KAPIL RAJ FINANCE LIMITED

CIN: L65929DL1985PLC022788
Reg. Off: Unit no 1018, 9th floor, Pearl Omaxe, Plot no B1, Netaji Subhash Place, Pitampura, Delhi-110034
E-Mail ID: kapilrajfin@gmail.com; **Mob. No:** 9319155113**; Website:** https://www.kapilrajfinanceltd.com/

CORRIGENDUM TO THE NOTICE DATED SEPTEMBER 21, 2026 FOR THE 40TH ANNUAL GENERAL MEETING OF KAPIL RAJ FINANCE LIMITED

The Annual General Meeting (AGM) of the Members of **KAPIL RAJ FINANCE LIMITED** is being convened on Wednesday, 21st October, 2026 at 01:00 p.m. through video conferencing/ other audio-visual means ("VC/OAVM") facility. The Notice of the AGM ("AGM Notice") dated September 21, 2026 was dispatched to the Shareholders of the Company on September 28, 2026, in due compliance with the provisions of the Companies Act, 2013, and rules made thereunder, read with circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, respectively.

We draw the attention of all the members of the Company towards the AGM Notice dated September 21, 2026 inter-alia, for item no. 8 and 9 and its explanatory statement to the said notice of 40th Annual General Meeting.

This Corrigendum is being issued pursuant to the comments/observations/remarks received from the Stock Exchange i.e. BSE requiring the company to incorporate the revised valuation determined pursuant to the Corrigendum to the Valuation Report dated 08th October, 2026, read with the Valuation Report dated 21st September, 2026 in the Notice of the AGM. Pursuant to regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Accordingly, the Company has obtained Corrigendum to the Valuation Report dated 08th October, 2026, read with the Valuation Report dated 21st September, 2026 of equity shares of the Company from Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668). The said Valuer has arrived at the fair value of Company's fully paid-up equity shares of the face value of Rs. 1/- (Rupee One) each at Rs. **2.26** per equity shares by using various methods.

Accordingly, wherever the Original Notice refers to the issue price of ₹2.24/- per Equity Share, including a premium of ₹1.24/- per Equity Share, the same shall be read as **₹2.26**/- per Equity Share, including a premium of **₹1.26**/- per Equity Share, and the aggregate issue consideration shall be read as follows:

In respect of proposed issue of 26,54,87,700 Equity Shares, the aggregate issue consideration shall be **₹60,00,02,202**/- (Rupees **Sixty Crore Two Thousand Two Hundred and Two** only).

In respect of the proposed issue of 66,98,000 Equity Shares, the aggregate issue consideration shall be **₹1,51,37,480**/- (Rupees **One Crore Fifty-One Lakh Thirty-Seven Thousand Four Hundred and Eighty** only).

The Company, through this Corrigendum, wishes to bring to the notice of the Members the revised issue price and corresponding changes in the aggregate issue consideration and related disclosures under Item Nos. 8 and 9 and the corresponding Explanatory Statement forming part of the Notice of the 40th Annual General Meeting, pursuant to the comments/observations received from BSE Limited and the Corrigendum to the Valuation Report dated October 08, 2026:

ITEM NO. 8 AND 9 OF THE ORIGINAL NOTICE OF THE ANNUAL GENERAL MEETING, ALONG WITH THE CORRESPONDING EXPLANATORY STATEMENT, SHALL STAND AMENDED AND BE SUBSTITUTED IN ITS ENTIRETY WITH THE FOLLOWING:"

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Item no. 8: To consider and approve preferential issue of fully paid-up equity shares for consideration other than cash

To consider and, if thought fit, to pass the following resolution, as a **Special Resolution:**

RESOLVED THAT pursuant to Sections 23(1)(b), 42, 62(1)(c) and 179 read with and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended and in accordance with the provisions of the Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended **("SEBI ICDR Regulations")**, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Code") the listing agreements entered into by the Company with the BSE Limited ("**BSE**"), Stock Exchange(s) on which the Equity Shares of the Company having face value of Rs.1/- (Rupee One) each ("Equity Shares") are listed and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued there under from time to time by the Ministry of Corporate Affairs ("**MCA**"), Securities and Exchange Board of India ("**SEBI**") and/ or any other competent authorities, (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of any statutory / regulatory authorities, Stock Exchange(s), SEBI, institutions, or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **'Board'**, which terms shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this Resolution), the consent and approval of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot on a preferential basis, at an appropriate time, up to **26,54,87,700 (Twenty Six Crore Fifty Four Lakh Eighty Seven Thousand and Seven Hundred)** equity shares having face value of Rs. 1/- (Rupee One Only) each fully paid-up ("**Swap Shares**") at an issue price of Rs.2.26/- (Rupees Two and Twenty-Six Paisa Only) each including at a premium of Rs. 1.26/- per Equity Share **("Share Swap Issue Price")**, aggregating to amount not exceeding Rs. 60,00,02,202/- (Rupees Sixty Crore Two Thousand Two Hundred and Two Only) ("**Issue Size"),** which is not less than the price determined in accordance with Chapter V of SEBI (ICDR) Regulations, to the proposed allottees, as mentioned below, on preferential basis for consideration other than cash being payment made towards the acquisition of 26,54,877 (Twenty-six Lakh Fifty-Four Thousand Eight Hundred and Seventy Seven) equity shares ("**Purchase Shares**") representing **90%** of the shareholding of Henyo Pack Limited **("Henyo")**, i.e. swap of equity shares at a ratio of 100:1 , in exchange of every 1 (one) equity shares of Henyo, 100 (One Hundred) Equity Shares of the Kapil Raj Finance Limited will be issued on preferential basis to the below mentioned persons, on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws;

Sr. No.	Name of the Proposed Allottees	Category	PAN	Residential Status	Pre-preferential holdings	No of Swap Shares proposed to be issued	% of post-issued paid-up Share Capital
1.	Arpit Agarwal	Proposed Promoter	AGGPA2080G	Resident	NIL	22,40,48,600	58.72%

2.	Megha Agarwal	Proposed Promoter	ANMPK8693C	Resident	NIL	2,74,67,000	7.20%
3.	Arpit Agarwal (HUF)	Proposed Promoter	AAMHA6023P	Resident	NIL	1,39,72,100	3.66%
	Total					**26,54,87,700**	**69.57%**

*****_The proposed allottees, namely **Mr. Arpit Agarwal, Ms. Megha Agarwal and Arpit Agarwal (HUF)** (hereinafter collectively referred to as the "Acquirers"), shall, in accordance with Regulation 3(1) and Regulation 4 read with other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI (SAST) Regulations"), trigger the open offer process. Upon completion of the underlying transaction and the open offer, and subject to compliance with Regulation 31A of the SEBI Listing Regulations and other applicable requirements, the Acquirers may be classified as Promoters of the Company._

RESOLVED FURTHER THAT the **"Relevant Date"**, as per the provisions of Chapter V of the SEBI ICDR Regulations for the purpose of determining the issue price of the Equity Shares proposed to be allotted to the above-mentioned allottees is Monday, 21st September, 2026 i.e., being the date 30 (Thirty) days prior to the meeting of the members of the Company is proposed to be held to consider the Preferential issue of equity shares.

RESOLVED FURTHER THAT the aforesaid issue of Equity Shares shall be subject to the following terms and conditions:

(i) The Swap Shares to be issued and allotted shall be fully paid-up and rank pari-passu with the existing equity shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and shall be subject to receipt of necessary approvals for listing and trading, and shall be listed and traded on the BSE and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

(ii) The Swap Shares shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (Fifteen) days from the date of passing of this special resolution by Members of the Company , provided that, where the issue and allotment of the said swap Shares is pending on account of pendency of approval of any Regulatory Authority, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals.

(iii) Swap Shares Issue Price is determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations, considering that the allotment of Equity Shares is through swap shares, based on the valuation report dated Monday, 21st September, 2026, read with corrigendum to Valuation Report dated 08th October, 2026 issued by Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668). The Valuation Report will be available for inspection by the members by accessing the website of the Company at www.kapilrajfinanceltd.com under Investor tab;

(iv) The Swap Shares to be allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the ICDR Regulations and any other applicable law for the time being in force.

(v) The Swap Shares to be allotted to the Proposed Allottees shall be listed on the stock exchange where the existing equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.

(vi) The Swap Shares proposed to be issued to the Proposed Allottees are being allotted for consideration other than cash, in exchange for the shares of Henyo held by the Proposed Allottees. Such issuance is in discharge of the total purchase consideration payable by the Company for the acquisition of the said shares and shall constitute full and final consideration for the Swap Shares to be allotted by the Company pursuant to this resolution.

(vii) The pre-preferential shareholding, if any, of the Proposed Allottees shall be under lock-in for such period as may be prescribed under the Chapter V of SEBI ICDR Regulations; and

(viii) The Swap Shares so offered, issued and allotted shall not exceed the number of equity shares as approved hereinabove.

RESOLVED FURTHER THAT subject to the receipt of such other approvals as may be required under applicable laws, the Board of Directors of the company be and is hereby authorized to record the name and details of the Proposed Allottees in Form PAS-5 and make an offer to the Proposed Allottees through Letter of Offer/ Private Placement Offer Letter cum application letter in Form PAS-4 or such other form as prescribed under the Act and SEBI ICDR Regulations containing the terms and conditions of the Preferential Issue after passing of this resolution and receiving any applicable regulatory approvals with a stipulation that the allotment would be made only upon receipt of in-principle approval from the Stock Exchange and within the timelines prescribed under the applicable laws.

RESOLVED FURTHER THAT as required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate dated Monday, 21st September, 2026 issued by M/s. Amit Saxena & Associates, Practicing Company Secretaries certifying, inter alia, that the preferential issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations is noted and taken on record and will be available for inspection by the members by accessing the website of the Company at www.kapilrajfinanceltd.com under Investor tab.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to accept any modification(s) in the terms of the issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilization of proceeds of the Preferential Issue, open one or more bank accounts in the name of the Company or otherwise, as may be necessary or expedient in connection with the Preferential Issue, apply to Stock Exchanges for obtaining of in-principle and listing approval of the Equity Shares and other activities as may be necessary for obtaining listing and trading approvals, file necessary forms with the appropriate authority and undertake all such actions and compliances as may be necessary, desirable or expedient for the

purpose of giving effect to this resolution in accordance with applicable law including the SEBI ICDR Regulations and the SEBI Listing Regulations, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Common Seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in accordance with the provisions of Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to delegate any or all of the powers conferred upon it by this resolution to any committee of directors of the Company, any other director(s) and/ or officer(s) of the Company.

RESOLVED FURTHER THAT all actions taken by the Board or committee duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified, and confirmed in all respects.

Item No. 09 To consider and approve proposal for issue of equity shares on preferential basis

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Sections 23(1)(b), 42, 62(1)(c) and 179 read with and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended and in accordance with the provisions of the Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended **("SEBI ICDR Regulations")**, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**) the listing agreements entered into by the Company with the BSE Limited ("**BSE**"), Stock Exchange(s) on which the Equity Shares of the Company having face value of Rs.1/- (One) each ("Equity Shares") are listed and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued there under from time to time by the Ministry of Corporate Affairs ("**MCA**"), Securities and Exchange Board of India ("**SEBI**") and/ or any other competent authorities, (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of any statutory / regulatory authorities, Stock Exchange(s), SEBI, institutions, or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **'Board'**, which terms shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this Resolution), the consent and approval of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot on a preferential basis, at an appropriate time, in one or more tranches, up to **66,98,000 (Sixty Six Lakh and Ninety Eight Thousand)** fully paid-up equity shares of the company having face value of Rs. 1/- (Rupees One) or such other number of equity shares as may be determined, at a price of Rs. 2.26/- (Rupees Two and Twenty-Six Paisa Only) which is not less than the price determined in accordance with Chapter V of SEBI (ICDR) Regulations, in such manner and on such terms and conditions as may be deemed appropriate by the Board on preferential basis to:

Sr. No.	Name of the Proposed Allottees	Category	PAN	Residential Status	Pre-preferential holdings	No of Shares proposed to be issued	% of post-issued paid-up Share Capital*
1.	Sandeep Bansal	Public	AFAPB7312K	Resident	8,99,698	2,233,000	0.82%
2.	Nishtha Goel	Public	AVFPG8278C	Resident	Nil	1,125,000	0.29%
3.	Srishti Jain	Public	BLYPJ7719K	Resident	10,00,000	1,125,000	0.56%
4.	Nitesh Agrawal	Public	AIBPA8719R	Resident	Nil	1,125,000	0.29%
5.	Yogesh Agrawal	Public	CIOPA3664G	Resident	16,800	1,090,000	0.29%
Total					**19,16,498**	**6,698,000**	**2.26%**

**Includes both pre- and post-Preferential Issue shareholding percentages.*

price being not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations or such higher price determined on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment in accordance with the provisions of SEBÍ ICDR Regulations, or other applicable laws in this respect.

"RESOLVED FURTHER THAT in accordance with SEBI ICDR Regulations, the 'Relevant Date' for determination of the issue price of Equity Shares, shall be, **Monday 21st September, 2026** being the date 30 (Thirty) days prior to the meeting of members of the Company is to be held to consider the Preferential Issue of equity shares and the issue price determined in accordance with SEBI ICDR Regulations."

"RESOLVED FURTHER THAT the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu (including as to entitlement to voting powers and dividend) in all respects with the existing equity shares of the Company and the shares so issued offered and allotted be in dematerialized form"

"RESOLVED FURTHER THAT the Equity Shares allotted on preferential basis shall be locked-in for such period as prescribed in SEBI ICDR Regulations"

"RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue and also to vary, alter or modify any of the terms and conditions in the proposal as may be required by the agencies/authorities involved in such issues but subject to such conditions as the Reserve Bank of India (RBI)/Securities and Exchange Board of India (SEBI) Financial Institutions/Investment Institutions and/or such other appropriate authority may impose at the time of their approval and as agreed to by the Board."

"RESOLVED FURTHER THAT the said equity shares shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said equity shares is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals."

"RESOLVED FURTHER THAT the monies received by the Bank from the Proposed Allottee(s) for application of the Equity Shares pursuant to the Preferential Issue shall be kept by the Bank in a separate account opened/designated by the Bank for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act.

RESOLVED FURTHER THAT subject to the SEBI ICDR Regulations and other applicable laws, Managing Director, Executive Director and Company Secretary be and are hereby severally authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Equity Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of shareholders and expedient and to make an offer to the Allottees through private placement offer cum application letter (in Form PAS-4 as prescribed under the Companies Act), without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, complete record of private placement offers be recorded in Form PAS-5 for the issue of invitation to subscribe to the Shares.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Equity Shares to the Proposed Allottee(s) in the Preferential Issue shall inter-alia be subject to the following terms and conditions in addition to the terms and conditions contained in the explanatory statement under section 102 of the Companies Act annexed hereto, which shall be deemed to form part hereof:

a) The Equity Shares to be allotted shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

b) The Equity Shares shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI (ICDR) Regulations and be listed on the Stock Exchange(s) subject to receipt of necessary permission(s), sanction(s) and approval(s).

c) The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval(s) or permission(s) from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approval or permission.

d) The Equity Shares to be allotted shall be listed on the stock exchanges where the existing equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals

e) The Proposed Allottees of Equity Shares shall be required to bring in the entire consideration, on or before the date of allotment thereof. The Equity Shares so offered, issued and allotted to the Proposed Allottees, shall be issued by the Company for cash consideration. The consideration for allotment of Equity Shares shall be paid to the Bank by the Proposed Allottees from their respective bank accounts.

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid special resolution under Sections 42 and 62 of the Companies Act, 2013, any of the executive Director and/ or Company Secretary (which term shall include any duly constituted and authorized Committee thereof) of the Company be and is hereby authorized to take such steps and to do all such other acts. deeds, matters and things and accept any alterations) or amendments) or correction(s) or modification(s) and to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto and also to seek listing of such equity shares on BSE where the shares of the Company are listed."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officers) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any Governmental authorities and to appoint by merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorizes any of the Directors and / or Company Secretary of the Company to agree and accept all such terms, condition(s), modification (s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to modification (s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard in the implementation of this resolution for issue and allotment of equity shares on preferential basis and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By the order of Board of Kapil Raj Finance Limited

Sd/-
Harit Anand
Director
DIN: 11812939

Date: 08.10.2026
Place: Delhi

KAPIL RAJ FINANCE LIMITED

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Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of SEBI LODR Regulations, 2015

The following statement sets out all material facts relating to the Special Business mentioned in the Notice and shall be taken as forming part of the Notice.

Item No. 8:

The Board, in their meeting held on Monday, 21st September, 2026, has approved the proposal for creation and issuance of up to **26,54,87,700 (Twenty-Six Crore Fifty-Four Lakh Eighty-Seven Thousand and Seven Hundred)** fully paid-up Equity Shares of the Company having face value of Rs. 1/- (Rupees One only) each, at an issue price of Rs.2.26/- (Rupees Two and Twenty-Six Paisa Only) per equity share (including a premium of Rs. 1.26/- (Rupees One and Twenty-Six Paisa Only), aggregating to an amount not exceeding Rs. 60,00,02,202 (Rupees Sixty Crore Two Thousand Two Hundred and Two Only) ("**Issue Size**"), for consideration other than cash, to the proposed allottees, which is not less than the minimum price determined in accordance with Chapter V of SEBI ICDR Regulations and the valuation report received from Registered Valuer, on preferential basis, on such terms and conditions as determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws.

The consideration for the preferential issue shall be **other than cash**, by way of **swap of equity shares**, towards discharge of the total purchase consideration of up to Rs. 60,00,02,202 (Rupees Sixty Crore Two Thousand Two Hundred and Two Only) payable by the Company to the shareholders of Henyo Pack Limited **("Henyo")**. Accordingly, the equity shares proposed to be issued under the preferential issue shall be allotted to the shareholders of Henyo against the transfer of their respective equity shares held in Henyo to the Company. The **swap ratio shall be 100:1**, i.e., for every **1 (One) equity share of Henyo** held and transferred by the proposed allottees, **100 (One Hundred) equity shares of Kapil Raj Finance Limited** shall be issued and allotted to the respective shareholders of Henyo.

The approval of the members of the Company is accordingly being sought by way of a '**Special Resolution**' under Sections 42, and 62(1)(c) of the Companies Act, 2013, read with the rules made thereunder, and Regulation 160 of the SEBI ICDR Regulations, 2018.

The details of the issue and other particulars as required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the SEBI ICDR Regulations are set forth below:

a. Objects of the Preferential Issue:

The proposed preferential issue is intended to discharge the Company's liability arising from the acquisition of up to **26,54,877 (Twenty-Six Lakh Fifty-Four Thousand Eight Hundred and Seventy-Seven Only)** representing **90%** fully paid-up equity shares of face value ₹10/- each (Rupees Ten only) for consideration other than cash from their respective existing shareholders (collectively, the "Selling Shareholders"), in accordance with the terms and conditions of the respective Share Swap Agreement(s).

The proposed acquisition of the equity shares of Henyo is proposed to be undertaken in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations"), and subject to such statutory, regulatory, corporate and other approvals as may be required.

The Preferential Issue is proposed to be undertaken **for consideration other than cash**, pursuant to the proposed acquisition by the Company of:

up to 26,54,877 (Twenty-Six Lakh Fifty-Four Thousand Eight Hundred and Seventy-Seven) fully paid-up equity shares of Henyo, representing 90% of the paid-up equity share capital of Henyo, from the existing shareholders of Henyo.

In consideration for the acquisition of the aforesaid equity shares of Henyo, the Company proposes to issue and allot **up to 26,54,87,700 (Twenty-Six Crore Fifty-Four Lakh Eighty-Seven Thousand and Seven Hundred) fully paid-up Equity Shares of the Company**, at a share swap ratio of **100:1**, i.e., **100 Equity Shares of the Company for every 1 fully paid-up equity share of Henyo acquired by the Company**, subject to the terms of the relevant Share Swap Agreement and applicable approvals.

The Board of Directors of Kapil Raj Finance Limited has approved a strategic investment by way of a secondary acquisition of up to **26,54,877 (Twenty-Six Lakh Fifty-Four Thousand Eight Hundred and Seventy-Seven)** fully paid-up equity shares of face value ₹10/- (Rupees Ten only) each of Henyo, representing 90% (Ninety Percent) of the total paid-up equity share capital of Henyo, from the Proposed Allottees. As consideration for the said acquisition, the Company proposes to issue and allot, on a preferential basis, up to **26,54,87,700 (Twenty-Six Crore Fifty-Four Lakh Eighty-Seven Thousand and Seven Hundred)** equity shares of Kapil Raj Finance Limited to the Proposed Allottees.

Upon completion of the proposed acquisition, the Company shall acquire 90% of the paid-up equity share capital of Henyo, pursuant to which Henyo shall become a subsidiary of Kapil Raj Finance Limited.

Rationale for Acquisition:

The proposed acquisition of equity shares of Henyo Pack Limited ("Henyo") is in line with the Company's objective of expanding its business presence and diversifying its operations into the packaging and converted paper products segment.

Henyo is an established company incorporated in 1997 and has been engaged in the business of manufacturing and conversion of flexible packaging materials and related packaging products. The Company has developed experience and operational capabilities in serving customers across various end-use industries, including food and beverages, pharmaceuticals, dairy products, snacks, confectionery, home-care products and other consumer and industrial applications. Publicly available corporate information also identifies Henyo as a company engaged in converted paper product manufacturing and confirms its incorporation in 1997.

The acquisition is expected to provide the Company with an opportunity to establish a presence in the packaging products segment and to leverage Henyo's existing manufacturing capabilities, customer relationships, technical expertise and operating infrastructure. The proposed acquisition may also enable the Company to participate in the growth opportunities available in the flexible packaging and allied packaging segments.

Henyo's operations include manufacturing and conversion of packaging materials catering to multiple end-use industries. The diversified application of its products across sectors such as food and beverages, pharmaceuticals, dairy, snacks, confectionery and home-care products provides the Company with an opportunity to diversify its business exposure across multiple customer segments.

Further, Henyo has an established operating history since 1997 and has undergone changes in its corporate and legal name over the years, including its earlier names Epac Flexibles Private Limited and Henyo Packaging

India Private Limited. The proposed acquisition would enable the Company to acquire a controlling interest of 90% in Henyo and, upon completion of the transaction, Henyo will become a subsidiary of the Company.

The proposed acquisition is being undertaken through a share swap arrangement, pursuant to which the Company will acquire up to 26,54,877 equity shares of Henyo, representing 90% of its paid-up equity share capital, against the issue and allotment of up to 26,54,87,700 equity shares of the Company to the existing shareholders of Henyo at a swap ratio of 100 equity shares of the Company for every 1 equity share of Henyo. Accordingly, the transaction is structured as a non-cash consideration and does not involve an immediate cash outflow by the Company towards the acquisition consideration.

The Board believes that the proposed acquisition will enable the Company to diversify its business operations, gain exposure to the packaging and converted paper products industry and leverage the existing capabilities and business platform of Henyo. The acquisition is also expected to provide opportunities for operational and business synergies between the Company and Henyo and support the Company's long-term growth and diversification objectives.

Accordingly, the Board of Directors considers the proposed acquisition of Henyo to be in the interest of the Company and its shareholders.

Overview of Henyo Pack Limited:

Henyo Packaging India Private Limited (formerly known as Epac Flexibles Private Limited) is a professionally managed company engaged in the manufacturing and conversion of flexible packaging materials. The Company was initially established in 1997 and operates an integrated manufacturing facility at Ghaziabad, Uttar Pradesh, located approximately 15 km from New Delhi.

The Company is engaged in the manufacture of flexible packaging solutions for a diverse range of industries and products, including tea, spices, snacks, beverages, detergent powder and cakes, biscuits and confectionery, condiments, dairy products, lubricants, pharmaceuticals, and other consumer and industrial products.

The Company's manufacturing facility is equipped with modern packaging technology and supporting infrastructure, including forced draft ventilation systems and Good Manufacturing Practices (GMP). The Company has an installed production capacity of approximately 7,200 MT per annum.

The Company focuses on delivering quality and application-oriented flexible packaging solutions to meet the requirements of its customers across various industries. The Company's operations are supported by a team of employees with relevant technical expertise and experience in the flexible packaging industry.

The Company's manufacturing and quality management systems have been certified under applicable ISO standards, including ISO 9001:2015 and ISO 22000:2005.

Background of Henyo Pack Limited:

Henyo Packaging India Pvt. Ltd. ("Henyo") represents a unique investment opportunity: a technologically advanced converter with a 25-year legacy of operational excellence. Originally established in 1997 as Epac Flexibles, the enterprise has undergone a strategic evolution from a niche manufacturer to a diversified packaging leader. This transition, steered by professionalized management, positions Henyo to capture the high-growth trajectory of the Indian packaging market through superior engineering and integrated solutions.

Company Genesis and Leadership

- **Legacy:** Established 1997 in Ghaziabad (UP); successfully transitioned from Epac Flexibles to the Henyo brand to scale market footprint.
- **Promoters:** Led by Mr. Arpit Agrawal (MD) and Ms. Megha Agarwal, driving a transition to a professional management structure that prioritizes innovation over legacy methodology.

Operational Infrastructure Henyo operates a state-of-the-art facility in Tonica City, Ghaziabad (15km from New Delhi).

- **Latent Scalability:** 7,200 MT per annum installed capacity; currently under-utilized, providing significant "latent growth" potential without immediate CAPEX requirements.

- **Compliance:** Fully GMP-compliant with ISO 9001:2015 and ISO 22000:2005 certifications, ensuring entry into high-barrier regulated markets.

Product and Segment Matrix

Segment	Key Technology	Primary Applications
Flexible Packaging	8-Color High-Speed Rotogravure (200m/min); Solventless Lamination (350m/min)	Tea, Pharma, Dairy, Beverages, Snacks, Confectionery
Sublimation Paper	"Efab" Eco-Sublimation Solutions	Textile Heat Transfer, Digital Printing, High-end Fashion
Sustainable Solutions	"Esip" Paper Straws (U-shape, Natural, Restaurant-grade)	F&B, QSR Chains, ESG-compliant Export Markets

Market Verticals A highly de-risked client base spanning: Pharmaceuticals, Food & Beverage, Home Care (Detergents/Spices), and Industrial Lubricants.

b. Monitoring of Utilization of Funds:

The Company is not required to appoint a Monitoring Agency in respect of the proposed Preferential Issue, as the issue does not attract the requirement of appointment of a Monitoring Agency under Regulation 162A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

c. Particulars of the offer including date of passing of board resolution, kind of securities offered, maximum number of specified securities to be issued:

The Board of Directors of the Company at their meeting held on Monday, September 21st, 2026 had, subject to approval of the members of the Company ("Members") and such other approvals as may be required, approved the issue of up to **26,54,87,700 (Twenty-Six Crore Fifty-Four Lakh Eighty-Seven Thousand and Seven Hundred)** Equity Shares of Kapil Raj for consideration other than cash towards payment of the total purchase consideration of up to Rs. 60,00,02,202 (Rupees Sixty Crore Two Thousand Two Hundred and Two Only) by the company to the shareholders of Henyo, for acquisition of up to **26,54,877 (Twenty-six Lakh Fifty-Four Thousand Eight Hundred and Seventy-Seven)** Fully paid-up Equity Shares of Face Value of Rs. 10/- each of Henyo, held by the proposed allottees belonging to the "promoter" and "non-promoter" category of Henyo, at an issue price of Rs.2.26/- (Rupees Two and Twenty-Six Paisa Only) per equity share, determined in terms of Chapter V of SEBI ICDR Regulations.

The issue price, in terms of Chapter V of the SEBI (ICDR) Regulations has been fixed Rs.2.26/- (Rupees Two and Twenty-Six Paisa Only) per Equity Share as per Valuation Report dated 21st September, 2026, read with

corrigendum to Valuation Report dated 08th October, 2026 issued by Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668) has been obtained for valuation of shares under the Act appointed by the Company is published on the website of the company at www.kapilrajfinanceltd.com.

d. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.

As per the terms of the Share Swap Agreement dated 21st September, 2026 entered into between the company and Henyo and proposed allottees for the proposed acquisition and succession/expansion of Business, the consideration for such swapping of shares & issue of **26,54,87,700 (Twenty-Six Crore Fifty-Four Lakh Eighty-Seven Thousand and Seven Hundred)** Equity Shares to the proposed allottees, who are the shareholders of Henyo.

Further, as per Regulation163(3) of SEBI ICDR Regulations, a valuation is required to be undertaken by the Independent Registered Valuer where securities are issued on a Preferential basis for consideration other than cash. The Value of the shares has been determined considering the Valuation Report of the Independent Registered Valuer Monday, 21st September, 2026, read with corrigendum to Valuation Report dated 08th October, 2026 issued by Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668) in compliance with Chapter V of the SEBI (ICDR) Regulations is published on the website of the company i.e. www.kapilrajfinanceltd.com.

The Issue price per Equity Shares, to be issued, is fixed at Rs.2.26/- (Rupees Two and Twenty-Six Paisa Only) which consists of Rs. 1/- as face value and Rs. 1.26/- (Rupees One and Twenty-Six Paisa Only) as premium per Equity Share.

e. Interim use of proceeds

Not Applicable. Since the proposed Preferential Issue is being undertaken for consideration other than cash, by way of issue and allotment of Equity Shares pursuant to the proposed Share Swap Agreements towards acquisition of the equity shares of Henyo Pack Limited ("Henyo"), the Company will not receive any monetary proceeds pursuant to the Preferential Issue. Accordingly, there shall be no interim utilisation or deployment of issue proceeds pending completion of the objects of the Preferential Issue.

The proposed Equity Shares shall constitute the full and final consideration payable by the Company towards acquisition of the shares of Henyo in accordance with the terms of the respective Share Swap Agreements.

f. The intent of the promoters, directors, key management personnel, or senior management of the issuer to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel of the Company intended to subscribe to any of the swap Shares proposed to be issued under the preferential issue.

g. The Shareholding Pattern of the issuer before and after the preferential issue:

The shareholding pattern of the Company before and after the proposed preferential issue is likely to be as follows:

Category	Pre issue Shareholding		Equity Shares to be allotted	Post Issue Shareholding[3]	
	No. of Shares	%		No. of Shares	%
(A) Promoter Shareholding					
(1) Indian	-	-	-	-	-
(a) Individuals & HUF	-	-	26,54,87,700[4]	26,54,87,700	69.57
(b) Bodies Corporate	-	-	-	-	-
Sub Total (A)(1)	-	-	-	-	-
(2) Foreign promoters	-	-	-	-	-
Total Promoter shareholding A=A1 +A2	-	-	**26,54,87,700**	**26,54,87,700**	**69.57**
(B) Public Shareholding					
B1) Institutional Investors	-	-	-	-	-
B2) Central Govt./Stat Govt./POI	-	-	-	-	-
B3) Non-Institutional Investors	-	-	-	-	-
Resident Individuals	10,65,36,899	97.39	66,98,000[5]	11,32,34,899	29.68
Body Corporate	1227301	1.12	-	12,27,301	0.32
Foreign Companies	-	-	-	-	-
NRI	288778	0.26	-	2,88,778	0.08
Others (Including HUF&LLP)	1347022	1.23	-	13,47,022	0.35
Total Public Shareholding B=B1+B2+B3	**10,94,00,000**	**100**	**66,98,000**	**11,60,98,000**	**30.43**
C) Non-Promoter - Non-Public	-	-	-	-	-
Grand Total (A+B+C)	**10,94,00,000**	**100**	**27,21,85,700**	**38,15,85,700**	**100**

Notes:
1. The pre-issue shareholding pattern is as on the latest shareholding pattern filed with BSE i.e. June 30, 2026.
2. Post-shareholding structure may change depending upon any other corporate action in between.
3. The post-issue shareholding includes both the Equity Shares issued pursuant to the Share Swap Agreement as consideration other than cash and the new Equity Shares issued for cash consideration.
4. Number of Equity Shares being issued on a preferential basis pursuant to the Share Swap Agreement, for consideration other than cash.
5. Number of Equity Shares being issued on a preferential basis for consideration in cash.

h. Proposed time frame within which the Preferential Issue shall be completed:

As required under the SEBI ICDR Regulations, preferential allotment of the said equity shares shall be completed within a period of 15 (fifteen) days from the date of passing of special resolution. Provided that where the allotment is pending on account of receipt of any approval or permission from any regulatory authority, if applicable, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

i. Number of persons to whom allotment on a preferential basis has already been made during the year, in terms of the number of securities as well as price:

Not applicable since the Company has not made preferential issue of any Security during the year.

j. Name of the Proposed Allottee and identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the Proposed Allottee, the percentage of post Preferential Issue capital that may be held by them:

S. No.	Name of the Proposed Allottee	Category	Ultimate Beneficial Owner(s)	Pre-Issue Equity Holding (No. of Shares)	Pre-Issue Equity Holding (%)	No. of Equity Shares to be Allotted	Post-Issue Equity Holding (No. of Shares)	Post-Issue Equity Holding (%)
1.	Arpit Agarwal (HUF)	Proposed Promoter	Arpit Agarwal	NIL	NIL	13,972,100	13,972,100	3.66%

k. The name of the proposed allottees and the percentage of post-preferential issue capital that may be held by the allottee(s) pursuant to the preferential issue:

S. No.	Name of the Proposed Allottee	Pre preferential issue		Equity Shares to be allotted (pursuant to swap of shares)	Post preferential issue	
		No of Shares	%		No of Shares	%
1.	Arpit Agarwal	NIL	NIL	22,40,48,600	22,40,48,600	58.72%
2.	Megha Agarwal	NIL	NIL	2,74,67,000	2,74,67,000	7.20%
3.	Arpit Agarwal (HUF)	NIL	NIL	1,39,72,100	1,39,72,100	3.66%
	Total	-	-	**26,54,87,700**	**26,54,87,700**	**69.57%**

Notes:

1. *Post shareholding structure may change depending upon any other corporate action in between them.*
2. *The above-mentioned Allottees shall become the Promoters of the Company upon completion of the proposed transaction and the open offer process, subject to compliance with the applicable provisions of the SEBI Listing Regulations and other applicable laws and regulatory requirements.*

l. Consequential changes in the Voting Rights, change in control as per SEBI Takeover Regulations, and change in the Management, if any, in the issuer consequent to the preferential issue:

The proposed Preferential Issue is expected to result in a change in control of the Company. The proposed allottees/acquirers are (i) Arpit Agarwal, (ii) Megha Agarwal and (iii) Arpit Agarwal (HUF) (collectively, the "Acquirers").

Pursuant to the proposed Preferential Issue, the Acquirers are proposed to be allotted an aggregate of 26,54,87,700 Equity Shares, representing approximately 69.57% of the post-issue paid-up equity share capital of the Company. The Company currently has Nil Equity Shares held by the existing Promoter and Promoter Group. Accordingly, upon allotment of the Equity Shares pursuant to the Preferential Issue, the Acquirers are expected to hold an aggregate of 26,54,87,700 Equity Shares, representing approximately 69.57% of the post-issue paid-up equity share capital of the Company.

The proposed allotment is expected to result in acquisition of substantial voting rights and control of the Company by the Acquirers and, accordingly, the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI SAST Regulations") may be attracted.

Accordingly, the Acquirers, together with persons acting in concert with them, as may be applicable, shall be required to comply with the applicable provisions of the SEBI SAST Regulations, including the obligations

relating to making of an open offer to the public shareholders of the Company pursuant to Regulations 3(1), 4 and other applicable provisions of the SEBI SAST Regulations. The final offer size, offer price, escrow requirements and other terms and conditions of the open offer shall be determined and disclosed in the Public Announcement, Detailed Public Statement, Letter of Offer and other applicable filings, in accordance with the SEBI SAST Regulations.

The Acquirers shall be classified as the Promoters of the Company only upon completion of the underlying transaction, the open offer process and compliance with the applicable provisions and requirements relating to reclassification under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), and other applicable laws.

Consequent to the proposed Preferential Issue and completion of the open offer, the voting rights of the shareholders of the Company may change in accordance with the revised shareholding pattern. The management and control of the Company may also change pursuant to completion of the proposed transaction and the open offer process, subject to applicable statutory and regulatory approvals and compliance with the SEBI SAST Regulations, SEBI Listing Regulations and other applicable laws.

The Acquirers, together with persons acting in concert with them, as may be applicable, shall comply with the applicable provisions relating to sequencing and completion of the open offer under the SEBI SAST Regulations. The final post-open-offer shareholding, status of the Acquirers and the classification of shareholders as Promoter/Promoter Group or Public shall be disclosed in the relevant statutory and stock exchange filings, as applicable.

The proposed Preferential Issue and the resultant change in control shall be subject to compliance with all applicable provisions of the SEBI SAST Regulations, including the applicable provisions relating to the open offer, sequencing, completion and other statutory and regulatory requirements.

m. Lock-in Period:

(i) Equity Shares being allotted to the Proposed Allottee(s) shall be under lock-in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations.

(ii) The entire pre-preferential shareholding, if any, of the Proposed Allottees, in the Company, shall be locked-in as per Chapter V of the SEBI ICDR Regulations.

n. Basis on which the price has been arrived at and justification for the price and Relevant Date:

In terms of Regulation 161 of SEBI ICDR Regulations, the Relevant Date for determining the issue price for the Preferential Allotment of the equity shares has been reckoned as **Monday, 21st September, 2026**, being the working day immediately preceding the date, which is 30 days prior to the date of the Annual General Meeting of the shareholders of the Company scheduled to be held on Wednesday, October 21st, 2026.

The Equity shares of the Company are listed on BSE Limited ("BSE") ("Stock Exchanges") and are frequently traded thereat as per the provisions of Regulation 164(5) of Chapter V of the SEBI ICDR Regulations, 2018. Accordingly, BSE's stock price data has been considered for the purpose of pricing in compliance with Regulation 164 of Chapter V of SEBI ICDR Regulations, 2018.

Thus, the **minimum issue price** per Equity Share has been considered higher of the price determined through following methods:

i. In terms of the provisions of Regulation 164 of the SEBI ICDR Regulations, the minimum issue price at which the Equity Shares may be issued computed to Rs. 2.251/- each, being higher of following:

a) Rs. 1.75/- each being the Average of 90 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date: or

b) Rs. 2.251/- each being the Average of 10 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date.

ii. Price as determined in accordance with the methodology prescribed in the Articles of Association of the Company – Not Applicable as the Articles of Association of the Company are silent on the determination of floor price/ minimum price of the shares issued on preferential basis.

Accordingly, the minimum issue price of the Equity Share on Preferential basis shall be Rs. 2.251/- each and the Board of Directors of the Company has decided to issue Equity Share at Rs. 2.26/- each.

As per Regulation 163(3) of SEBI ICDR Regulations, the Company has procured a Valuation report dated 21st September, 2026, read with corrigendum to Valuation Report dated 08th October, 2026 determining the value of the swap shares, from Independent Registered Valuer viz. Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668). The said Report is available at the website of the Company at www.kapilrajfinanceltd.com.

o. Undertakings:

- The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.

- None of the Company, its directors or Promoters are categorized as wilful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Consequently, the undertaking required under Regulation 163(1)(i) is not applicable.

- None of its Directors or Promoters is fugitive economic offenders as defined under the SEBI ICDR Regulations.

- As the equity shares have been listed on recognized Stock Exchanges for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable. Consequently, the undertaking required under Regulation 163(1)(g) and Regulation163(1)(h) is not applicable.

- None of the proposed allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.

- The Company does not have any outstanding dues to the SEBI, Stock Exchanges or the Depositories.

p. Other disclosures/undertaking

- The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.

- The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories.
- The Company has obtained the Permanent Account Numbers (PAN) of the Proposed Equity Allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the Stock Exchange.
- The Company shall be making application seeking in-principle approval to the Stock Exchanges, on the same day when this notice will be sent in respect of the general meeting seeking shareholders' approval by way of special resolution.
- No person belonging to the promoters / promoter group has previously subscribed to any securities of the Company during the last one year.
- The Proposed Equity Allottees have further confirmed that they are eligible under SEBI ICDR Regulations to undertake the Preferential Issue.

q. The current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter as required under regulation 162(1)(j) is mentioned below:

S. No.	Name of the Proposed Allottees	Current Status	Post Status*
1.	Arpit Agarwal	**Public**	Promoter
2.	Megha Agarwal	**Public**	Promoter
3.	Arpit Agarwal (HUF)	**Public**	Promoter

**The above-mentioned Allottees shall become the Promoters of the Company upon completion of the proposed transaction and the open offer process, subject to compliance with the applicable provisions of the SEBI Listing Regulations and other applicable laws and regulatory requirements*

r. Practicing Company Secretary's Certificate:

The certificate from M/s. Amit Saxena & Associates, Practicing Company Secretaries, certifying that the preferential issue of Equity Shares is being made in accordance with requirements of Chapter V of SEBI ICDR Regulations has been obtained considering the said preferential issue. A copy of said certificate shall be available for inspection by the members and the same may be accessed on the Company's website at the link www.kapilrajfinanceltd.com.

s. Disclosure pursuant to Regulation 166A of the SEBI ICDR Regulations.

As the proposed allotment is more than 5% of the post issue fully diluted share capital of the Company, to an allottee or to allottees acting in concert. Hence, in terms of Regulation 166A of ICDR Regulations, the Company has obtained a valuation report from an independent registered valuer for determining the price. The price determined through valuation report read with corrigendum to Valuation Report dated 08th October, 2026 of Mr. Bhavin R Patel, a Registered Valuer (Registration No.: IBBI/RV/05/2019/11668) is Rs. 2.26/- (Rupees Two and Twenty-Six Paisa Only) per equity share. The said report is available on the website of the Company at www.kapilrajfinanceltd.com.

t. Terms of Issue of the Equity Shares, if any

The Equity Shares allotted in terms of this resolution shall rank pari passu with existing equity shares of the Company in all respects.

u. Recommendation from the committee of Independent Directors

The Committee reviewed all aspects relating to the preferential issue including pricing, and has voted unanimously in favour and recommended to the board. All the Independent directors were present for the meeting.

v. Details of the Directors, Key Managerial Persons, or their relatives, in any way, concerned or interested in the said resolution:

None of the Directors, Key Managerial Personnel except Mr. Arun Pandey Director of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

Item No. 9:

a. Particulars of the Offer including Date of passing of Board Resolution:

The Board of Directors of the Company, in its meeting held on Monday 21st September, 2026, subject to the approval of the members of the Company and such other approvals as may be required, approved the proposal for raising funds by way of issuance and allotment of **66,98,000 (Sixty-Six Lakh and Ninety-Eight Thousand)** equity shares on preferential basis to Non-Promoter Investors as mentioned.

Since the Company is a listed Company, the proposed Preferential Issue is in terms of the provisions of the SEBI ICDR Regulations, and other applicable provisions, if any and Sections 42 and 62(1)(c) of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014.

The information as required under SEBI (ICDR) Regulations and as per the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are given below:

b. Objects of the Preferential issue

The Company proposes to raise funds aggregating up to ₹1,51,37,480/- (Rupees One Crore Fifty-One Lakh Thirty Seven Thousand Four Hundred and Eighty only) through the issue and allotment of 66,98,000 Equity Shares on a preferential basis for cash consideration.

The proceeds of the Preferential Issue shall be utilised towards the business requirements of the Company, including business expansion and other general corporate purposes, in accordance with the approvals of the Board and applicable laws.
The proceeds of the Preferential Issue shall be utilised towards the furtherance, development and expansion of the Company's business activities in the packaging, converted paper and allied paper products segment, including expenditure arising in connection with the proposed expansion and diversification of the Company's business pursuant to the proposed acquisition of Henyo, and for other purposes incidental and ancillary thereto, in accordance with the approvals of the Board and applicable laws.

c. Interim use of proceeds:

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Issue Proceeds. Pending complete utilization of the Issue Proceeds for the Objects described above, our Company intends to, inter alia, invest the Issue Proceeds in money market instruments including money market mutual funds, deposits in scheduled commercial banks, securities issued by government of India or any other investments as permitted under applicable laws.

d. Monitoring of utilization of funds:

Since the aggregate amount to be raised through the proposed Preferential Issue does not exceed ₹100 Crores, the provisions relating to the appointment of a Monitoring Agency, as prescribed under Regulation 162A of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, are not applicable to the Company. Accordingly, the Company is not required to appoint a Monitoring Agency for monitoring the utilization of the proceeds of the proposed Preferential Issue.

e. Kinds of securities offered, the total number of shares or other securities to be issued, the price at which security is being offered and amount which the Company intends to raise by way of such securities:

The Board of Directors in its meeting held on Monday 21st September, 2026 had approved the issue of equity shares and accordingly proposes to issue and allot in aggregate **66,98,000 (Sixty-Six Lakh and Ninety-Eight Thousand)** Equity Shares of the face value of Rs. 1/- (Rupees one only) each ("the Equity Shares") at price of Rs. 2.26/- (Rupees Two and Twenty-Six Paisa Only) including premium of Rs. 1.26/- (Rupees One and Twenty-Six Paisa Only) (being not less than the price calculated in terms of ICDR Regulations) to Non-Promoter Investors on a preferential basis.

f. Amount which the company intends to raise by way of such securities;

The Company proposes to issue **66,98,000 (Sixty-Six Lakh and Ninety-Eight Thousand)** equity shares at an issue price of ₹2.26/- (Rupees Two and Twenty-Six Paisa Only) per share, aggregating to a total consideration of **₹**1,51,37,480**/- (Rupees** One Crore Fifty-One Lakh Thirty-Seven Thousand Four Hundred and Eighty **only).**

g. Intention of promoters, directors, key managerial personnel, or senior management of the issuer to subscribe to the offer:

None of the promoter, director, key managerial personnel, or senior management of the issuer intent to subscribe to the offer.

h. The Shareholding Pattern of the issuer before and after the preferential issue:

The shareholding pattern of the company before and after the proposed preferential issue is likely to be as follows:

Category	**Pre-issue Shareholding**		**Equity Shares to be allotted**	**Post Issue Shareholding[6]**	
	No. of Shares	**%**		**No. of Shares**	**%**
(A) Promoter Shareholding					

(1) Indian	0	0	0	0	0
(a) Individuals & HUF	0	0	265487700[7]	265487700	69.57%
(b) Bodies Corporate	0	0	0	0	0.00%
Sub Total (A)(1)	0	0	0	0	0.00%
(2) Foreign promoters	0	0	0	0	0.00%
Total Promoter shareholding A=A1 +A2	**0**	**0**	**265487700**	**265487700**	**69.57 %**
(B) Public Shareholding					
B1) Institutional Investors	0	0	0	0	0.00%
B2) Central Govt./Stat Govt./POI	0	0	0	0	0.00%
B3) Non-Institutional Investors	0	0	0	0	0.00%
Resident Individuals	10,65,36,899	97.39 %	6698000[8]	113234899	29.68%
Body Corporate	1227301	1.12%	0	1227301	0.32%
Foreign Companies	0	0.00%	0	0	0.00%
NRI	288778	0.26%	0	288778	0.08%
Others (Including HUF&LLP)	1347022	1.23%	0	1347022	0.35%
Total Public Shareholding B=B1+B2+B3	**109400000**	**100%**	**6698000**	**116098000**	**30.43 %**
C) Non-Promoter - Non-Public	0	0.00%	0	0	0.00%
Grand Total (A+B+C)	**109400000**	**100%**	**27,21,85,700**	**381585700**	**100**

Notes:

1. *The Pre Issue Shareholding Patterns is as on June 30, 2026.*
2. *The post issue shareholding pattern in the above table has been prepared on the basis that the proposed allottee(s) will subscribe to all the Equity Shares which they are intent to do so. In the event for any reason, the proposed allottee(s) do not or are unable to subscribe to and/or are not allotted the Equity Shares either in part or full, the shareholding pattern in the above table would undergo corresponding changes.*
3. *It is further assumed that shareholding of the Company in all other categories will remain unchanged.*
4. *The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of equity shares of the Company.*
5. *Post-shareholding structure may change depending upon any other corporate action in between.*
6. *Post-Issue Shareholding includes shares allotted pursuant to the Preferential Issue for both cash and consideration other than cash.*
7. *Number of Equity Shares being issued on a preferential basis pursuant to the Share Swap Agreement, for consideration other than cash.*
8. *Number of Equity Shares being issued on a preferential basis for consideration in cash.*

i. Proposed time within which the allotment shall be completed:

The Investors Equity Shares shall be allotted by the Company to the Proposed Investors in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Investors Equity Shares is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue

and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

j. The total number of shares or other securities to be issued

The Board of Directors in its meeting held on Monday 21st September, 2026 approved the issue of equity shares and accordingly proposes to issue and allot in aggregate **66,98,000 (Sixty-Six Lakh and Ninety-Eight Thousand)** Equity Shares of the face value of Rs.1/- (Rupees one only) each ("the Equity Shares") to Non-Promoter Investors on a preferential basis in compliance with applicable provisions of SEBI (ICDR) Regulations.

k. Terms of Issue of the Equity Shares, if any

The Equity Shares allotted in terms of this resolution shall rank par passu with existing equity shares of the Company in all respects.

l. Pricing of Preferential Issue:

All the equity shares to be issued under this preferential issue shall be made at an issue price of Rs. 2.26/- (Rupees Two and Twenty-Six Paisa Only) including premium of Rs. 1.26/- (Rupees One and Twenty-Six Paisa Only) per Equity Share, being the price higher than the price determined in accordance with Chapter V (Preferential Issue) of the SEBI ICDR Regulations.

m. Basis on which the price would be arrived at and Justification for the price (including premium, if any):

In terms of Regulation 161 of SEBI ICDR Regulations, the Relevant Date for determining the issue price for the Preferential Allotment of the equity shares has been reckoned as **Monday, 21st September, 2026**, being the working day immediately preceding the date, which is 30 days prior to the date of the Annual General Meeting of the shareholders of the Company scheduled to be held on Wednesday, October 21st, 2026.

The Equity shares of the Company are listed on BSE Limited ("BSE") ("Stock Exchanges") and are frequently traded thereat as per the provisions of Regulation 164(5) of Chapter V of the SEBI ICDR Regulations, 2018. Accordingly, BSE's stock price data has been considered for the purpose of pricing in compliance with Regulation 164 of Chapter V of SEBI ICDR Regulations, 2018.

Thus, the **minimum issue price** per Equity Share has been considered higher of the price determined through following methods:

iii. In terms of the provisions of Regulation 164 of the SEBI ICDR Regulations, the minimum issue price at which the Equity Shares may be issued computed to Rs. 2.251/- each, being higher of following:

c) Rs. 1.75/- each being the Average of 90 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date: or

d) Rs. 2.251/- each being the Average of 10 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date.

iv. Price as determined in accordance with the methodology prescribed in the Articles of Association of the Company – Not Applicable as the Articles of Association of the Company are silent on the determination of floor price/ minimum price of the shares issued on preferential basis.

Accordingly, the minimum issue price of the Equity Share on Preferential basis shall be Rs. 2.251/- each and the Board of Directors of the Company has decided to issue Equity Share at Rs. 2.26/- each.

n. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable, as the Company has not proposed to issue the shares for consideration other than cash.

o. Relevant Date

The 'relevant date' for the purpose of determination of the floor price for issue of the Investor Equity Shares under the Investors Preferential Issue, as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Monday, September 21, 2026 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Investors Preferential Issue.

p. The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and / or who ultimately control the proposed allottee(s) and the percentage of post preferential issue capital that may be held by them:

S. No	Name of the Proposed	Ultimate Beneficial Owners ('UBO')	Maximum Amount / Up to (INR)*	Pre- Issue Shareholding		Post- issue Shareholding	
				No. of Shares	%	No. of Shares	%
1.	Sandeep Bansal	NA	50,46,580	899,698.00	0.82	3,132,698	0.82%
2.	Nishtha Goel	NA	25,42,500	-	-	1,125,000	0.29%
3.	Srishti Jain	NA	25,42,500	1,000,000.00	0.91	2,125,000	0.56%
4.	Nitesh Agrawal	NA	25,42,500	-	-	1,125,000	0.29%
5.	Yogesh Agrawal	NA	24,63,400	16,800.00	0.02	1,106,800	0.29%
Total			**1,51,37,480**	**1,916,498.00**	**1.75**	**8,614,498**	**2.26%**

* Number of Equity Shares proposed to be issued under the Preferential Issue multiplied by the Issue Price per Equity Share.

q. Change in control if any consequent to preferential issue

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential issue.

However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will change in accordance with the change in the shareholding pattern pursuant to the Preferential Allotment.

r. Number of persons to whom allotment on a preferential basis has already been made during the year, in terms of the number of securities as well as price:

Not applicable since the Company has not made preferential issue of any Security during the year.

s. Lock-in period

The Shares to be offered issued and allotted shall be subject to Lock-in as provided under the provisions of ICDR Regulations. The entire pre preferential shareholding of the above allottees, if any, shall be locked-in from the relevant date up to the period of 6 months from the date of trading approval as per Regulation 167 of the ICDR Regulations.

t. Certificate from Practicing Company Secretaries

A certificate from M/s Amit Saxena and Associates Practicing Company Secretaries certifying that the issue of equity shares on preferential basis is being made in accordance with requirements of Chapter V of the SEBI ICDR Regulations, 2018 shall be available for inspection at the Registered office of the Company on all working days (excluding Saturdays and Sundays) during 10:00 A.M. to 5:00 P.M. up to the date of Annual General Meeting and all also be available during the Annual General Meeting.

Additionally, the PCS has certified that the issue is being made in accordance with the requirements of these ICDR regulations. The PCS certificate is published on the website of the company on www.kapilrajfinanceltd.com.

u. Details of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

None of the other Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.

v. Recommendation from the committee of Independent Directors

The Committee reviewed all aspects relating to the preferential issue including pricing, and has voted unanimously in favour and recommended to the board. All the Independent directors were present for the meeting.

w. Listing:

The Company will make an application to BSE Limited at which the existing equity shares of the Company are listed, for listing of the Equity Shares allotted under this Preferential Issue. All the Equity Shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividend and voting rights.

x. Undertakings:

- The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.

- None of the Company, its directors or Promoters are categorized as wilful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Consequently, the undertaking required under Regulation 163(1)(i) is not applicable.

- None of its Directors or Promoters is fugitive economic offenders as defined under the SEBI ICDR Regulations.

- As the equity shares have been listed on recognized Stock Exchanges for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable. Consequently, the undertaking required under Regulation 163(1)(g) and Regulation163(1)(h) is not applicable.

- None of the proposed allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.

- The Company does not have any outstanding dues to the SEBI, Stock Exchanges or the Depositories.

- Regarding re-computation of price in terms of SEBI (ICDR) Regulations, 2018, the Company hereby undertakes that:

- The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.

- The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories.

- The Company has obtained the Permanent Account Numbers (PAN) of the Proposed Equity Allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the Stock Exchange.

- The Company shall be making application seeking in-principle approval to the Stock Exchanges, on the same day when this notice will be sent in respect of the general meeting seeking shareholders' approval by way of special resolution.

- No person belonging to the promoters / promoter group has previously subscribed to any securities of the Company during the last one year.

- The Proposed Equity Allottees have further confirmed that they are eligible under SEBI ICDR Regulations to undertake the Preferential Issue.

y. Valuation for consideration other than cash:

Not applicable as Preferential Issue is proposed to be made for cash consideration.

z. The current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter as required under regulation 162(1)(j) is mentioned below:

The equity shares are proposed to be issued and allotted to private investors comprising of Individuals, who shall hold the equity shares in the Company under 'public shareholders' category

S. No.	Name of the Proposed Allottees	Current Status	Post Status
1.	Sandeep Bansal	**Public**	Public

2.	Nishtha Goel	**Public**	Public
3.	Srishti Jain	**Public**	Public
4.	Nitesh Agrawal	**Public**	Public
5.	Yogesh Agrawal	**Public**	Public

aa. Other disclosures

In accordance with SEBI ICDR Regulations, The Company has not made any preferential allotment in the financial year.

Neither the Company nor any of its Promoters and Directors has been declared as a willful defaulter or a fraudulent borrower or a fugitive economic offender.

bb. The pre- preferential allotment of the person holding the shares are in dematerialized form.

The Regulation 166A of the Chapter V of SEBI ICDR Regulations are not applicable as the Company is not being allotted more than 5% of the post issue fully diluted share capital of Company to an allottee or to allottees acting in concert.

The issue of Equity Shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Companies Act, 2013 and relevant regulations of SEBI (ICDR) Regulations and shall be made in a dematerialized form only.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members. The Board of Directors recommends the passing of the resolutions as set out in Item No. 9 as special resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

By the order of Board of Kapil Raj Finance Limited

Sd/-
Harit Anand
Director
DIN: 11812939

Date: 08.10.2026
Place: Delhi