117.37 Cr of personal guarantees keep the framework promoter-dependent. We assign a **rating of 4.5/7.0.**

Senior management comprises highly skilled professionals with years of industry experience

Mr. Siddharth Yogesh Kusumgar
Chairman and Managing Director

- Siddharth Kusumgar is a second-generation entrepreneur with over 25 years of experience in the technical textiles industry
- He holds a diploma in textiles from the Synthetic and Art Silk Mills Research Association (SASMIRA), Mumbai. As Chairman and Managing Director, he is responsible for strategic leadership, business growth, and long-term planning.
- He also serves on the boards of several group entities, including Specialty Fabrics Private Limited and Kusumgar Aerospace Private Limited

Mrs. Sapna Siddharth Kusumgar
Joint Managing Director

- Sapna Kusumgar has over 21 years of experience spanning human resources, information technology, and technical textiles. She has played a critical role in professionalizing the organization's administrative and HR frameworks.
- She holds a bachelor's degree in construction engineering from the University of Mumbai and a Post Graduate Diploma in Management (Family Managed Business) from the S.P. Jain Institute of Management & Research, Mumbai.
- Her responsibilities include business integration, enhancing specialized value-added offerings, and aligning the company's organizational capabilities with evolving global market demands. She also chairs the Corporate Social Responsibility (CSR) Committee.

Mr. Ankur Kothari
Executive Director and Chief Executive Officer

- Ankur Kothari brings over 15 years of professional experience in strategy and operating roles. Before joining Kusumgar Limited, he served as a Project Leader at the Boston Consulting Group (BCG) and was the Chief Operating Officer of industrial fabrics and non-wovens at Arvind Limited.
- He is highly qualified, holding a B.Tech in textile technology from IIT Delhi and an MBA from the J.L. Kellogg School of Management, Northwestern University.
- He is tasked with driving the company's financial performance and growth, ensuring corporate governance and compliance, and overseeing end-to-end operations and risk management.

Mr. Narendra Kumar Jain
Chief Business Officer

- He is responsible for critical business functions, including supply chain management, financial operations, fund management, strategy, and commercial excellence.
- He has over 11 years of professional experience in the field of strategy. Before joining Kusumgar Limited, he held roles at Tata Consultancy Services (TCS), XL Dynamics India Private Limited, and E-Land Apparel Limited.
- He holds a bachelor's degree in administration from Devi Ahilya Vishwavidyalaya, Indore, and a Post Graduate Diploma in Management from the Deccan Education Society's Institute of Management Development and Research, Pune

Source: Company, Midas Research

2.2 - Management and Governance Quality (2/2)

✅: Positive
☑️: Neutral
❌: Negative

Governance overview

Rating		Corporate factsheet
☑️	**Board of Directors – Independence & diversity**	▪ Board comprises 6 members - three Executive Directors (Chairman & Managing Director, Joint Managing Director, and an Executive Director & CEO) and three Non-Executive Independent Directors. ▪ The board includes one woman director, Ms. Deepti Gupta, who serves as a Non-Executive Independent Director. The Chairman of the Board is Mr. Siddharth Yogesh Kusumgar, who also serves as Managing Director and is a Promoter.
☑️	**Board of Directors – Changes in directors**	▪ Siddharth Yogesh Kusumgar appointed as Chairman & Managing Director on February 1, 2025. ▪ Sapna Siddharth Kusumgar appointed as Joint Managing Director on February 1, 2025. ▪ Ankur Kothari appointed as Executive Director & Chief Executive Officer on February 1, 2025. ▪ Yogesh Kantilal Kusumgar resigned as a director (due to preoccupation) on March 4, 2025. ▪ Kiran Nagindas Shah resigned as a director (due to preoccupation) on March 4, 2025. ▪ Deepti Gupta and Kaushal Jaysingh Sampat appointed as Independent Directors on March 17, 2025. ▪ Nihar Ajay Parikh appointed as an Independent Director on June 10, 2025.
✅	**Board of Directors – Independence in board committees**	▪ Audit Committee comprises 3 directors - Mr. Kaushal Jaysingh Sampat (Chairperson, ID), Ms. Deepti Gupta (ID) and Mr. Ankur Kothari (Executive Director & CEO). Two of three members are independent. ▪ Nomination & Remuneration Committee comprises 4 members - Ms. Deepti Gupta (Chairperson, ID), Mr. Nihar Ajay Parikh (ID), Mr. Kaushal Jaysingh Sampat (ID) and Mr. Siddharth Yogesh Kusumgar (Chairman & MD). Three of four members are independent.
✅	**Changes in Key Managerial Personnel**	▪ Mr. Devanand Parshottam Mojidra appointed as Company Secretary & Compliance Officer, associated with the Company since February 18, 2025. ▪ Mr. Kinnar Dhansukhlal Mehta continues as Chief Financial Officer (no change during the period under review).
✅	**Management continuity**	▪ Mr. Siddharth Yogesh Kusumgar, Chairman & Managing Director and Promoter - a director of the Company since August 1, 2000. ▪ Mr. Kinnar Dhansukhlal Mehta, Chief Financial Officer - associated with the Company since November 2, 2009 (over 16 years). ▪ Mr. Ankur Kothari, Executive Director & CEO - elevated to the board on February 1, 2025..
✅	**Management remuneration**	▪ Mr. Siddharth Yogesh Kusumgar, Chairman & Managing Director - remuneration stood at Rs. 1.46 Cr in FY26, representing 1.49% of FY26 PAT. ▪ Ms. Sapna Siddharth Kusumgar, Joint Managing Director - remuneration stood at Rs. 1.46 Cr in FY26, representing 1.49% of FY26 PAT. ▪ Mr. Ankur Kothari, Executive Director & CEO - remuneration stood at Rs. 2.54 Cr in FY26, representing 2.59% of FY26 PAT. ▪ Mr. Kinnar Dhansukhlal Mehta, Chief Financial Officer - remuneration stood at Rs. 0.80 Cr in FY26, representing 0.81% of FY26 PAT. (FY26 PAT: Rs. 98.20 cr.)
✅	**Promoter holding**	▪ Pre-Offer, fully diluted: Mr. Siddharth Yogesh Kusumgar – 58.71%, Ms. Sapna Siddharth Kusumgar – 28.05%, Siddharth Yogesh Kusumgar HUF – 3.31%, Mr. Yogesh Kantilal Kusumgar – 0.05%. ▪ Post Offer, fully diluted Mr. Siddharth Yogesh Kusumgar – 49.39%, Ms. Sapna Siddharth Kusumgar – 23.61%, Siddharth Yogesh Kusumgar HUF – 1.96%, Mr. Yogesh Kantilal Kusumgar – 0.05%.
❌	**Related-party transactions**	▪ Total related-party transactions of Rs. 78.09 Cr in FY26 (11.29% of revenue), of which ~Rs. 60 Cr was unsecured loans drawn from and fully repaid to the two Promoter directors within the year. ▪ Purchased yarn (Rs. 3.98 cr) and plant & machinery (Rs. 2.57 cr) from Specialty Fabrics Pvt Ltd, an entity in which the Promoters have significant influence. ▪ Paid rent of Rs. 1.30 Cr to 4S Holdings (a Promoter Group entity). ▪ Promoters have extended personal guarantees of Rs. 117.37 Cr (outstanding as at March 31, 2026) for the Company's borrowings.

Source: Company, Midas Research

2.3 - Risk Profile and Pricing Power

Highly competitive industry

Gross margins of 54–62%, versus Arvind's ~52%, point to genuine pricing power from value-added coating, spec-level customisation, and life-critical applications where trust outweighs price. The risks run deeper: supply is exposed (top-10 suppliers 51.42% of materials cost, largest 14.83%, imports ~38.9%), and demand is concentrated (top-10 customers ~59.5%), all on purchase-order terms with buyers pushing for price cuts. Nanofibres, smart textiles, and microplastic regulation add substitution risks. We assign a **rating of 5.0/7.0.**

Porter's Five Forces

Threat of New Entrants-Low

- Technical know-how is the primary barrier — Kusumgar has developed 1,000+ unique fabrics since 1970, with specialised capabilities (fine-denier lightweight fabrics, handling both Nylon 6 and Nylon 66, coating/lamination, and an integrated value chain).
- Long approval cycles — defence fabric qualification runs 2–10 yrs, during which the incumbent effectively designs the specification, making it hard for others to displace. Industrial/automotive cycles are similarly long (the 3M-style tape customer took 2 years for qualification).
- Certifications and qualifying criteria, especially for government/Defence buyers, limit who can even bid.
- Life-preserving applications (parachutes, bulletproof jackets, evacuation slides) breed deep customer loyalty once trust is established.

Threat of Substitutes-Low

- Within a given application, alternative materials exist (natural fibres, blends, competing polymers), but for the certified, high-spec applications Kusumgar targets, direct substitution is limited by the same approval barriers.
- The more meaningful "substitute" risk is technological disruption — the industry report flags nanofibers, smart textiles, and bio-based polymers potentially rendering existing capacity obsolete, plus regulatory pressure on single-use synthetics/microplastics. This is a medium-term innovation risk rather than an immediate one.

Competitive Rivalry-Moderate

- Domestic peers: Garware Technical Fibres, SRF, and Arvind — established, with scale and long customer relationships.
- Global majors: DuPont, Freudenberg, TenCate, Milliken — with "substantially greater financial, management, R&D, and marketing resources," according to Kusumgar's own risk disclosure.
- The market includes both organised and unorganised players; competition is fought on technology, price, quality, and delivery, with acknowledged pricing pressure increasing when rivals expand capacity.

Bargaining power of Suppliers-Moderate

- Supplier concentration — Top 10 suppliers account for 51.42% of materials cost; the single largest supplier accounts for 14.83%. Crucially, no long-term contracts exist (purchase-order basis only).
- Import dependence — ~38.9% of materials are imported, with Taiwan alone accounting for ~19.4%. Trade/tariff shifts are a live risk.
- Petrochemical linkage — Polyester, nylon, and polypropylene inputs are exposed to crude oil price swings.
- Offsetting this: Kusumgar sources common inputs across multiple segments (buying leverage) and it has demonstrated material-substitution ability (co-developing a Nylon 6 alternative when Nylon 66 prices rose). So, power is real but partially manageable.

Bargaining power of Buyers-Moderate

- Raising buyer power: Customer concentration (top 10 customers = 59.52% of revenue; top customer = 11.13%), no long-term sales agreements, and an explicit risk that customers could backward integrate and self-supply.
- Lowering buyer power: Once a customer qualifies Kusumgar (a multi-year process), switching costs are very high — customer-specific designs, life-preserving trust, and volume commitments create stickiness. The Case studies show relationships deepening rather than eroding (e.g., the parachute customer transferring technology; the tape customer scaling from ~1M to 7M metres).
- However, the company does face pressure from customers to reduce the prices of the products.

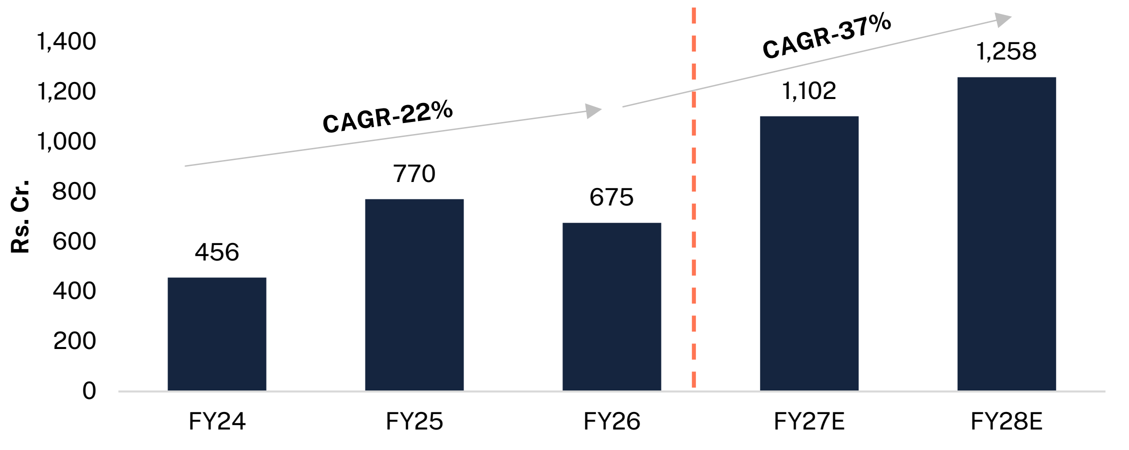
Source: Company, Industry, Midas Research

5	7	Growth has been strong but uneven. Revenue from contract grew at a CAGR of ~22% to Rs. 675 cr over FY24- FY26. FY26 revenue fell 11% from Rs. 770 Cr as a large order placed in FY25, which was not repeated (Rs. 204.6 cr recognized in FY25 vs Rs. 28.6 cr in FY26), and for A&D solutions an order worth Rs. 237.2 cr, of which 23.61% was executed in FY26; Rs. 180 cr slips to FY27. The mix is improving (Industrial & Automotive up 46% YoY, Outdoor & Lifestyle up 120% YoY), gross margin recovered to 62% in FY26 from ~54% in FY25. The revenue from contracts FY26–28E path to Rs. 1,258 cr (~37% CAGR) looks credible, backed by the capability base, industry growth, product launches and entry into new geographies. We assign a rating of **5.0/7.0.**

2.4 - Financials (1/5)

Growth that compounds, not resets - every SKU launched keeps paying, and new ones stack on top

Land Once, Expand for Years(revenue from contracts)



What makes us confident about the future growth

Cross-sell new products

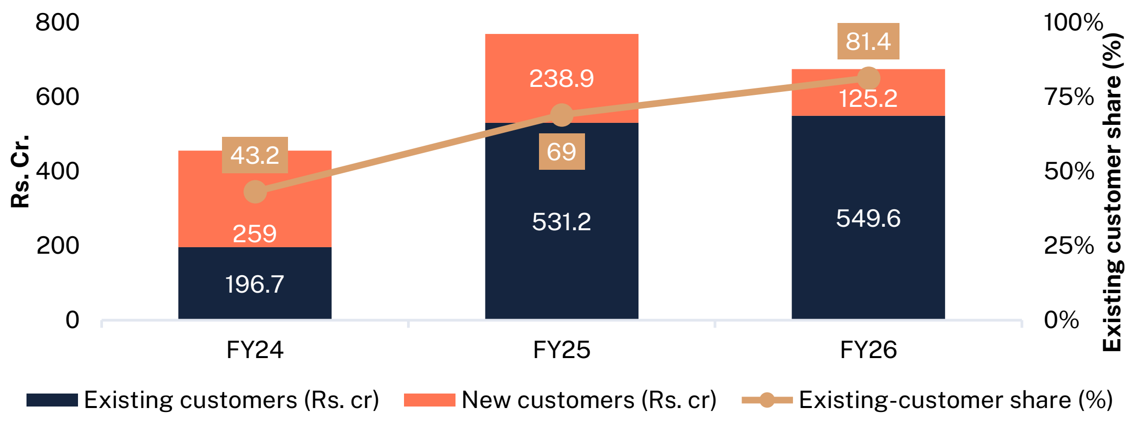
- Prior-launch SKUs(1 year prior) contributed Rs. 471 Cr (~70%) of FY26 revenue (40% in FY24) and will continue in the future.
- New SKUs steadily expand the revenue base.
- R&D pipeline supports long-term growth across new applications.

1. **Aerospace:** Expanding into adjacent aerospace applications.
2. **Medical:** Custom medical tape solutions.
3. **MRG:** Niche mechanical rubber products.
4. **Industrial:** Application-specific engineered fabrics.
5. **Automotive:** Polyester yarns for EV wire harnesses.

Enter new geographies

- Entered new export markets including Singapore, Turkey, and Bangladesh in FY26.
- Sri Lanka emerged as a high-growth market, contributing 5.2% of FY26 revenue.
- Strengthened global sales presence through dedicated teams across Europe, the Middle East, and North America.
- Established a North American sales partnership to accelerate fabric exports.
- Diversified export footprint across key global markets, reducing geographic concentration.
- Expanding MRG exports, targeting international industrial hose opportunities.

What drove the historical growth



Existing customers = billed in the prior two fiscals. Trade-off: top-10 accounts = 60% of FY26 revenue.

Support from existing customers

- FY26 revenue decline was driven by project timing, not demand weakness.
- A&D revenues were impacted by the roll-off of a large order and deferred execution of a major contract.
- Industrial & Automotive (+46%) and Outdoor & Lifestyle (+120%) partially offset the decline, highlighting business diversification.
- Existing customer revenue grew 3.5% YoY, contributing 81% of FY26 revenue, indicating a healthy recurring revenue base.
- Revenue volatility reflects the lumpy nature of large Defense contracts rather than structural weakness in the business.

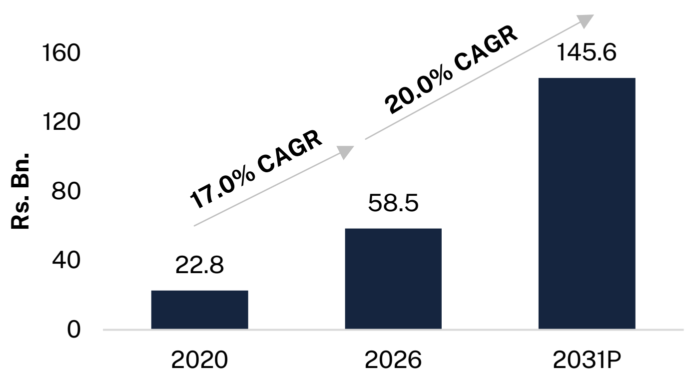
Deepen wallet share

- Long-standing accounts - 5 of the top 6 span 7–9 years - convert into a rising share of each customer's spend.
- Higher wallet share from existing customers through a "total-solutions partner" approach.
- Existing customer contribution increased to 81.4% in FY26 from 43.2% in FY24, reflecting deeper customer penetration.
- Capacity expansion has enabled higher sourcing commitments from key global customers.

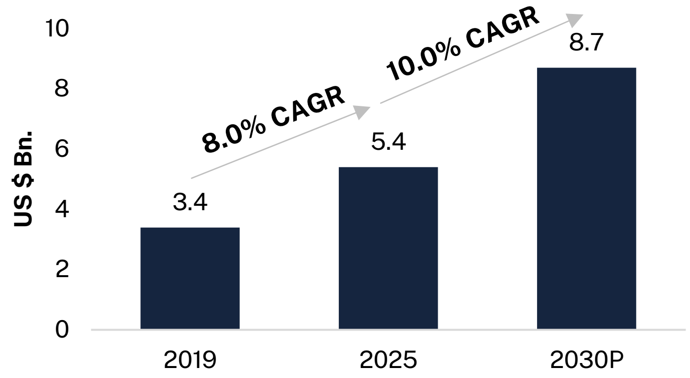
Source: Company, Midas Research

Aerospace & Defence: The growth engine - riding on strong industry growth

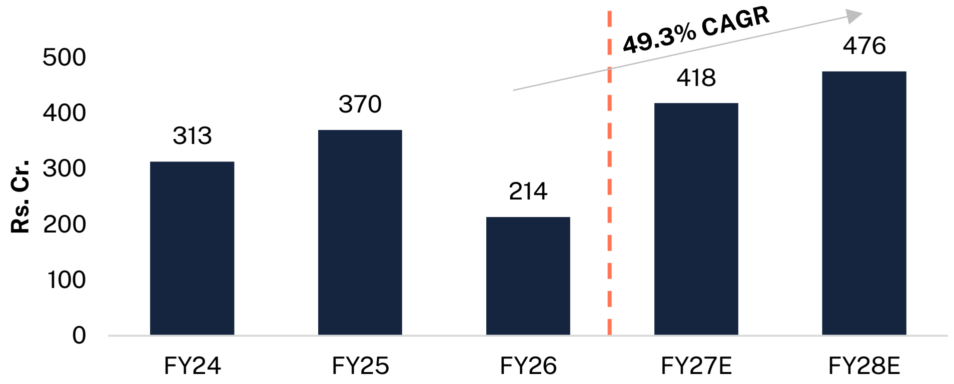
Indian A&D fabric market to grow at 20% CAGR through FY31



Global A&D fabric market to grow at 10% CAGR through 2030



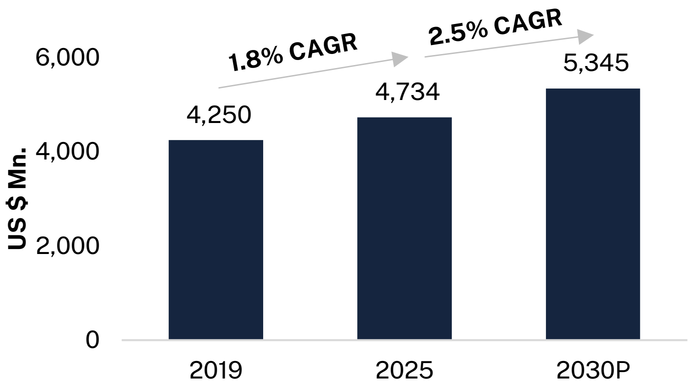
Kusumgar's A&D Fabrics is likely to grow at 49% CAGR aided by new product launches and growing traction for engineered fabrics



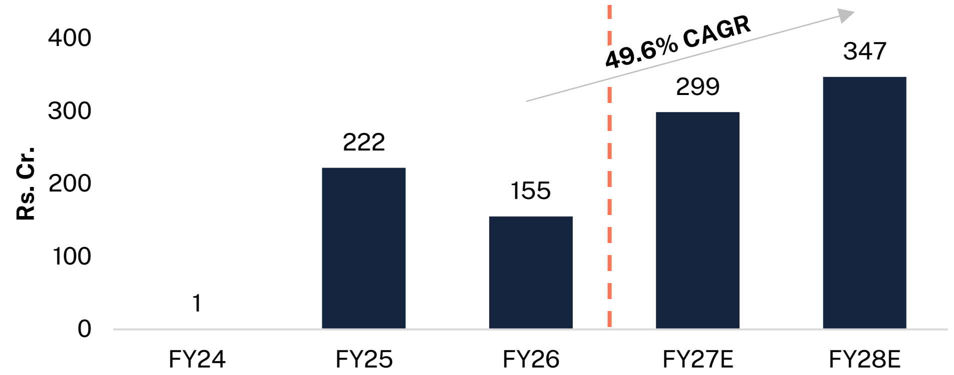
Kusumgar's FY26 A&D fabrics and solutions dip

- **A&D Fabrics:** FY26 dip on a **large order placed in FY25**, which was **not repeated** (Rs. 204.6 cr recognized in FY25 vs Rs. 28.6 cr in FY26).
- **A&D Solutions:** FY26 dip on customer-led deferral of a large contract. **Order worth Rs. 237.2 cr,** of which **23.61% was executed in FY26; Rs. 180 cr** slips to **FY27**.

Global A&D solutions market growing steadily at ~2.5% CAGR to 2030



Kusumgar's A&D Solutions scales to Rs. 347 cr, as the company continues to focus on forward integrate into the A&D systems



- The engineered-fabric market for aerospace and defence is expanding faster in India than globally. The **Indian A&D fabric market** is projected to grow at a **CAGR of 20% (FY26–31P), versus 10% for the global A&D fabric market and 2.5% for the global A&D solutions market over 2025–30P.**
- The growth is backed by the indigenisation of Indian defence procurement, record global defence spending, elevated geopolitical tensions, and broader supply-chain diversification towards India.
- The fastest-growing pocket within India is aerospace fabrics, led by military parachutes, a niche in which Kusumgar is among the leading players outside China and the US.
- A&D is Kusumgar's largest exposure: in FY26, **A&D Fabrics (31.67%)** and **A&D Solutions (22.97%)** together accounted for ~**55%** of revenue from contracts with customers.
- Backed by **strong industry growth, FY26 normalization**, and **execution of the deferred Solutions contract**, A&D segment is set to grow, **Fabrics at ~49%** and **Solutions at ~50%** CAGR (FY26–28E).

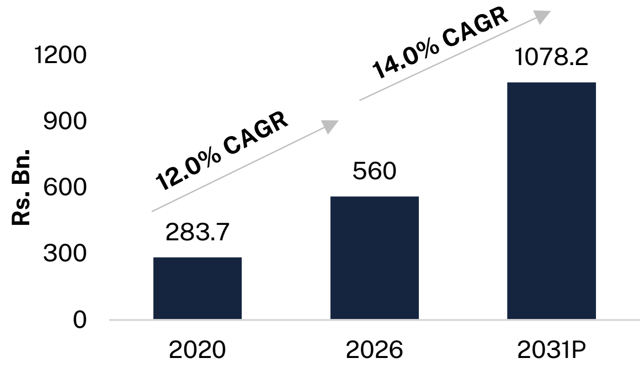
Source: Company, Midas Research

2.4 - Financials (3/5)

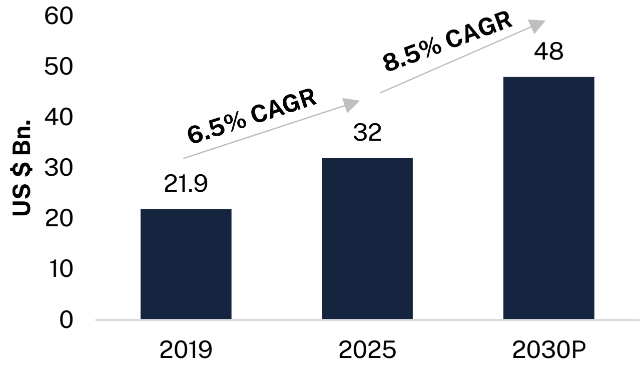
Industrial & Auto and Outdoor & Lifestyle – riding steady industry growth across geographies

Industrial & Automotive

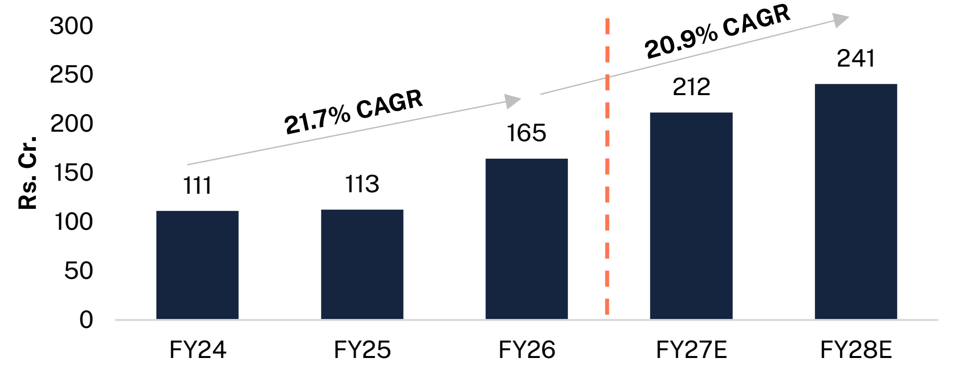
Indian Market is projected to Grow at 14% CAGR through FY31



Global market is set to grow at 8.5% CAGR through 2030



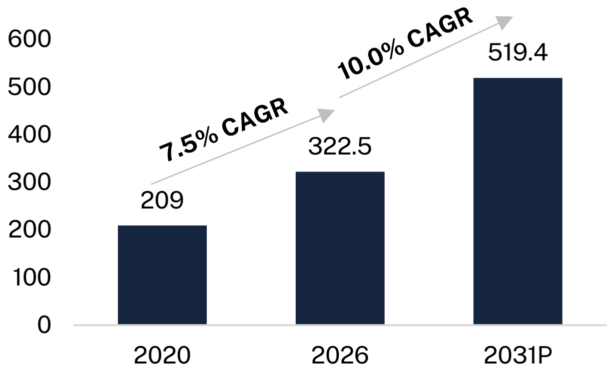
Kusumgar's revenue from I&A scales to Rs. 241 cr, supported by a shift in market demand and government regulations



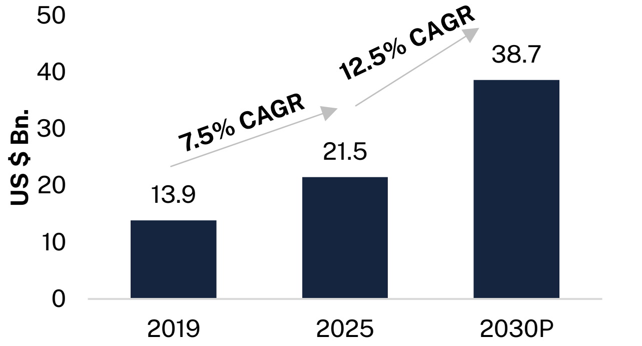
- **Industrial & Automotive:** The Indian engineered fabrics market is expected to grow at a 14% CAGR (FY26–31P), while the global market is projected to expand at an 8.5% CAGR (2025–30P), driven by automation, EV adoption, infrastructure investment, and supply-chain diversification towards India.

Outdoors & Lifestyle

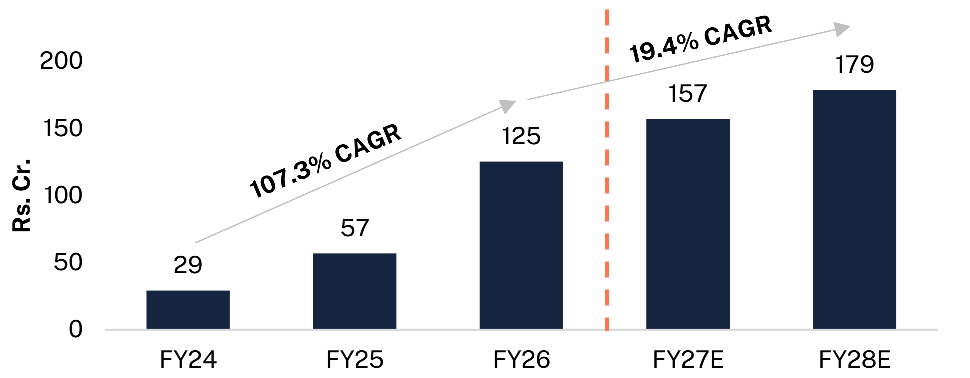
Indian market is projected deliver 10% CAGR growth over FY26-31



Global market is set to grow at a CAGR of 12.5% over 2025-30



Kusumgar's O&L segment set to reach Rs. 179 cr, backed by lifestyle shifts and tech innovation



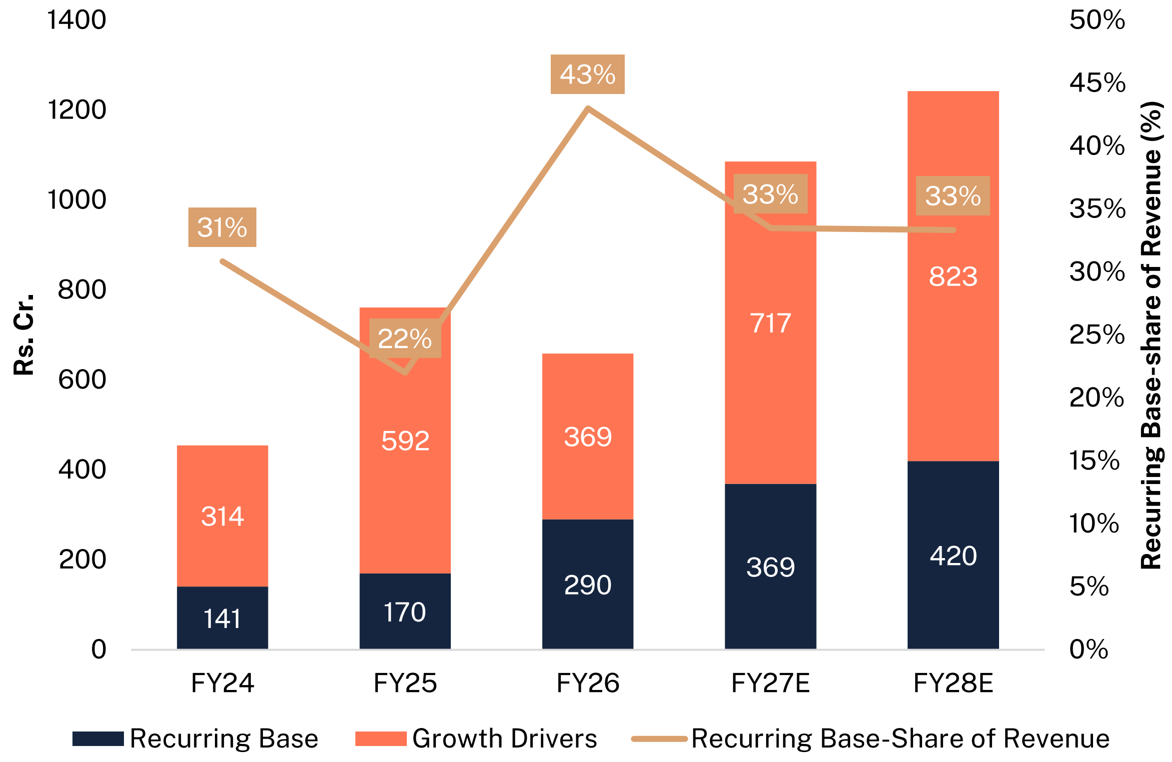
- **Outdoor & Lifestyle:** The Indian market is projected to grow at a 10% CAGR (FY26–FY31P) and the global market at a 12.5% CAGR (2025–30P), supported by rising demand for performance apparel, product innovation, and sustainability trends.

Source: Company, Midas Research

2.4 - Financials (4/5)

Two engines, two rhythms: a durable SKU-led base plus a lumpy, high value A&D order layer

Nature of Revenue — recurring base (O&L + I&A) offsets the lumpiness of the A&D (Fabrics and Solutions) segment



- The recurring base rises every year as it is SKU-led and durable with every qualified SKU keeps paying and new ones stack on top - the true "compounds, not resets" engine.
- The A&D Fabrics + Solutions swing with individual, high-value programme wins (CFF parachutes, custom Defense solutions).
- Lumpy and non-contractual - they inflate strong years and deflate quiet ones but fabrics carry the highest margins and deepest qualification moats.

1. Two engines, two rhythms

- Recurring base (Auto/Industrial + Outdoor/Lifestyle) compounded **Rs. 141 to Rs 290 Cr over FY24–26 (~44% CAGR)**; almost all the volatility sits in the separate A&D order layer.

2. FY26 "decline" = order timing, not demand

- A&D Fabrics fell ~42% as a ~Rs. 205 Cr FY25 order was not re-placed; FY25 was inflated by a ~Rs. 222 Cr CFF parachute order. **Margins still held at ~28%** - timing, not pricing or demand.

3. FY27 is partly pre-loaded

- Of a ~Rs. 237 Cr FY26 A&D Solutions order, only ~24% was executed in-year - **~Rs. 181 Cr is contractually won but deferred into FY27**, rare forward visibility in an order-to-order book.

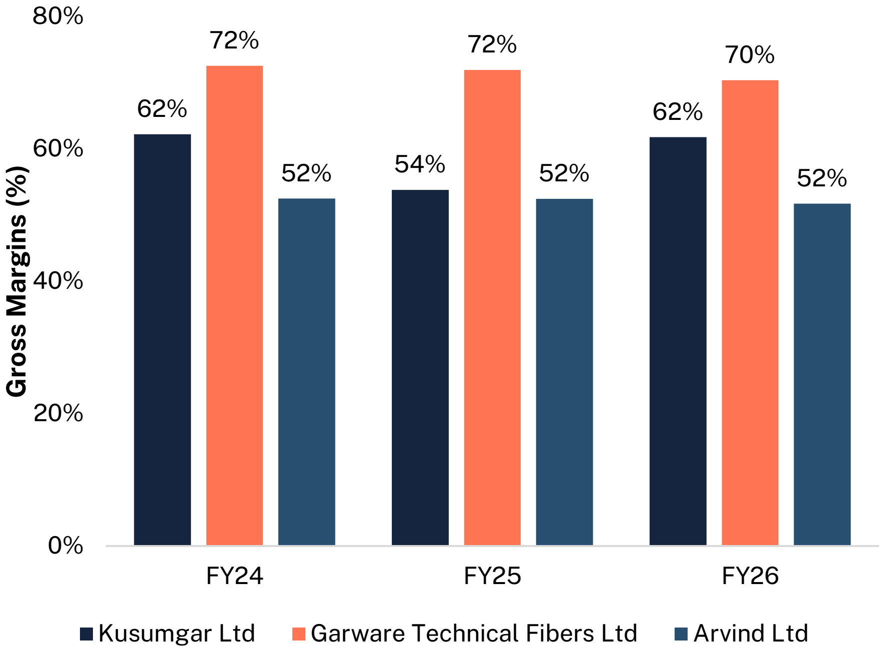
4. Key Monitorable:

- No long-term purchase agreements - the top customer rotates year to year and the top 10 concentrate ~59.5% of FY26 revenue. That is the genuine risk, but it is the flip side of 2–10-year qualification moats that make these accounts sticky.

2.4 - Financials (5/5)

Input costs track petrochemical prices and imports; product mix and A&D value-add determine where margins land

Commodity-linked inputs, differentiated processing enables competitive margins



- The decline in gross margin from 62% in FY24 to 54% in FY25 was mainly due to an unfavorable product mix, as execution of a large A&D Solutions order involving parachute assemblies — with a higher proportion of bought-in components — significantly increased material costs. With the completion of this project, the product mix normalized, enabling gross margins to recover to 62% in FY26.
- Kusumgar sustains 54–62% gross margins, well ahead of Arvind (~52%).
- Trails Garware (70–72%), which has a very different product basket.
- Value-added coating & lamination underpin pricing power despite commodity-linked inputs.

Gross Margin Economics

Gross Margin Economics

Cost Pressure Pathway

Brent crude → Petrochemical feedstock → Caprolactam/Benzene /PTA / MEG / nylon chain → Synthetic fibres & chemicals → Raw material inflation

Kusumgar's Offset

Coating · Lamination · Printing · Composite engineering · Customer qualification · Product customisation · Defense & aerospace

Premium product pricing → Gross margin protection

Procurement & Pricing

38%	19.37%	51.42%
Material cost / revenue Down from 47% in FY25	Taiwan sourcing (FY26) Total Imports stand at 39%(FY26)	Top-10 supplier mix

Supports Margin

- Passed on FY24–26 input inflation
- Direct pricing with global brands
- Differentiation supports premium

Constrains Margin

- Pass-through depends on demand
- Large customers seek discounts
- Gains realised with a time lag

Input-cost recovery typically lags price revisions, briefly compressing gross margins.

- **Raw materials are primarily petrochemical derivatives** used in Nylon-6, Nylon-66 and polyester production.
- **Input costs are driven more by petrochemical intermediates** (caprolactam, adipic acid, HMDA, PTA & MEG) than by Brent crude directly.
- **Brent crude acts as a macro cost indicator**, while these intermediates are the key variables for forecasting raw material inflation.

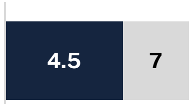
A&D Solutions hardware & fabrication

- Harnesses, risers, RAM-air canopies, deployment bags, webbing & buckles, inflatables, shelter frames, licensed/ToT content (DRDO, US partner).

Source: Company, Midas Research

2.5 – Balance Sheet & Cashflow

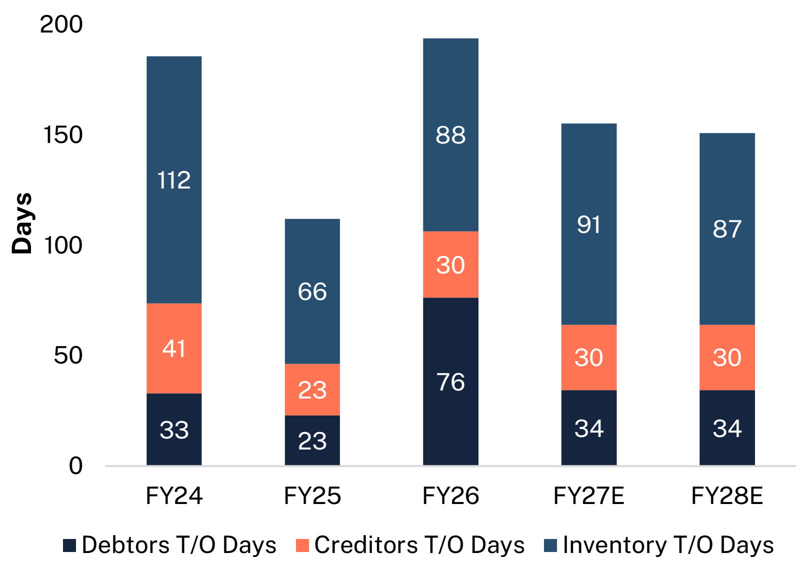
Revenue is vanity, profit is sanity, but cash is reality



Debt is well-controlled; working capital is where the pressure sits. The cycle widened from 65 to 134 days in FY26 as Q4-loaded sales lifted debtor days from 23 to 76 (receivables up 316% to Rs. 233 cr) and inventory days from 66 to 88. FCF turned negative at –Rs. 261 Cr in FY25 and –Rs. 41 cr in FY26. The heavy capex phase looks largely behind (capital commitments down to Rs. 6 Cr from Rs. 85 cr); at ~Rs. 30 Cr capex p.a., FCF is estimated at Rs. 393 Cr in FY27E. Rs. 104 Cr of bank guarantees sit off-balance-sheet. We assign a **rating of 4.5/7.0.**

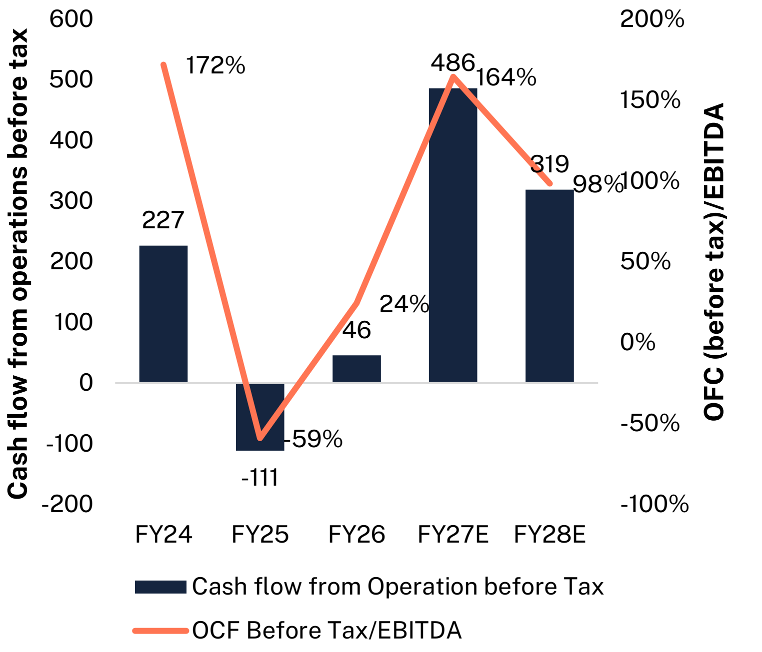
Working capital cycle stretched by Q4-loaded FY26 sales

WC Days	104	65	134	96	92



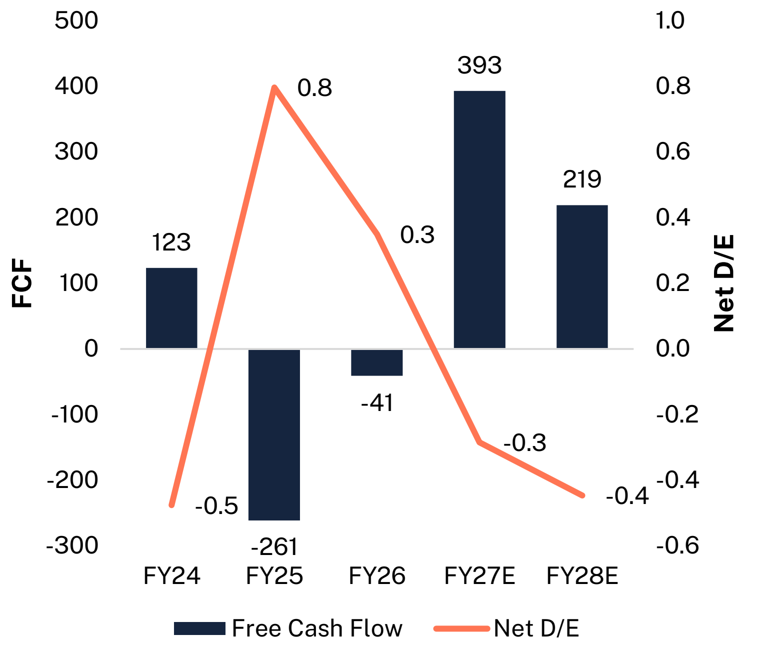
- WC cycle widened from 65 to 134 days in FY26: debtor days spiked from 23 to 76 as sales concentrated in Q4 (receivables +316% to Rs. 233 Cr) inventory days rose from 66 to 88 on restocking.
- We expect WC days to normalize to ~92 days by FY28E as collections catch up; creditor days steady at ~30.

Operating cash flow rebuilds; conversion recovers to >100%



- FY25 OCF turned negative (–Rs. 111 cr) as customer advances unwound. FY26 OCF recovers to Rs. 46 cr, though cash conversion remains modest at 24% of EBITDA due to Rs. 162 Cr working capital absorption.
- With working capital normalising and EBITDA scaling up, OCF/EBITDA is expected to improve to ~165% in FY27E, restoring strong internal cash generation.

Net-cash balance sheet; limited off-balance-sheet risk



- Lower capex (~Rs. 30 Cr p.a.) is expected to turn FCF positive from –Rs. 41 Cr (FY26) to Rs. 393 Cr (FY27E). Net D/E will fall to negative 0.3x and further to negative 0.4x in FY27E.
- Contingent liabilities remain manageable despite a rise in FY26, driven by a Rs. 104 Cr bank guarantee for Defense/government tenders and Rs. 4 Cr in LCs.
- Capital commitments declined sharply to Rs. 6 Cr (from Rs. 85 cr), indicating the major capex cycle is largely complete.

Source: Company, Midas Research

3 - Valuation Framework

Valuation Framework – Summary

3.1

Current Position vs Peers:

- Kusumgar's ~36x TTM EV/EBITDA appears expensive versus the 18.3x peer average, though peers have structurally lower-margin textile businesses.
- The company generates a 27.1% EBITDA margin (FY26) versus ~12% for peers, supported by high entry barriers and long qualification cycles.
- At ~21x FY28E EV/EBITDA, ~0.9x PEG, 25.8% RoE, and 36% revenue / 31% EBITDA CAGR through FY28E, valuation appears attractive on a growth-adjusted basis.
- Versus Garware Technical Fibres, Kusumgar offers stronger growth and higher returns at a broadly comparable forward multiple. **We assign a rating of 5.0/7.0.**

3.2

Based on Growth:

- Revenue, EBITDA and PAT are projected to grow at 36%, 31% and 39% CAGR, respectively, through FY28E, supported by rising capacity utilisation and industry-leading margins.
- At ~21x FY28E EV/EBITDA, valuation appears attractive relative to the projected growth profile.
- Unlike peers such as gokaldas, whose growth is driven by earnings recovery, Kusumgar's growth is supported by structural, capacity-led expansion. **We assign a rating of 6.0/7.0.**

3.3

Capturing Return Profiles:

- Kusumgar trades at the upper end of the peer range on P/E and EV/EBITDA, while delivering the highest RoE (25.8%) and a top-tier RoCE (22.9%).
- gokaldas trades at a similar trailing P/E (~59-64x) despite generating only ~5% RoE, while Garware and Pearl Global deliver 20-22% RoCE but with lower growth.
- Kusumgar is the only peer combining the highest returns with the highest growth, supporting its valuation premium. **We assign a rating of 6.0/7.0.**

3.4

Reflecting EVA:

- ROIC declined from 114% in FY24 to ~18% in FY26 as capital employed increased from Rs. 217 Cr to Rs. 727 Cr following ~Rs. 250 Cr of expansion capex, while EBITDA margin remained ~28%.
- Despite a -2% value spread, Kusumgar compares favourably with apparel peers, reflecting resilient profitability.
- As capex normalises (Rs. 69 Cr to ~Rs. 30 Cr) and EBITDA grows ~72% (Rs. 188 Cr to Rs. 324 cr), ROIC is projected at 31% in FY27E and 41% in FY28E, with FCF turning positive and the balance sheet moving to net cash. **We assign a rating of 4.5/7.0.**

3.1 – Current Position vs Peers

5.0 | 7

Kusumgar's ~36x TTM EV/EBITDA appears expensive versus the 18.3x peer average, but the peer set is skewed by lower-margin garment and home-textile names. Its engineered defense and industrial fabrics business earns a 27.1% EBITDA margin versus ~12% for peers, backed by high entry barriers and long qualification cycles. With a 36% revenue and 31% EBITDA CAGR through FY28E, the multiple falls to ~21x FY28E EV/EBITDA, while a ~0.9x PEG and 25.8% RoE point to an attractive growth-adjusted valuation. Against Garware Technical Fibres, Kusumgar offers stronger growth and higher returns at a broadly comparable forward multiple, supporting our **5.0/7.0 rating.**

A textile ticker, but not textile economics - premium multiple is a function of a differentiated product basket

- **Kusumgar appears expensive only on trailing earnings.** The stock trades at ~**36x TTM EV/EBITDA** versus the peer average of ~18x, but the comparison is not apple to apple as most peers are garment and home-textile manufacturers vs Kusumgar who is into engineered and technical textiles. At the same time, gokaldas Exports Ltd has skewed the peer average because of depressed FY26 bases.
- **Its business mix is fundamentally different.** Kusumgar operates in engineered Defense and Industrial fabrics, delivering a **27.1% EBITDA margin** versus the peer average of **12% in FY26**, reflecting higher entry barriers, long qualification cycles and lower price sensitivity.
- **The premium is supported by superior growth.** Revenue to grow at a **36% CAGR through FY28E**, well ahead of the peer average of ~15%, while **EBITDA is projected to grow at 31% CAGR**, reducing the EV/EBITDA to **21x on FY28E EBITDA**.
- **On a growth-adjusted basis, the valuation remains attractive.** Kusumgar trades at a ~**0.9x PEG** while delivering the highest **RoE (25.8%)** in the peer set, suggesting investors are paying for durable earnings growth rather than a cyclical recovery.
- **Compared with its closest listed peer, Garware Technical Fibres,** Kusumgar offers significantly stronger growth at a comparable valuation, making it a more compelling play on the technical textiles opportunity.
- **Valuation:** We value Kusumgar Ltd. at an EV/EBITDA multiple of 24x FY28E EBITDA to arrive at a target price of Rs. 772 (including dividends), implying an upside of ~24%

Companies	CMP	Market Cap. (Rs. Cr.)	Revenue (FY26)			EBITDA			EBITDA Margin (%)		PAT			EV/EBITDA		RoE (%)		PEG
			FY26	FY28E	CAGR	FY26	FY28E	CAGR	FY26	FY28E	FY26	FY28E	CAGR	TTM	FY28E	FY26	FY28E	
Kusumgar Ltd	**622**	**6,525**	**692**	**1,284**	**36%**	**188**	**324**	**31%**	**27.1%**	**25.2%**	**98**	**189**	**39%**	**36**	**21**	**25.8**	**24.6**	**0.90**
Arvind Ltd	547	14,348	9,303	12,500	16%	1,004	1,517	23%	10.8%	12.1%	414	712	31%	15	10	10.6	14.7	0.7
Garware Technical Fibers	775	7,689	1,528	1,949	13%	284	377	15%	18.6%	19.3%	199	295	22%	23	19	15.4	16.6	1.3
Pearl Global Industries Ltd	2,121	9,797	5,025	6,503	14%	468	712	23%	9.3%	10.9%	278	450	27%	19	14	21.2	23.4	0.8
gokaldas Exports	797	5,838	3,988	5,681	19%	356	612	31%	8.9%	10.8%	100	298	73%	16	11	4.7	11.3	0.3
Average					**15%**			**23%**	**12%**	**13%**			**38%**	**18**	**14**	**13.0**	**16.5**	**0.7**

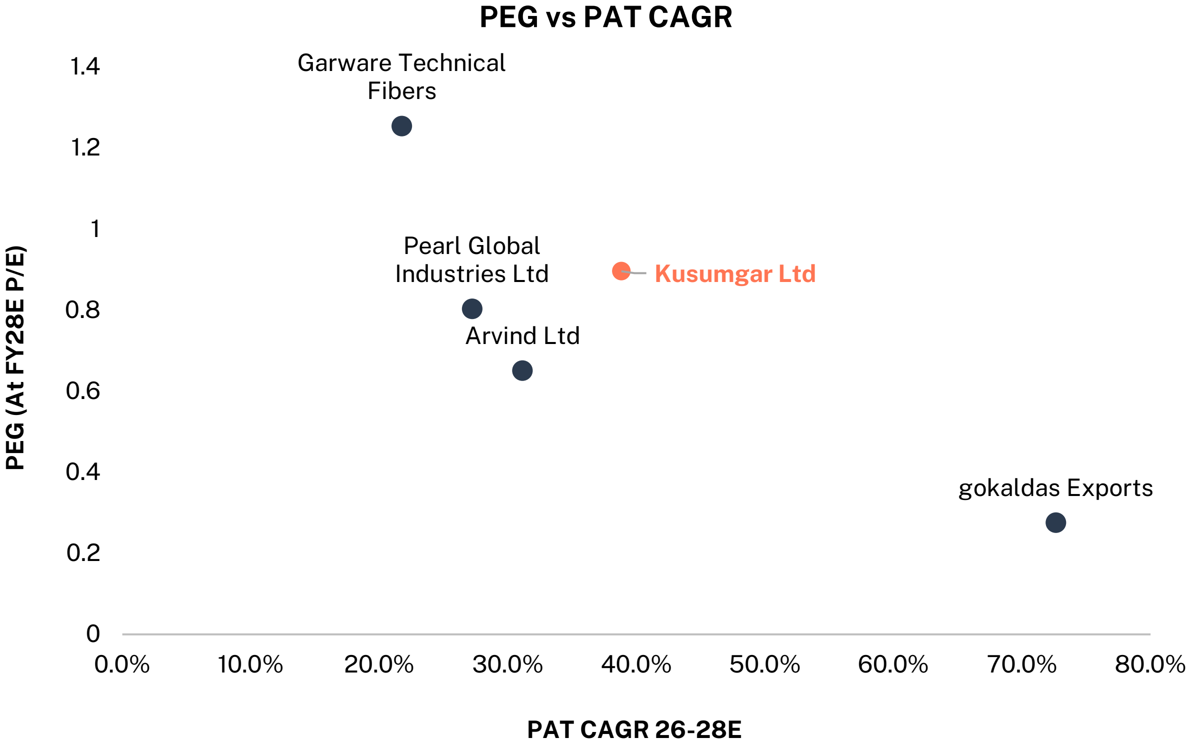
Source: Bloomberg, Midas Research

3.2 – Based on Growth

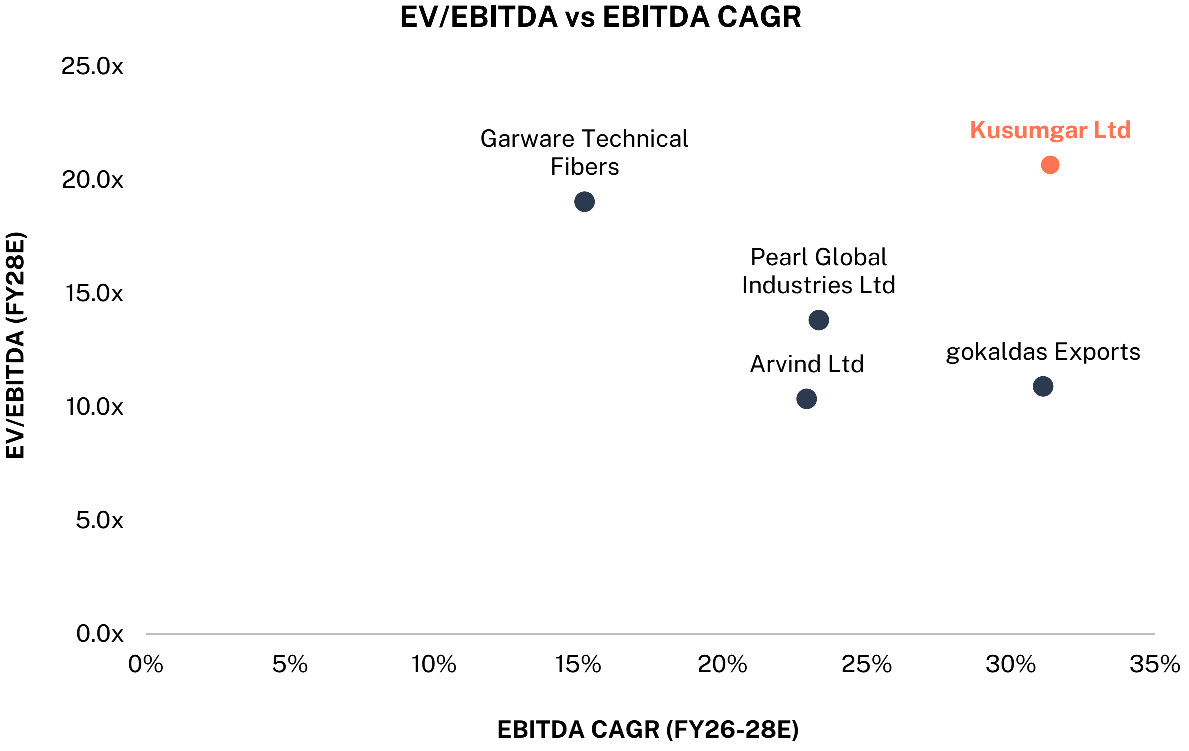
Top-quartile growth that is earned, not cyclical - the multiple is paid for compounding, not a rebound

Kusumgar stands out for the quality of its growth, not just the pace. Revenue, EBITDA and PAT are set to compound at 36%, 31% and 39% CAGR through FY28E, led by rising capacity utilization while margins stay industry-leading. At ~21x FY28E EV/EBITDA, the valuation looks attractive against that growth profile. Peers such as gokaldas screen cheaper on PEG, but their growth largely reflects earnings recovery from a weak base, unlike Kusumgar's structural, capacity-led compounding. Continued execution of the expansion is the key catalyst for a re-rating. We assign a **rating of 6.0/7.0.**

When Growth is adjusted; the premium disappears - PEG below 1x despite ~39% PAT CAGR



Highest EV/EBITDA in the set, but sitting on top-tier EBITDA growth



- On both growth cuts Kusumgar sits in the upper band of the peer cloud, but the more important point is the nature of that growth. Its ~39% PAT CAGR and 31% EBITDA CAGR to FY28E are being generated off an already-high margin base as new capacity is absorbed - this is capacity-led, margin-preserving growth, not a recovery bounce. Crucially, the PEG lands below 1.0 (0.90), meaning the market is paying less than a point of multiple for each point of growth even at a ~21x forward EV/EBITDA.
- Peers such as gokaldas screen as "cheaper" on PEG at (0.28) - illustrate the distinction rather than undercut it. Its headline PAT CAGRs of 73–92% are optical, measured off depressed FY26 base where margins are 9% and RoE is ~5% in FY26; that is cyclical normalization, not durable compounding. Kusumgar's growth is delivered while already earning peer-best margins and returns, which is why its premium multiple is defensible where a low-PEG apparel exporter's is not.

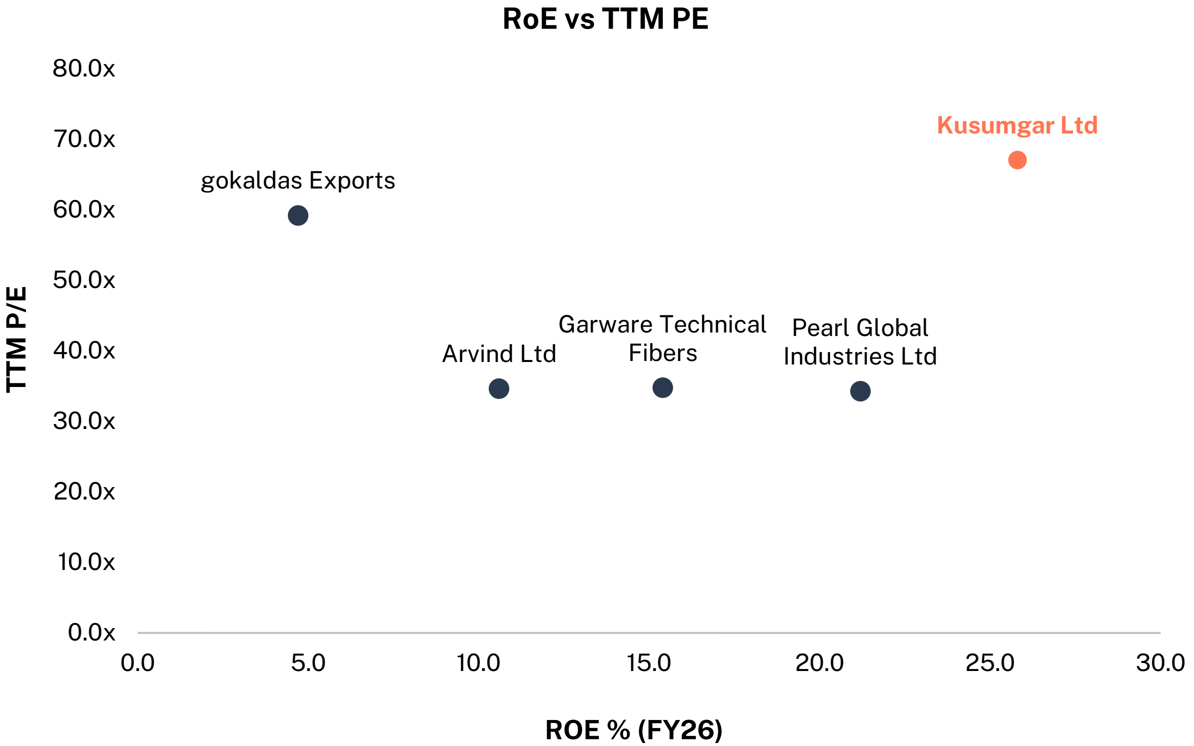
Source: Bloomberg, Midas Research

3.3 - Capturing Return Profiles

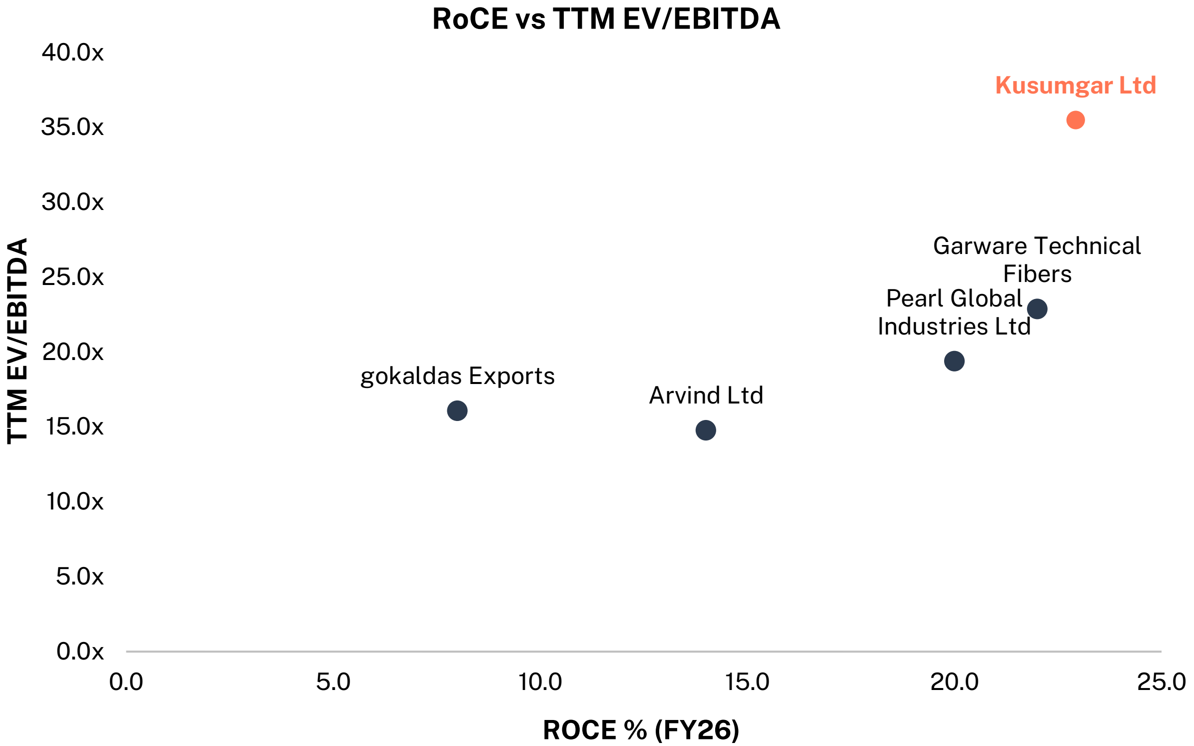
The premium is paid for, not assumed - best-in-class RoE/RoCE underwrite the multiple

This is where an earned premium separates from an unearned one. Kusumgar trades at the top of the peer range on both P/E and EV/EBITDA, but it also posts the highest RoE in the set (25.8%) and a top-tier RoCE (22.9%), so the premium is a direct read-through of superior capital efficiency - each rupee of capital is converted into more profit than at any peer. The contrast is instructive: gokaldas trade at comparable trailing P/Es of ~59–64x while earning RoEs of only ~5%, a multiple paid for hoped-for recovery. Garware and Pearl Global sit closer on returns (20–22% RoCE) but on materially lower growth. Kusumgar is the only name in the group pairing the highest returns with the highest growth. **We assign a rating of 6.0/7.0.**

Highest RoE in the peer set justifies the trailing P/E



Capital efficiency, not sentiment, drives the EV/EBITDA premium



- This is the slide that separates an earned premium from an unearned one. Kusumgar trades at the top of the valuation range on both P/E and EV/EBITDA - but it also posts the highest RoE in the set (25.8%) and a top-tier RoCE (22.9%). The premium is therefore a direct read-through of superior capital efficiency: the business converts each rupee of capital into more profit than any peer, so investors correctly capitalise those returns at a higher multiple.
- The contrast with gokaldas is instructive. it trades at trailing P/Es of ~59–64x - as high as Kusumgar - yet earn RoEs of only ~5%. That is a multiple paid for hoped-for recovery, i.e. an unearned premium. Garware and Pearl Global sit closer to Kusumgar on returns (20–22% RoCE) but on lower growth. Kusumgar is the only name in the group pairing the highest returns and the highest growth, which is precisely the combination the market pays a premium multiple to own.

Source: Bloomberg, Midas Research

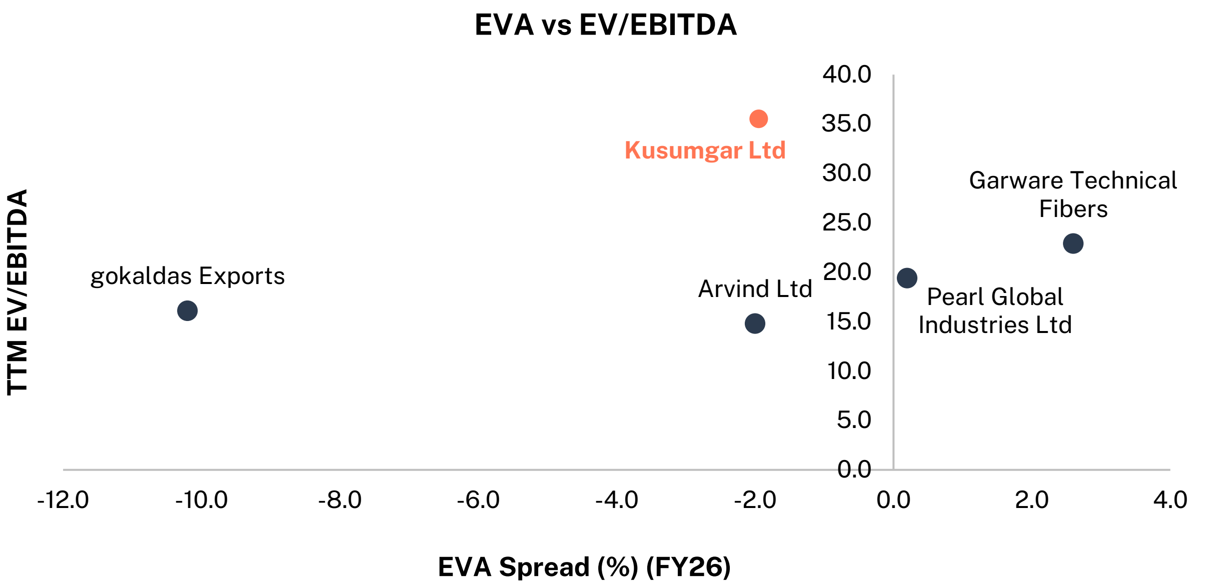
3.4 - Reflecting EVA

4.5	7

FY26 represents a temporary trough in value creation rather than a structural deterioration. ROIC moderated to ~18% in FY26 from 114% in FY24 as capital employed increased from Rs. 217 Cr to Rs. 727 Cr following ~Rs. 250 Cr of expansion capex, while EBITDA margin remained stable at ~28%. Even at this low point, Kusumgar's -2% value spread compares favourably with apparel peers, highlighting the resilience of its business model. As utilization improves and capex normalises (Rs. 69 Cr to ~Rs. 30 Cr), EBITDA is expected to grow ~72% (Rs. 188 Cr to Rs. 324 Cr), driving ROIC to 31% in FY27E and 41% in FY28E, with FCF turning positive and the balance sheet transitioning from net debt to net cash. We assign a **rating of 4.5/7.0**.

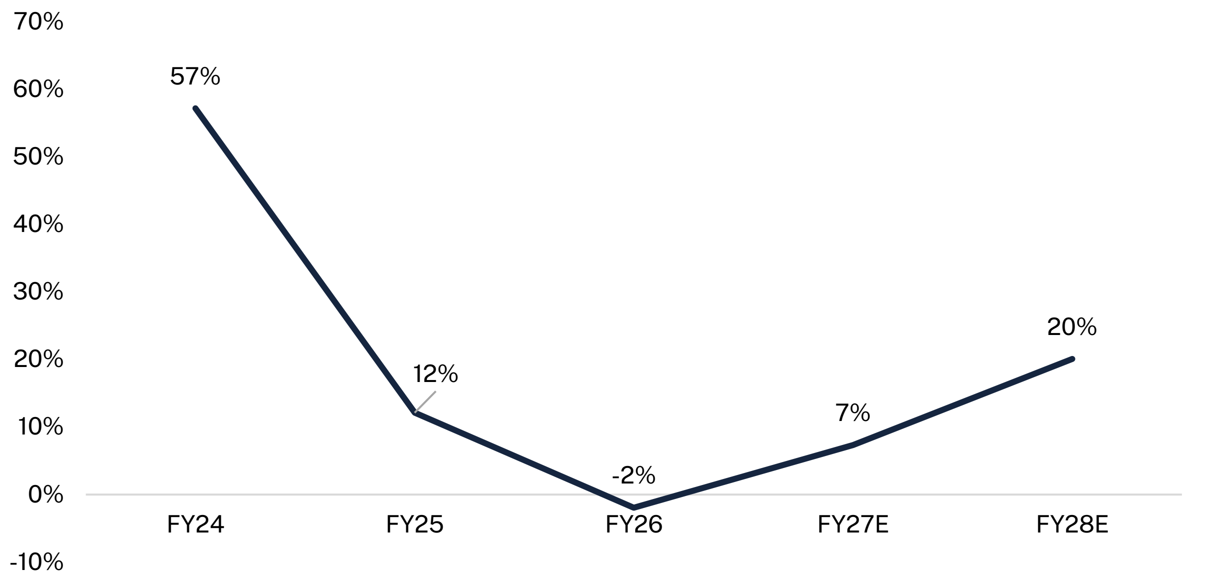
Investment phase temporarily compressed the spread - value creation resumes as capacity ramps and capex normalises

Market is already paying for the recovery - highest EV/EBITDA despite a near-zero FY26 spread



- The EVA–EV/EBITDA scatter shows the market extending Kusumgar the richest multiple (38x) even though its FY26 spread is marginally negative - a forward-looking premium that discounts the FY28E rebound rather than the trough year. Notably, even at its low point Kusumgar's spread (−1.9pp) is better than most peers.

ROIC–WACC spread: FY26 marks the trough of the investment J-curve



- Capital expansion, not margin pressure, drove the ROIC decline. Capital employed increased from Rs. 217 Cr (FY24) to Rs. 727 Cr (FY26) and ~Rs. 250 Cr capex, while EBITDA margin saw a marginal dip from 28% in FY24 to 27% in FY26.
- FY26 marks a temporary trough. ROIC moderated from 114% to 18%, only marginally below the ~20% cost of capital, as newly commissioned capacity is yet to reach optimal utilization.
- Returns are set to recover as utilization improves. With capex normalising (Rs. 69 Cr to ~Rs. 30 Cr) and earnings scaling, EBITDA is expected to grow ~72% (Rs. 188 Cr in FY26 to Rs. 324 Cr in FY28E) and ROIC to improve to 31% in FY27E and 41% in FY28E.
- Stronger cash generation accelerates value creation. Free Cashflow (FCF) is projected to improve from -Rs. 41 Cr in FY26 to Rs. 393 Cr in FY27E, gross block turns from 2.9x to 4.2x, and the balance sheet to transition from net debt to net cash, supporting a sustained recovery in EVA.

Source: Bloomberg, Midas Research

Valuation Rationale

Conclusion

The Moat Pays for Itself STRONGEST VALUATION ARGUMENT	Qualitative Evidence SUPPORTING ARGUMENT
▪ **Premium economics: 27% EBITDA margin** (~2.5x peers), **25.8% RoE** and **22.9% RoCE** justify a structural valuation premium rather than cyclical optimism. ▪ **Growth supports valuation: Revenue/EBITDA/PAT CAGR of 36%/31%/39%** through FY28E well ahead of the peer average of 15%/23%/38%, compresses the valuation to **~21x FY28E EV/EBITDA**, with a **PEG of ~0.9x**, indicating growth is reasonably priced. ▪ **Premium remains justified:** We value Kusumgar at **24x FY28E EV/EBITDA** (vs. Garware ~18x and 14x peer average), reflecting superior growth and capital efficiency, implying a **target price of Rs. 772 (~24% upside)**.	▪ **Structural competitive moat:** 55 years of process know-how, 2–10-year qualification cycles and exclusive global partnerships create high switching costs, supporting sustainable margins and a defensible valuation premium. ▪ **Growth is quality-led:** Future growth is driven by utilization of already-installed capacity and strong momentum in non-lumpy segments, preserving margins without incremental leverage or acquisitions. ▪ **High-conviction outlook:** The investment case is underpinned by durable competitive advantages and operating leverage, although execution of the growth forecast remains the key monitorable.

Valuation Verdict:

Kusumgar's premium valuation is supported by its differentiated business model, proven execution and sustained ~27% EBITDA margins with industry-leading return ratios. While the stock trades at ~21x FY28E EV/EBITDA, further re-rating will likely depend on the successful ramp-up of newly added capacity and continued execution. The long-term investment thesis remains compelling. However, considering the lumpiness in the A&D segment, high growth expectation and stock being up by 48% from the issue price post its listing, there may be periods of uneven growth and so we recommend to accumulate the stock if it corrects. We initiate with a **BUY** rating and a Target Price of Rs. 772 (Exit EV/EBITDA multiple of 24x FY28E EBITDA-**Upside of ~24%)**

Key Risks

In defense sector, the **development cycles (2 to 10 years) are long.** While successful launches provide a "moat" and high customer stickiness, they also carry the risk of non-recoverable R&D costs if a product fails to be adopted

High dependence on its top 10 customers (who contributed 59.52% of revenue in FY26). the loss of any major existing client could materially affect financial performance.

Revenue is lumpy and order-driven - the company has no long-term purchase agreements. Single programmes swing annual growth (e.g. the FY25 CFF parachute order, the FY26 A&D Fabrics non-reorder, and a ~Rs. 237 Cr order ~76% deferred into FY27), and sales are Q4-skewed.

Source: Company, Industry, Midas Research

Financial Summary

All figures in Rs. cr

- **Growth re-accelerates sharply:** Revenue rebounds 62% to Rs 1,124 Cr and EBITDA 57% to Rs 296 Cr in FY27E, with PAT up 74% to Rs 171 Cr.
- **Cash generation turns decisively positive** - FCF of Rs 393 Cr in FY27E takes the balance sheet to a net cash position of Rs 192 Cr.

- **Best-in-class profitability sustained**: gross margin ~58%, EBITDA margin ~26% and RoCE of 30% / RoE of 29% by FY27E.
- **Balance sheet stays conservatively funded** - net debt/EBITDA of -0.6x, interest cover improving to 9.4x and working capital days down to 96 (FY28E)

Particulars	FY24	FY25	FY26	FY27E	FY28E
Profit And Loss					
Revenue	468	779	692	1,124	1,284
Gross profit	291	419	427	652	745
EBITDA	132	188	188	296	324
Depreciation	17	34	47	50	54
EBIT	115	154	141	245	270
Other Income	7	11	20	15	15
Interest expense	6	15	26	26	26
PBT	115	151	135	234	259
NPAT	84	112	98	171	189
Diluted EPS (Rs.)	8.0	10.6	9.3	16.2	17.9
Balance Sheet					
Net Worth	140	258	503	674	863
Total debt	77	247	224	224	224
Lease Liabilities	37	48	57	57	57
Other liabilities and provisions	5	4	5	5	5
Current Liabilities	326	76	117	88	94
Total Networth and liabilities	585	632	905	1,048	1,242
Gross Fixed assets	154	214	313	343	373
Net fixed assets	137	172	236	215	191
Capital work-in-progress	8	45	26	26	26
Cash and bank balances	143	41	48	415	608
Current Assets(Excluding Cash)	219	270	485	281	306
Net working capital	-107	194	369	193	213
Total assets	585	632	905	1,048	1,242
Capital Employed	217	504	727	898	1087
Invested Capital (CE - cash - CWIP)	65	418	652	456	452
Net debt	-67	205	176	-192	-385
Cash Flows					
Cash flows from Operations (Pre-tax)	227	-111	46	486	319
Cash flows from Operations (post-tax)	201	-155	28	423	249
Capex	-78	-106	-69	-30	-30
Free cashflows	123	-261	-41	393	219
Free cashflows (post interest costs)	117	-276	-67	367	193
Cash flows from Investing	-200	2	-103	-30	-30
Cash flows from Financing	21	151	70	-26	-26
Cash and bank balances as a % of CE	66%	8%	7%	46%	56%
Total cash & liquid investments	143	41	48	415	608

Particulars	FY24	FY25	FY26	FY27E	FY28E
Growth Ratios (%)					
Revenue		66%	-11%	62%	14%
EBITDA		43%	0%	57%	10%
PAT		33%	-12%	74%	11%
Margin Ratios					
Gross	62%	54%	62%	58%	58%
EBITDA	28%	24%	27%	26%	25%
PAT	18%	14%	14%	15%	15%
Performance Ratios					
OCF/EBITDA	1.5	-0.8	0.2	1.4	0.8
RoE (%)	86%	56%	26%	29%	25%
RoCE (%)	53%	43%	23%	30%	27%
RoIC(%)	114%	43%	18%	31%	41%
Fixed asset turnover (x)	3.0	3.6	2.9	4.1	4.2
Total asset turnover (x)	0.8	1.2	0.8	1.1	1.0
Financial Stability Ratios					
Net Debt to Equity (x)	-0.5	0.8	0.3	-0.3	-0.4
Net Debt to EBITDA (x)	-0.5	1.1	0.9	-0.6	-1.2
Interest cover (x)	18.2	10.5	5.4	9.4	10.4
Working capital days	104	65	134	96	92
Valuation Metrics					
No. of Shares (Cr)	1.99	10.15	11.90*	10.54	10.58
Market cap (INR Cr)			6,525		
P/E (x)			67	38	35
P/OCF(x)			231.3	15.5	26.4
EV (Rs.Cr)			6,700		
EV/ EBITDA (x)			36	23	21
EV/ OCF(x)			238	15	25
Price to BV (x)			13	10	8

Source: Company, Midas Research
** As per 31st March 2026. Before the IPO in July, the CCPS(FV-5) got converted into equity shares(FV-1) which led to total number of shares reducing 10.49 Cr and it has been taken our calculations*

Future Lens

- Kusumgar's aerospace & defense business is built on long qualification cycles that typically take 2–10 years before a fabric is approved for use on a platform. Once qualified, customers rarely switch suppliers, resulting in sticky demand and strong long-term revenue visibility. The company's 55 years of manufacturing know-how, combined with exclusive global partnerships, has also enabled it to move up the value chain-from supplying engineered fabrics to manufacturing complete A&D systems such as parachute assemblies, aerial delivery solutions and camouflage. This transition has been rapid, with A&D Solutions increasing from just ~0.2% of revenue in FY24 to ~23% in FY26, creating a structurally higher-margin business mix.
- Although orders are executed in shorter phases, the underlying defense and aerospace programmes typically span several years, providing visibility well beyond FY28E. The outlook is further supported by a rising export mix (~40% of FY26 revenue), continued defense indigenization and the ongoing China+1 shift towards India. As the contribution from higher-value A&D Solutions increases, we expect EBITDA margins to remain healthy at ~25–26%, with revenue and EBITDA compounding at ~29% and ~27%, respectively, over FY26–FY30E. While growth is likely to moderate after the near-term recovery, we expect it to remain in the low-20s through FY30E, supported by structural demand drivers rather than one-off order wins.

Entry at **Rs.622**
@ 21x FY27E EV/EBITDA

Exit multiple at **24x**
on FY30E EBITDA

+

Cumulative Dividend of
Rs. 0/share

Total returns
86%

Sensitivity of 3-yr TP

Sensitivity Analysis	EV	Market Cap	Target Price	Upside
20	9,820	10,296	973	56%
24	11,784	12,260	1,159	86%
28	13,748	14,224	1,344	116%

Source: Company, Midas Research

Glossary

MRG	Mechanical Rubber Goods
MRO	Maintenance, Repair and Overhaul
A&D	Aerospace & defense
I&A	Industrial & Automotive
O&L	Outdoor & Lifestyle
GSM	Grams per Square Meter
oz/yd^2	Ounces per Square Yard
SKU	Stock Keeping Unit
PA/PA6/PA66	Polyamide/Nylon 6/Nylon 66
PU	Polyurethane
ECWCS/ECW	Extreme Cold Weather Clothing
EV	Enterprise Value
FCF	Free Cash Flow
P/E	Price to Earnings
PBT	Profit Before Tax
RoE	Return on Equity

RoCE	Return on Capital Employed
RoIC	Return on Invested Capital
R&D	Research and Development
PBT	Profits Before Tax
ROA	Return on Assets
DTL	Deferred Tax Liabilities
CAPEX	Capital Expenditure
CF	Cash Flow
QoQ	Quarter on Quarter
RM	Raw Material
CoGS	Cost of Goods Sold
Cr	Crores
DCF	Discounted Cash Flow

Disclaimer (1/2)

Absolute Rating Interpretation

BUY	Stock expected to provide positive returns of >15% over a 1-year horizon	**REDUCE**	Stock expected to provide returns of <5% – -10% over a 1-year horizon
ACCUMULATE	Stock expected to provide positive returns of >5% – <15% over a 1-year horizon	**SELL**	Stock expected to fall >10% over a 1-year horizon
The terms defined above are applicable to fundamental research reports published by the Research Analyst. For technical research reports, the expected (target) price is given in the report along with the time period within which it can be achieved. For Momentum Ideas the expected timeline to achieve the price target would be upto 3 months from the date of publication of the research report.			

Spark PWM Private Limited **("Spark PWM")** holding SEBI Research Analyst Registration No.: INH200008954 and its affiliates are engaged in the business of investment banking, structured finance, asset management and private wealth management. Spark PWM is also registered with SEBI as a Stock Broker, Portfolio Manager, Depository Participant, Investment Adviser and is also a Mutual Fund Distributor registered with the Association of Mutual Funds in India (AMFI) and is also registered with Association of Portfolio Managers in India as a distributor of portfolio management products. Spark PWM is also Investment Manager to a Category I Alternative Investment Fund.

Spark PWM's affiliates include (1) Spark Capital Advisors (India) Private Limited which is registered with SEBI as Category I Merchant Banker, (2) Spark Asia Impact Private Limited (formerly known as Spark Alternative Asset Advisors India Private Limited) which is an investment manager to a Category II Alternative Investment Fund (3) Spark Asia Impact Managers Private Limited (formerly known as Spark Fund Managers Private Limited) which is registered with SEBI as a Portfolio Manager and (4) Spark Fund Advisors LLP which is an investment manager to a Category II and a Category III Alternative Investment Fund, (5) Spark Financial Holdings Private Limited and (6) Spark Global PWM Private Limited, a Category 4 DIFC registered company engaged in providing financial services.

The information and opinion expressed in this research report do not constitute an offer or an invitation to make an offer, to buy or sell any securities. The securities quoted in this document are for illustration only and are not recommendatory. This research report is provided by Spark PWM on a strictly confidential basis for the exclusive use of the recipient and has been obtained from published information and other sources, which Spark PWM or its affiliates consider to be reliable. None of the research analysts of Spark PWM accepts any liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this research report.

This research report does not claim to contain all information that an investor / potential investor may require for the purpose of making an investment. The past performance of a security, product or portfolio does not in any manner indicate the surety of performance in future. Registration granted by SEBI, membership of a SEBI recognized supervisory body (if any) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

This research report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Spark PWM also puts together Technical Analysis, and each recipient of this report must note that the views of the Technical Analyst is always based on short term market variables and will be materially different from the views of the other sector/fundamental analyst in Spark PWM, whose research reports are based on fundamental analysis of the subject company. Each recipient of this research report should make such assessment as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this research report (including the merits and risks involved) and should consult their own advisors. This research report is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. The price and value of the investments referred to in this research report and the income from them may go up or down, and investors may realize losses on their investments. Spark PWM does not provide tax advise to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment. The material is based on information that we consider reliable and may be obtained from third-parties or derived / deducted on the basis of such information. Spark PWM does not represent that such information is accurate or complete.

This research report is not directed or intended for distribution or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Spark PWM and/or its affiliates to obtain any registration or licensing requirement within such jurisdiction. The research analyst preparing this research report is not registered as a broker-dealer in the United States and, therefore, is not subject to US Rules regarding the preparation of research reports. The Research Analysts contributing to this report are residents outside the United States and are not associates, employees, registered or qualified as research analysts with FINRA or a US-regulated broker dealer. Recipients of this material should keep themselves informed about any such restrictions. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. This material should not be construed as an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where such an offer or solicitation would be illegal. Recipients shall be solely liable for any liability incurred by them in this regard and will indemnify Spark PWM and/or its affiliates for any liability it may incur in this respect.

Securities markets may be subject to significantly higher risks, and in particular, the political and economic environment, company practices and market prices and volumes may be subject to significant variations. The ability to assess such risks may also be limited due to significantly lower information quantity and quality. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.By accepting this document, you agree to be bound by all the provisions as may be applicable pursuant to it. Nothing contained herein should be relied upon as a promise, representation or an indication of future performance. Certain statements made herein may not be based on historical information or facts and may appear to be "Forward Looking Statements", including those relating to general business plans, future financial condition and growth prospects. The actual results may differ materially from any "Forward-Looking statements" due to a number of factors, including socio, political, competitive environment, force majeure etc. Spark PWM makes no representation or warranty, express or implied, as to the accuracy, completeness or fairness of the information and opinions contained in this research report.

While we would endeavour to update the information herein on a reasonable basis, Spark PWM is under no obligation to update the information. Also, there may be regulatory, compliance or other reasons that prevent Spark PWM from doing so. Neither Spark PWM nor its affiliates or their respective directors, employees, agents or representatives shall be responsible or liable in any manner, directly or indirectly, for views or opinions expressed in this report or the contents or any errors or discrepancies herein or for any decisions or actions taken in reliance on the report or the inability to use or access our service in this report or for any loss or damages whether direct or indirect, incidental, special or consequential including without limitation loss of revenue or profits that may arise from or in connection with the use of or reliance on this report. Opinions expressed herein are our current opinion as of the date of appearing on this material only.

Spark PWM and/or its affiliates and/or employees may have interests/positions, financial or otherwise, in the securities mentioned in this report. To enhance transparency, Spark PWM has incorporated disclosure of interest statement in this research report. This should, however, not be treated as an endorsement of views expressed in this report.

Spark Capital Advisors (India) Private Limited (holding company of Spark PWM) has gone through a process of reorganisation and demerged its institutional equities business (stock broking license and research analyst license) to Spark Institutional Equities Private Limited (Resultant Company) through a Composite Scheme of Demerger ("Scheme"). Further the shares of SIE has been bought by Avendus Capital Private Limited with effect from December 20, 2022.

Disclaimer (2/2)

Disclosure of Interest & Material Conflict of Interest Statement

DISCLOSURE OF INTEREST

Name of the Research Analyst (s): Aadesh Gosalia/Samar Gupta

The research analyst(s) hereby certifies that opinion expressed in this research report accurately reflects his or her personal opinion about the subject securities and no part of his or her compensation was or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr No.	Particulars	Yes/No
1.	Research Analyst or his/her relative's has financial interest in the subject company(ies)	No
2.	Research Analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the research report	No
3.	Research Analyst or his/her relative has any other material conflict of interest at the time of publication of the research report	No
4.	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5.	Research Analyst has been engaged in market making activity for the subject company(ies)	No

- Spark PWM may have financial interest in the subject company(ies).
- Spark PWM may have actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the research report.
- Spark PWM may have any other material conflict of interest at the time of publication of the research report.
- Spark PWM may have received any compensation from the subject company in the past twelve months.
- Spark PWM may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months.
- Spark PWM may have received any compensation or other benefits from the subject company or third party in connection with the research report.
- Spark PWM may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- Spark PWM may have been engaged in market making activity for the subject company(ies).

Since Spark PWM and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of Spark PWM may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of Spark PWM may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

Spark PWM and/or its affiliates and/or employees, or their relative(s) may have a financial interest in the subject company. Spark PWM and/or its affiliates may have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report. Spark PWM and/or its associates and/or its employees have been engaged in market making activity for the subject company.

In the last twelve month period ending on the last day of the month immediately preceding the date of publication of the research report, Spark PWM and/or its affiliates and/or employees Research Analyst(s) may have;

- managed/co-managed public offering of securities for the subject company;
- received compensation for investment banking/merchant banking/brokerage services/other products/ services of the group from the subject company of this research report;
- received any compensation or other benefit from the subject company or third party in connection with the research report;
- provided services to the subject company as a client under the various services provided by Spark PWM or its affiliates.

However, the above shall have no bearing on the specific recommendation made by the research analyst(s), as the recommendation made by the research analyst(s) are independent of the view of the affiliates of Spark PWM. No part of the research analyst's compensation was, is, or will be related, directly or indirectly, to the specific recommendations or views as expressed in this report.

Research reports are not exchange traded products, and hence disputes relating to research activities of Spark PWM do not have access to exchange investor redressal or arbitration mechanism. Spark PWM also hereby declares that its activities were neither suspended nor Spark PWM has defaulted with any Stock Exchange authority with whom Spark PWM is registered in the last five years. We have not been debarred from doing business by any Stock Exchange/SEBI or any other competent authorities, nor has our certificate of registration been cancelled by SEBI at any point of time.

Certification by Each of the Authors of the Report

The research analyst certifies that the views expressed in this research report are a representation of the Analyst's personal opinions on the stock or sector as covered and reported. The Analyst is principally responsible for the preparation of this research report and does not have any material conflict of interest at the time of publication of this report.

A graph of the daily closing price of securities available is at https://economictimes.indiatimes.com/markets/stocks/stock-quotes (Choose a company from the list on the browser and select the "5 years" option from the drop-down available in the price chart).

Spark PWM Private Limited. (Registered Office: No. 1, 3rd Floor, First Crescent Park Road, Gandhi Nagar, Adyar, Chennai 600 020; CIN: U66190TN2012PTC086696; Telephone No.: +91 44 69250000; Website: www.sparkcapital.in; Correspondence Address: Solitaire Corporate Park, Unit 1252 , Building No. 12, Andheri Kurla Road, Chakala, Andheri (East), Mumbai 400093; Telephone No: +91 22 62916700; SEBI Registration: (Stock Broker: INZ000285135; Portfolio Manager: INP200007274; Research Analyst: INH200008954; BSE RA Enlistment No- 5503; Investment Adviser: INA000021067; BSE IA Enlistment No. 2390; Depository Participant: IN-DP-757-2023); AMFI – Registered Mutual Fund Distributor: ARN 86685. APMI – Registered PMS Distributor (APRN00662). Compliance and Grievance Officer details: Mr. Anupam Mohaney: +91 22 62916700. RA Grievance Redressal Matrix & Research T & C

Spark PWM Private Limited does not use any Artificial Intelligence tools to provide research services.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Our Offices

Chennai
No. 1, 3^{rd} Floor,
First Crescent Park Road,
Gandhi Nagar,
Adyar,
Chennai – 600 020

Mumbai
Unit – 301, 302, Windsor House,
2, Kolivery Village,
MMRDA Area, Kalina,
Santacruz East,
Mumbai – 400 098

11^{th} floor, C Wing, ONE BKC,
Unit Nos. 1116,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051

Delhi
No. 23, 1^{st} Floor,
Community Centre,
Basant Lok,
Vasant Vihar,
New Delhi – 110 057

Bengaluru
No. 2, 3^{rd} Floor,
Prestige
Emerald,
Lavelle Road,
Bengaluru – 560 001

Hyderabad
No. 25 & 42, 3^{rd} Floor,
Lumbini Avenue,
Near Preston Prime Mall
Main Road, Gachibowli,
Hyderabad – 500 032

Pune
No. 7/352 1^{st} Floor,
Elbee House,
Boat Club Road,
Sangamvadi,
Pune – 411 001

Ahmedabad
No. 409, 4^{th} Floor,
Venus Amadeus,
Near Jodhpur Cross Road,
Satellite,
Ahmedabad – 380 015

Kolkata
No. 9A-1 & 9B-1,
9^{th} Floor,
No. 95A,
Park Street,
Kolkata – 700 016

Kochi
No.1285 F1, Ground floor,
The Quadrant, MP Pylee Road,
Jawahar Nagar Avenue,
Kadavanthra P O,
Ernakulam – 682 020

Thiruvananthapuram
2^{nd} Floor,
Mankulangara Tower,
Kuravankonam,
Pattom P.O.,
Thiruvananthapuram - 695004

Lucknow
Unit No.6, 3^{rd} Floor
Marigold Building,
Sapru Marg Shahnajaf Road,
Hazratfang,
Lucknow – 226 001

Kanpur
Unit No 205, 2^{nd} Floor,
Imperial Square,
16/105,
MG Road,
Kanpur – 208 001

Spark Global PWM Private Limited
Unit number- GV-00-04-03-BC-24, Gate Village Building
04, Dubai International Financial Centre (DIFC), Dubai, UAE