

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT. THIS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, OUTSIDE INDIA



Our Company was originally incorporated as a Private Limited Company with the name "Nikita Papers Private Limited" pursuant to a certificate of incorporation dated August 18, 1989 issued by the RoC in accordance with provisions of the Companies Act, 1956. Thereafter upon conversion into a public company, pursuant to a shareholders' resolution dated May 26, 2003, the name of the company finally changed to "Nikita Papers Limited" and fresh certificate of incorporation was issued by the RoC dated June 12, 2003, as on date of this Red Herring Prospectus, the Corporate Identification Number of our Company is U74899DL1989PLC129066. For further details of incorporation please refer to section titled "our history and certain other corporate matters" beginning on page no. 240 of the Red Herring Prospectus.



(Please scan this QR code to redirecting to website of the BRLM for viewing Issue Related Documents.)

Registered Office: A-10 Floor 1st Land Mark Near Deepali Chowk Saraswati Vihar Pitampura, North West, Delhi, India - 110034  
Corporate Office: C-10, Industrial Estate Panipat Road, Sharnli, Muzaffarnagar, Uttar Pradesh, India - 247776  
CIN: U74899DL1989PLC129066; Website: www.nikitapapers.com; E-Mail: info@nikitapapers.com  
Company Secretary and Compliance Officer: Ms. Shefali Gupta; Telephone No.: +91-79054 62919

OUR PROMOTERS: MR. ASHOK KUMAR BANSAL, MR. SUDHIR KUMAR BANSAL, MR. AYUSH BANSAL, MR. ABHINAV BANSAL, MR. ANUJ BANSAL, MRS. SANDHYA BANSAL, ASHOK KUMAR BANSAL & SONS HUF, NARESH CHAND BANSAL & SONS HUF, SUDHIR KUMAR BANSAL & SONS HUF, AYUSH BANSAL & SONS HUF, ABHINAV BANSAL & SONS HUF AND ANUJ BANSAL & SONS HUF

THE OFFER

INITIAL PUBLIC ISSUE OF UPTO 64,94,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF NIKITA PAPERS LIMITED ("NIKITA", "NPL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH 3,26,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 61,68,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.33% AND 25.00%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

\*Subject to finalization of basis of allotment.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION NOT APPLICABLE

PRICE BAND: ₹95.00 /- to ₹104.00 /- PER EQUITY SHARE OF FACE VALUE OF ₹ 10.00/- EACH.

THE FLOOR PRICE IS 9.5 TIMES THE FACE VALUE AND CAP PRICE IS 10.4 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2023-2024 AT THE FLOOR PRICE IS 9.68 TIMES AND AT THE CAP PRICE IS 10.60 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 1200 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

BID/ OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE: MONDAY, MAY 26, 2025

BID OFFER OPENS ON: TUESDAY, MAY 27, 2025

BID OFFER CLOSES ON: THURSDAY, MAY 29, 2025

BRIEF DESCRIPTION OF THE BUSINESS OF THE ISSUER COMPANY:

Nikita Papers Limited is a closely held Public Limited Company initially incorporated as Private Limited Company on 18.08.1989. It was subsequently converted into a Public Limited Company on 12.06.2003. The Company is having its registered office at A-10, First Floor, Near Deepali Chowk, Saraswati Vihar, Pitampura, New Delhi 110034 and works at C-10, Industrial Estate, Panipat Road, Sharnli-247776 (U.P.). In 1991, a Unit in the name of Nikita Papers Ltd. was established at Industrial Estate, Panipat Road, Sharnli (U.P.) to manufacture Kraft paper with 30 Tons per Day Capacity. Since then, the company has undergone through many expansion & modernizations time to time as per the demand of the market to maintain its quality and now the paper quality of the company is well established in the paper market. At present the installed capacity of the company is approx. 1,33,000 M.T. per annum. The company in manufacturing Kraft paper ranging from 80 to 200 GSM in various Burst Factor (B.F.) ranges. This diverse product offering allows Nikita Papers Ltd. to cater to a wide range of customer needs within the paper industry. For detailed information please refer chapter titled "Our Business" on 203 of the Red Herring Prospectus.

"THE ISSUE IS BEING MADE PURSUANT TO CHAPTER IX (INITIAL PUBLIC OFFER BY SMALL AND MEDIUM ENTERPRISES) OF THE SEBI ICDR REGULATIONS, 2018 AMENDED FROM TIME TO TIME (IPO OF THE SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"). NATIONAL STOCK EXCHANGE OF INDIA LIMITED SHALL BE THE DESIGNATED STOCK EXCHANGE.

ALLOCATION OF THE ISSUE

- QIB Category : 50.00% of the Net Issue
- Non-institutional investor category: 15.00% of the Net Issue
- Retail Category: 35.00% of the Net Issue
- Market Maker: 5.02% of the Total Issue

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated May 20, 2025 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Issue Price" section beginning on page 144 of the Red Herring Prospectus vis-à-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in "Basis for Issue Price" section beginning on page 144 of the Red Herring Prospectus and provided below in the advertisement.

RISKS TO INVESTORS

1. Risk to investors summary description of the key risk factors based on materiality:

- Raw material cost fluctuations impact the profitability and stability of businesses across various industries, necessitating adaptive strategies for procurement and pricing.
  - The Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.
  - Certain of our corporate filings and records are not traceable, while certain corporate records have errors. We cannot assure that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.
  - Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact our growth and business.
  - Our production operations are geographically located in one area i.e., Sharnli, Uttar Pradesh and any localized social unrest, natural calamities, etc. could have material adverse effect on business and financial operations.
  - Our Company had filed certain Annual Returns (MGT-7) and Financial Statements (AOC-4/ AOC-4 XBRL) with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.
  - We are primarily dependent upon few key suppliers for procurement of raw materials. Any disruption in the supply of these raw materials or fluctuations in their prices could have a material adverse effect on our business operations and financial conditions.
  - We may not be able to sustain historical growth in our revenue from operations and profit for year in future periods, which could have an adverse impact on our financial condition and results of operation.
  - Our Company has file certain forms with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.
  - We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.
- (for further details on "Risk Factors" please refer Page No. 29 of the Red Herring Prospectus.
- Average cost of acquisition of Equity Shares held by the promoters is:

Name of the Promoter	Average cost of Acquisition (in Rs.)
Ashok Kumar Bansal	11.89
Sudhir Kumar Bansal	11.98
Ayush Bansal	16.44
Abhinav Bansal	13.98
Anuj Bansal	17.70
Sandhya Bansal	28.31
Ashok Kumar Bansal & Sons HUF	23.23
N.C Bansal & Sons HUF	11.98
S.K. Bansal & Sons HUF	9.07
Ayush Bansal & Sons HUF	24.56
Abhinav Bansal & Sons HUF	21.86
Anuj Bansal & Sons HUF	31.58

and the offer price at the upper end of the price Band is Rs. 104.00/- per Equity Share

- The Price/Earning ratio based on diluted EPS for Fiscal 2024 for the company at the upper end of the Price Band is Rs. 10.60.
- Weighted Average Return on Net Worth for Fiscals 2024,2023 and 2022 is 18.50%.

2. Details of suitable ratios of the company for the latest full financial year:

S. No.	Name of the company	Face Value (Per Share)	CMP ^ (in Rs.)	EPS (in Rs.)	P/E Ratio	RONW (%)	EBITDA (Rs. in Lakh)	NAV (Rs. Per share)	PAT (Rs. in Lakh)
1.	Nikita Papers Limited*	10.00	^	8.63	^	16.85%	3656.03	51.20	1,568.11
Peer Group									
2.	Magnum Ventures Limited**	10.00	28.12	5.04	10.41	3.62%	6,004.76	115.64	2,470.26
3.	Tamilnadu Newsprint and Papers Limited**	10.00	169.33	30.08	62.40	10%	83,875.00	301.94	20,816.00
4.	Ruchira Papers Limited**	10.00	127.80	16.48	5.96	12%	8,439.83	138.81	4,919.49
5.	Pakka Limited**	10.00	180.45	12.57	17.99	18.38%	9,556.32	67.58	4,866.93

#Source: All the information for listed industry peers mentioned above are on a standalone basis and is sourced from their respective audited/unaudited financial results and/or annual report

\*The figures for Nikita Papers Limited are based on the restated results for the period ending December 31, 2024.

\*\*The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2024.

^ Current Market Price (CMP) is the closing price of respective scrip as on May 19, 2025 and symbolic P/E is taken from NSE as on 19/05/2025.

For detailed information please refer chapter titled "Basis for Issue Price" on 119 of the Red Herring Prospectus

3. Weighted average return on net worth for the last 3 FYs, and return on net worth for period ended December 31, 2024.

As per the restated financial statements:

S. No	Period	RoNW (%)	Weights
1.	Financial Year 2021-2022	15.08	1
2.	Financial Year 2022-2023	15.79	2
3.	Financial Year 2023-2024	21.45	3
Weighted Average		18.50	
4.	For the period ended on December 31, 2024	16.85	

Note:

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/ period
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNWxWeight) for each year / Total of weights.
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

4. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI, as applicable.

- The price per share of our Company based on the primary/ new issue of shares (equity/convertible securities) Except as disclosed below, there has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a Preferential Allotment and bonus issue on December 11, 2023 and December 28, 2024 respectively, during the 18 months preceding the date of this RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days

Date of allotment	No. of equity allotted	Face Value of shares	Issue price per equity share (₹)	Nature of allotment	Nature of Consideration	Total Consideration (₹)
11.12.2023	9,51,500	10.00/-	63.43	Preferential allotment	Cash	6,03,53,645
28.12.2023	86,08,500	10.00/-	NA	Bonus	Other than Cash	N.A.

- The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) There has been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- Since there is eligible transaction reported under (a) above, the price per equity share of our Company based on last five primary and secondary transactions (secondary transactions where promoters, promoter group or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of the Red Herring Prospectus irrespective of the size of transactions, has not been computed.
- Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹)	Floor Price (I.e. ₹95)	Cap Price (I.e. ₹104)
Weighted average cost of acquisition of primary/new issue as per paragraph 8(a) above.	63.43	1.49 Times	1.63 Times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA ^	NA ^	NA ^
Weighted average cost of acquisition for past 5 primary issuances/secondary transaction as disclosed above	NA	NA	NA

Note: ^ There were no secondary sales/acquisition of shares of shares (equity/convertible securities) other than Shares transfer on in last 18 months from the date of this Red Herring Prospectus.

ADDITIONAL INFORMATION FOR INVESTORS:

Details of proposed / undertaken pre-issue placement from the filing date: Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.

Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the Company by promoter(s) and promoter group(s) from the DRHP filing date: Not Applicable

Shareholding of the Promoter/ Promoter Group and Additional Top 10 Shareholding of the Company:

Sr. No.	Name of Shareholder	Pre- Issue Shareholding as at the date of Advertisement		Post-Issue shareholding as at Allotment			
		Number of Equity Share	Share Holding (in %)	At the lower end of the price band (₹)	Shareholding (in %)	At the upper end of the price band (₹)	Share Holding (in %)
Promoters							
1.	Mr. Ashok Kumar Bansal	25,43,853	14.00	25,43,853	10.31	25,43,853	10.31
2.	Mr. Sudhir Kumar Bansal	17,75,930	9.77	17,75,930	7.20	17,75,930	7.20
3.	Mr. Anuj Bansal	10,04,720	5.53	10,04,720	4.07	10,04,720	4.07
4.	Smt. Sandhya Bansal	9,47,150	5.21	9,47,150	3.84	9,47,150	3.84
5.	Mr. Abhinav Bansal	8,02,940	4.42	8,02,940	3.26	8,02,940	3.26
6.	M/s Naresh Chand Bansal & Sons HUF	3,05,387	1.68	3,05,387	1.24	3,05,387	1.24
7.	Mr. Ayush Bansal	2,98,490	1.64	2,98,490	1.21	2,98,490	1.21
8.	M/s Ashok Kumar Bansal & Sons HUF	2,94,500	1.62	2,94,500	1.19	2,94,500	1.19
9.	M/s Ayush Bansal & Sons HUF	2,43,770	1.34	2,43,770	0.99	2,43,770	0.99
10.	M/s Sudhir Kumar Bansal & Sons HUF	1,65,490	0.91	1,65,490	0.67	1,65,490	0.67
11.	M/s Abhinav Bansal & Sons HUF	1,25,210	0.69	1,25,210	0.51	1,25,210	0.51
12.	M/s Anuj Bansal & SONS	63,650	0.35	63,650	0.26	63,650	0.26
Total		85,71,090	47.16	85,71,090	34.75	85,71,090	34.75
Promoter Group							
13.	Smt. Mithlesh Bansal	17,53,320	9.65	17,53,320	7.11	17,53,320	7.11
14.	Mr. Rachit Bansal	9,11,050	5.01	9,11,050	3.69	9,11,050	3.69
15.	M/S Alliance Farms & Agriculture Ltd	8,61,650	4.74	8,61,650	3.49	8,61,650	3.49
16.	Smt. Neera Bansal	7,53,350	4.15	7,53,350	3.05	7,53,350	3.05
17.	Smt. Antara Rakesh	5,83,490	3.21	5,83,490	2.37	5,83,490	2.37
18.	Smt. Suruchi Mittal	2,94,500	1.62	2,94,500	1.19	2,94,500	1.19
19.	Smt. Riha Bansal	1,66,250	0.92	1,66,250	0.67	1,66,250	0.67
20.	Mr. Ravindra Manchanda	1,23,500	0.68	1,23,500	0.50	1,23,500	0.50
21.	Mr. Kanwal Manchanda	95,000	0.52	95,000	0.39	95,000	0.39
22.	Mr. Sudhir Agarwal	88,350	0.49	88,350	0.36	88,350	0.36
23.	Smt. Sangita Gupta	88,350	0.49	88,350	0.36	88,350	0.36
24.	Smt. Nikita Agarwal	76,000	0.42	76,000	0.31	76,000	0.31
25.	Smt. Pooja Manchanda	76,000	0.42	76,000	0.31	76,000	0.31
26.	Shri Ashok Kumar Mittal	66,500	0.37	66,500	0.27	66,500	0.27
27.	Smt. Aditi Bansal	47,500	0.26	47,500	0.19	47,500	0.19
28.	Smt. Sunil Agarwal	28,500	0.16	28,500	0.12	28,500	0.12
29.	Mr. Suresh Mittal	23,750	0.13	23,750	0.10	23,750	0.10
Total		60,37,060	33.22	60,37,060	24.47	60,37,060	24.47
Additional Top 10 Shareholders							
30.	Coeus Global Opportunity Fund	18,07,850	9.95	18,07,850	7.33	18,07,850	7.33
31.	Akash Gupta & Sons	2,85,000	1.57	2,85,000	1.16	2,85,000	1.16
32.	Abhinav Agarwal	95,000	0.52	95,000	0.39	95,000	0.39
33.	Shri Naresh Gupta	71,250	0.39	71,250	0.29	71,250	0.29
34.	Prent Bansal	71,250	0.39	71,250	0.29	71,250	0.29
35.	Shri Jaipal Jain	71,250	0.39	71,250	0.29	71,250	0.29
36.	Abhinav Agarwal HUF	66,500	0.37	66,500	0.27	66,500	0.27
37.	Shri Vishal Gupta	66,500	0.37	66,500	0.27	66,500	0.27
38.	Akhil Gupta	66,500	0.37	66,500	0.27	66,500	0.27
39.	Mukesh Goel	66,500	0.37	66,500	0.27	66,500	0.27

Notes:

- The Promoter Group shareholders are Smt. Mitesh Bansal, Mr. Rachit Bansal, M/S Alliance Farms & Agriculture Ltd, Smt. Neera Bansal, Smt. Antara Rakesh, Smt. Suruchi Mittal, Smt. Riha Bansal, Mr. Ravindra Manchanda, Mr. Kanwal Manchanda, Mr. Sudhir Agarwal, Smt. Sangita Gupta, Smt. Nikita Agarwal, Smt. Pooja Manchanda, Shri Ashok Kumar Mittal, Smt. Aditi Bansal and Mr. Sunil Agarwal Suresh Mittal.
- Assuming full subscription in the Fresh Issue. The post-issue shareholding details as at allotment will be based on the actual subscription and the final Issue price and updated in the prospectus, subject to finalization of the basis of allotment. Also, this table assumes there is no transfer of shares by these shareholders between the date of the advertisement and allotment (if any such transfers occur prior to the date of prospectus, it will be updated in the shareholding pattern in the prospectus).

BASIS FOR ISSUE PRICE

The "Basis of the issue price" on page 144 of the Offer document has been updated with the above price band. Please refer to the website of the BRLM i.e. https://www.ftfinsec.com/resource/Offer\_Documents/Offer\_Documents.aspx for the "Basis of the issue price" updated with the above price band. You can scan the QR code mentioned on the 1st page of this advertisement for redirecting to webpage of the BRLM where documents related to issue including the "Basis for Issue Price".

INDICATIVE TIMELINES FOR THE ISSUE

Our Company may in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

Sequence of Activities	Listing within T+3 days (T is Issue Closing Date i.e. Thursday, May 29, 2025)
Application Submission by Investors	Electronic Applications (Online ASBA through 3-in-1 accounts) - Upto 5 pm on Thursday, May 29, 2025. Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA etc.) - Upto 4 pm on Thursday, May 29, 2025. Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) - Upto 3 pm on Thursday, May 29, 2025
Bid Modification	Physical Applications (Bank ASBA) - Upto 1 pm on Thursday, May 29, 2025. Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIs) - Upto 12 pm on Thursday, May 29, 2025 and Syndicate members shall transfer such applications to banks before 1 pm on Thursday, May 29, 2025.
Validation of bid details with depositories	From Issue opening date up to 5 pm on Thursday, May 29, 2025.
Reconciliation of UPI mandate transactions (Based on the guidelines issued by NPCI from time to time):	On daily basis transactions.
Among Stock Exchanges -Sponsor Banks - NPCI and NPCI -	
PSPs/TPAPs** - Issuer Banks; Reporting formats of bid information, UPI analysis report and compliance timelines.	Merchant Bankers to submit to SEBI, sought as and when.
UPI Mandate acceptance time	Thursday, May 29, 2025- 5 pm
Issue Closure T day	Thursday, May 29, 2025- 4 pm for QIB and Nil categories Thursday, May 29, 2025- 5 pm for Retail and other reserved categories
Third party check on UPI applications	On daily basis and to be completed before 9:30 AM on Friday, May 30, 2025.



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# NIKITA PAPERS LIMITED

Corporate Identification Number: U74899DL1989PLC129066

Registered Office: A-10 Floor Ist Land Mark Near Deepali Chowk Saraswati Vihar Pitampura, North West, Delhi, India - 110034  
Corporate Office: C-10, Industrial Estate Panipat Road, Shamli, Muzaffarnagar, Uttar Pradesh, India - 247776  
CIN: U74899DL1989PLC129066; Website: [www.nikitapapers.com](http://www.nikitapapers.com); E-Mail: [info@nikitapapers.com](mailto:info@nikitapapers.com)  
Company Secretary and Compliance Officer: Ms. Shefali Gupta; Telephone No.: +91-79054 62919

OUR PROMOTERS: MR. ASHOK KUMAR BANSAL, MR. SUDHIR KUMAR BANSAL, MR. AYUSH BANSAL, MR. ABHINAV BANSAL, MR. ANUJ BANSAL, MRS. SANDHYA BANSAL, ASHOK KUMAR BANSAL & SONS HUF, NARESH CHAND BANSAL & SONS HUF, SUDHIR KUMAR BANSAL & SONS HUF, AYUSH BANSAL & SONS HUF, ABHINAV BANSAL & SONS HUF AND ANUJ BANSAL & SONS HUF

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NOT APPLICABLE

PRICE BAND: ₹95.00 /- to ₹104.00 /- PER EQUITY SHARE OF FACE VALUE OF ₹ 10.00/- EACH.

THE FLOOR PRICE IS 9.5 TIMES THE FACE VALUE AND CAP PRICE IS 10.4 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2023-2024 AT THE FLOOR PRICE IS 9.68 TIMES AND AT THE CAP PRICE IS 10.60 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 1200 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

BID/ OFFER PERIOD	ANCHOR INVESTOR BIDDING DATE: MONDAY, MAY 26, 2025	
	BID OFFER OPENS ON: TUESDAY, MAY 27, 2025	
	BID OFFER CLOSES ON: THURSDAY, MAY 29, 2025	

### BRIEF DESCRIPTION OF THE BUSINESS OF THE ISSUER COMPANY:

Nikita Papers Limited is a closely held Public Limited Company initially incorporated as Private Limited Company on 18.08.1989. It was subsequently converted into a Public Limited Company on 12.06.2003. The Company is having its registered office at A-10, First Floor, Near Deepali Chowk, Saraswati Vihar, Pitampura, New Delhi 110034 and works at C-10, Industrial Estate, Panipat Road, Shamli-247776 (U.P.). In 1991, a Unit in the name of Nikita Papers Ltd. was established at Industrial Estate, Panipat Road, Shamli (U.P.) to manufacture Kraft paper with 30 Tons per Day Capacity. Since then, the company has undergone through many expansion & modernizations time to time as per the demand of the market to maintain its quality and now the paper quality of the company is well established in the paper market. At present the installed capacity of the company is approx. 1,33,000 M.T. per annum. The company in manufacturing Kraft paper ranging from 80 to 200 GSM in various Burst Factor (B.F.) ranges. This diverse product offering allows Nikita Papers Ltd. to cater to a wide range of customer needs within the paper industry. For detailed information please refer chapter titled "Our Business" on 203 of the Red Herring Prospectus.

"THE ISSUE IS BEING MADE PURSUANT TO CHAPTER IX (INITIAL PUBLIC OFFER BY SMALL AND MEDIUM ENTERPRISES) OF THE SEBI ICDR REGULATIONS, 2018 AMENDED FROM TIME TO TIME (IPO OF THE SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"). NATIONAL STOCK EXCHANGE OF INDIA LIMITED SHALL BE THE DESIGNATED STOCK EXCHANGE.

### ALLOCATION OF THE ISSUE

• QIB Category : 50.00% of the Net Issue	• Non-institutional investor category: 15.00% of the Net Issue
• Retail Category: 35.00% of the Net Issue	• Market Maker: 5.02% of the Total Issue

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated May 20, 2025 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Issue Price" section beginning on page 144 of the Red Herring Prospectus vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in "Basis for Issue Price" section beginning on page 144 of the Red Herring Prospectus and provided below in the advertisement.

### RISKS TO INVESTORS

#### 1. Risk to investors summary description of the key risk factors based on materiality:

- Raw material cost fluctuations impact the profitability and stability of businesses across various industries, necessitating adaptive strategies for procurement and pricing.
- The Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.
- Certain of our corporate filings and records are not traceable, while certain corporate records have errors. We cannot assure that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.
- Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact our growth and business.
- Our production operations are geographically located in one area i.e., Shamli, Uttar Pradesh and any localized social unrest, natural calamities, etc. could have material adverse effect on business and financial operations.
- Our Company had filed certain Annual Returns (MGT-7) and Financial Statements (AOC-4/ AOC-4 XBRL) with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.
- We are primarily dependent upon few key suppliers for procurement of raw materials. Any disruption in the supply of these raw materials or fluctuations in their prices could have a material adverse effect on our business operations and financial conditions.
- We may not be able to sustain historical growth in our revenue from operations and profit for year in future periods, which could have an adverse impact on our financial condition and results of operation.
- Our Company has file certain forms with delayed fees and Company cannot assure that no proceedings or regulatory actions will be initiated against it in relation to the non-filing and delayed filing.
- We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.

(for further details on "Risk Factors" please refer Page No. 29 of the Red Herring Prospectus.

- Average cost of acquisition of Equity Shares held by the promoters is:

Name of the Promoter	Average cost of Acquisition (in Rs.)
Ashok Kumar Bansal	11.89
Sudhir Kumar Bansal	11.98
Ayush Bansal	16.44
Abhinav Bansal	13.98
Anuj Bansal	17.70
Sandhya Bansal	28.31
Ashok Kumar Bansal & Sons HUF	23.23
N.C Bansal & Sons HUF	11.98
S.K. Bansal & Sons HUF	9.07
Ayush Bansal & Sons HUF	24.56
Abhinav Bansal & Sons HUF	21.86
Anuj Bansal & Sons HUF	31.58

and the offer price at the upper end of the price Band is Rs. 104.00/- per Equity Share

- The Price/Earning ratio based on diluted EPS for Fiscal 2024 for the company at the upper end of the Price Band is Rs. 10.60.
- Weighted Average Return on Net Worth for Fiscals 2024,2023 and 2022 is 18.50%.

#### 2. Details of suitable ratios of the company for the latest full financial year:

S. No.	Name of the company	Face Value (Per Share)	C&IP ^ (in Rs.)	EPS (in Rs.)	P/E Ratio	RoNW (%)	EBITDA (Rs. in Lakh)	NAV (Rs. Per share)	PAT (Rs. in Lakh)
1.	Nikita Papers Limited*	10.00	●	8.63	●	16.85%	3656.03	51.20	1,568.11
Peer Group									
2.	Magnum Ventures Limited**	10.00	28.12	5.04	10.41	3.62%	6,004.76	115.64	2,470.26
3.	Tamilnadu Newsprint and Papers Limited**	10.00	169.33	30.08	62.40	10%	83,875.00	301.94	20,816.00
4.	Ruchira Papers Limited**	10.00	127.80	16.48	5.96	12%	8,439.83	138.81	4,919.49
5.	Pakka Limited**	10.00	180.45	12.57	17.99	16.38%	9,556.32	67.58	4,866.93

#Source: All the information for listed industry peers mentioned above are on a standalone basis and is sourced from their respective audited/unaudited financial results and/or annual report

\*The figures for Nikita Papers Limited are based on the restated results for the period ending December 31, 2024.

\*\*The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2024.

^ Current Market Price (CMP) is the closing price of respective scrip as on May 19, 2025 and symbolic P/E is taken from NSE as on 19/05/2025.

For detailed information please refer chapter titled "Basis for Issue Price" on 119 of the Red Herring Prospectus

#### 3. Weighted average return on net worth for the last 3 FYs, and return on net worth for period ended December 31, 2024.

As per the restated financial statements:

S. No	Period	RoNW (%)	Weights
1.	Financial Year 2021-2022	15.08	1
2.	Financial Year 2022-2023	15.79	2
3.	Financial Year 2023-2024	21.45	3
Weighted Average		18.50	
4.	For the period ended on December 31, 2024	16.85	

#### Note:

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/ period
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNWxWeight) for each year / Total of weights.
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

#### 4. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI, as applicable.

- The price per share of our Company based on the primary/ new issue of shares (equity/convertible securities)

Except as disclosed below, there has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a Preferential Allotment and bonus issue on December 11, 2023 and December 28, 2024 respectively, during the 18 months preceding the date of this RHP where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days

Date of allotment	No. of equity allotted	Face Value of shares	Issue price per equity share (₹)	Nature of allotment	Nature of Consideration	Total Consideration (₹)
11.12.2023	9,51,500	10.00/-	63.43	Preferential allotment	Cash	6,03,53,645
28.12.2023	86,08,500	10.00/-	NA	Bonus	Other than Cash	N.A.

- The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There has been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- Since there is eligible transaction reported under (a) above, the price per equity share of our Company based on last five primary and secondary transactions (secondary transactions where promoters, promoter group or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of the Red Herring Prospectus irrespective of the size of transactions, has not been computed.
- Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹)	Floor Price (i.e. ₹95)	Cap Price (i.e. ₹104)
Weighted average cost of acquisition of primary/new issue as per paragraph 8(a) above.	63.43	1.49 Times	1.63 Times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA ^	NA ^	NA ^
Weighted average cost of acquisition for past 5 primary issuances/secondary transaction as disclosed above	NA	NA	NA

Note: ^ There were no secondary sales/acquisition of shares of shares (equity/convertible securities) other than Shares transfer on in last 18 months from the date of this Red Herring Prospectus.

### ADDITIONAL INFORMATION FOR INVESTORS:

Details of proposed / undertaken pre-issue placement from the filing date: Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.

Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the Company by promoter(s) and promoter group(s) from the DRHP filing date: Not Applicable

Shareholding of the Promoter/ Promoter Group and Additional Top 10 Shareholding of the Company:

Sr. No.	Name of Shareholder	Pre- Issue Shareholding as at the date of Advertisement		Post-Issue shareholding as at Allotment			
		Number of Equity Share	Share Holding (in %)	At the lower end of the price band (₹)	At the upper end of the price band (₹)		
				Number of Equity Shares	Shareholding (in %)	Number of Equity Shares	Share Holding (in %)
Promoters							
1.	Mr. Ashok Kumar Bansal	25,43,853	14.00	25,43,853	10.31	25,43,853	10.31
2.	Mr. Sudhir Kumar Bansal	17,75,930	9.77	17,75,930	7.20	17,75,930	7.20
3.	Mr. Anuj Bansal	10,04,720	5.53	10,04,720	4.07	10,04,720	4.07
4.	Smt. Sandhya Bansal	9,47,150	5.21	9,47,150	3.84	9,47,150	3.84
5.	Mr. Abhinav Bansal	8,02,940	4.42	8,02,940	3.26	8,02,940	3.26
6.	M/s Nareesh Chand Bansal & Sons HUF	3,05,387	1.68	3,05,387	1.24	3,05,387	1.24
7.	Mr. Ayush Bansal	2,98,490	1.64	2,98,490	1.21	2,98,490	1.21
8.	M/s Ashok Kumar Bansal & Sons HUF	2,94,500	1.62	2,94,500	1.19	2,94,500	1.19
9.	M/s Ayush Bansal & Sons HUF	2,43,770	1.34	2,43,770	0.99	2,43,770	0.99
10.	M/s Sudhir Kumar Bansal & Sons HUF	1,65,490	0.91	1,65,490	0.67	1,65,490	0.67
11.	M/s Abhinav Bansal & Sons HUF	1,25,210	0.69	1,25,210	0.51	1,25,210	0.51
12.	M/s Anuj Bansal & SONS	63,650	0.35	63,650	0.26	63,650	0.26
Total		85,71,090	47.16	85,71,090	34.75	85,71,090	34.76
Promoter Group							
13.	Smt. Mithlesh Bansal	17,53,320	9.65	17,53,320	7.11	17,53,320	7.11
14.	Mr. Rachit Bansal	9,11,050	5.01	9,11,050	3.69	9,11,050	3.69
15.	M/S Alliance Farms & Agriculture Ltd	8,61,650	4.74	8,61,650	3.49	8,61,650	3.49
16.	Smt. Neera Bansal	7,53,350	4.15	7,53,350	3.05	7,53,350	3.05
17.	Smt. Antara Rakesh	5,83,490	3.21	5,83,490	2.37	5,83,490	2.37
18.	Smt. Suruchi Mittal	2,94,500	1.62	2,94,500	1.19	2,94,500	1.19
19.	Smt. Riha Bansal	1,66,250	0.92	1,66,250	0.67	1,66,250	0.67
20.	Mr. Ravindra Manchanda	1,23,500	0.68	1,23,500	0.50	1,23,500	0.50
21.	Mr. Kanwal Manchanda	95,000	0.52	95,000	0.39	95,000	0.39
22.	Mr. Sudhir Agarwal	88,350	0.49	88,350	0.36	88,350	0.36
23.	Smt. Sangita Gupta	88,350	0.49	88,350	0.36	88,350	0.36
24.	Smt. Nikita Agarwal	76,000	0.42	76,000	0.31	76,000	0.31
25.	Smt. Pooja Manchanda	76,000	0.42	76,000	0.31	76,000	0.31
26.	Shri Ashok Kumar Mittal	66,500	0.37	66,500	0.27	66,500	0.27
27.	Smt. Aditi Bansal	47,500	0.26	47,500	0.19	47,500	0.19
28.	Smt. Sunil Agarwal	28,500	0.16	28,500	0.12	28,500	0.12
29.	Mr. Suresh Mittal	23,750	0.13	23,750	0.10	23,750	0.10
Total		60,37,060	33.22	60,37,060	24.47	60,37,060	24.47
Additional Top 10 Shareholders							
30.	Coeus Global Opportunity Fund	18,07,850	9.95	18,07,850	7.83	18,07,850	7.83
31.	Akash Gupta & Sons	2,85,000	1.57	2,85,000	1.16	2,85,000	1.16
32.	Abhinav Agarwal	95,000	0.52	95,000	0.39	95,000	0.39
33.	Shri Nareesh Gupta	71,250	0.39	71,250	0.29	71,250	0.29
34.	Preeti Bansal	71,250	0.39	71,250	0.29	71,250	0.29
35.	Shri Jaipal Jain	71,250	0.39	71,250	0.29	71,250	0.29
36.	Abhinav Agarwal HUF	66,500	0.37	66,500	0.27	66,500	0.27
37.	Shri Vishal Gupta	66,500	0.37	66,500	0.27	66,500	0.27
38.	Akhil Gupta	66,500	0.37	66,500	0.27	66,500	0.27
39.	Mukesh Goel	66,500	0.37	66,500	0.27	66,500	0.27

#### Notes:

- The Promoter Group shareholders are Smt. Mithlesh Bansal, Mr. Rachit Bansal, M/S Alliance Farms & Agriculture Ltd, Smt. Neera Bansal, Smt. Antara Rakesh, Smt. Suruchi Mittal, Smt. Riha Bansal, Mr. Ravindra Manchanda, Mr. Kanwal Manchanda, Mr. Sudhir Agarwal, Smt. Sangita Gupta, Smt. Nikita Agarwal, Smt. Pooja Manchanda, Shri Ashok Kumar Mittal, Smt. Aditi Bansal and Mr. Sunil Agarwal Suresh Mittal.

- Assuming full subscription in the Fresh Issue. The post-issue shareholding details as at allotment will be based on the actual subscription and the final Issue price and updated in the prospectus, subject to finalization of the basis of allotment.

Also, this table assumes there is no transfer of shares by these shareholders between the date of the advertisement and allotment (if any such transfers occur prior to the date of prospectus, it will be updated in the shareholding pattern in the prospectus).

### BASIS FOR ISSUE PRICE

The "Basis of the issue price" on page 144 of the Offer document has been updated with the above price band. Please refer to the website of the BRLM i.e. [https://www.ftfinsec.com/resource/Offer\\_Documents/Offer\\_Documents.aspx](https://www.ftfinsec.com/resource/Offer_Documents/Offer_Documents.aspx) for the "Basis of the issue price" updated with the above price band. You can scan the QR code mentioned on the 1st page of this advertisement for redirecting to webpage of the BRLM where documents related to issue including the "Basis for Issue Price".

### INDICATIVE TIMELINES FOR THE ISSUE

Our Company may in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

Sequence of Activities	Listing within T+3 days (T is Issue Closing Date i.e. Thursday, May 29, 2025)
Application Submission by Investors	Electronic Applications (Online ASBA through 3-in-1 accounts) - Upto 5 pm on Thursday, May 29, 2025. Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA etc.) - Upto 4 pm on Thursday, May 29, 2025. Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) - Upto 3 pm on Thursday, May 29, 2025 Physical Applications (Bank ASBA) - Upto 1 pm on Thursday, May 29, 2025. Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIs) - Upto 12 pm on Thursday, May 29, 2025 and Syndicate members shall transfer such applications to banks before 1 pm on Thursday, May 29, 2025.
Bid Modification	From Issue opening date up to 5 pm on Thursday, May 29, 2025.
Validation of bid details with depositories	From Issue opening date up to 5 pm on Thursday, May 29.
Reconciliation of UPI mandate transactions (Based on the guidelines issued by NPCI from time to time): Among Stock Exchanges -Sponsor Banks - NPCI and NPCI - PSPs/TPAPs** - Issuer Banks; Reporting formats of bid information, UPI analysis report and compliance timelines.	On daily basis transactions. Merchant Bankers to submit to SEBI, sought as and when.
UPI Mandate acceptance time	Thursday, May 29, 2025- 5 pm
Issue Closure T day	Thursday, May 29, 2025- 4 pm for QIB and NI categories Thursday, May 29, 2025- 5 pm for Retail and other reserved categories
Third party check on UPI applications	On daily basis and to be completed before 9:30 AM on Friday, May 30, 2025.

